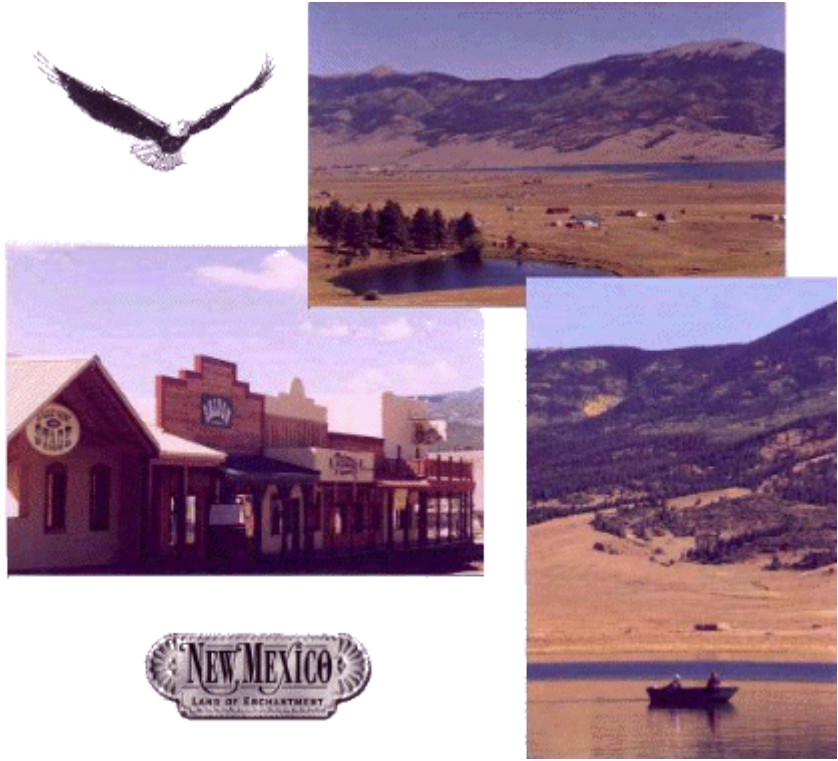


**STATE OF NEW MEXICO**



**VILLAGE OF EAST NEST  
ANNUAL FINANCIAL REPORT  
JUNE 30, 2015**

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## **INTRODUCTORY SECTION**

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**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
OFFICIAL ROSTER  
June 30, 2015

**Name**

Village Council

**Title**

Richard Cordova

Mayor

Bill Lowery

Mayor Pro-tem/Councilor

Laura Bowers

Council Member

Jamie McCaslin

Council Member

Aaron Becton

Council Member

Village Officials

Mary Berglund

Village Clerk/Treasurer

Cathy Cobby, CMC

Village Finance Officer

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State of New Mexico  
Village of Eagle Nest  
**ANNUAL FINANCIAL REPORT**  
For the Fiscal Year Ended June 30, 2015

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State of New Mexico  
Village of Taos Ski Valley  
ANNUAL FINANCIAL REPORT  
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**FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Timothy Keller  
New Mexico State Auditor  
The Office of Management and Budget and  
The Governing Board  
Village of Eagle Nest  
Eagle Nest, New Mexico

### **Report on Financial Statements**

We audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, and the budgetary comparisons of the general fund and the major special revenue funds and major capital project funds of the Village of Eagle Nest (the "Village") as of and for the year ended June 30, 2015, and the related notes to the financial statements which collectively comprise the Village of Eagle Nest's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Village of Eagle Nest's nonmajor special revenue funds and the budgetary comparisons for the major capital project funds, nonmajor special revenue funds, debt service funds, and the enterprise presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2015, as listed in the table of contents. We did not audit the 2014 Schedule of Employer Allocations and Pension Amounts of the State of New Mexico Public Employee Retirement Association (PERA), the administrator of the cost sharing pension plan for the Village. The schedules and statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Village, is based solely on the report of the other auditors.

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

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain 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 Village of Eagle Nest'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 Village of Eagle Nest'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, based on our report and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Eagle Nest, as of June 30, 2015, and the respective changes in

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financial position where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and major special revenue funds, and major capital project funds for the year then ended in conformity 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 special revenue fund of the Village of Eagle Nest as of June 30, 2015, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the major capital project funds, nonmajor special revenue funds, debt service funds, and the enterprise fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis* on pages 13-20, the *Schedule of Proportionate Share of Net Pension liability* on page 115, the *Schedule of Contributions* on page 117, and the *notes to required supplementary information* on page 119 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 the 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 of Eagle Nest's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The other schedules as required by 2.2.2 NMAC are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The other schedules required by 2.2.2 NMAC are the responsibility of management and was derived from and relates 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 statement 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 other schedules as required by 2.2.2 NMAC are fairly stated in all material respects in relation to the basic financial statements as a whole.

The Schedule of Vendor Information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2015 on our consideration of the Village of Eagle Nest's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village of Eagle Nest's internal control over financial reporting and compliance.

*Precision Accounting, LLC*

Precision Accounting, LLC  
Albuquerque, New Mexico  
November 20, 2015

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STATE OF NEW MEXICO  
Village of Eagle Nest  
Management's Discussion and Analysis  
for the Year Ended June 30, 2015  
Unaudited

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

#### FINANCIAL HIGHLIGHTS

- The assets \$6,839,240 of the Village of Eagle Nest exceeded its liabilities of \$953,109 and its deferred inflows of resources of \$67,055 at the close of the most recent fiscal year by \$5,819,076 (*net position*). Of this amount, \$29,084 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position decreased by \$(184,792) during the fiscal year. The majority of this increase is due to the Village controlling expenditures and a litigation settlement.
- As of June 30, 2015, the Village's governmental funds reported combined ending fund balances of \$525,955 of this total; \$100 is restricted for capital projects, \$22,066 is restricted for debt service, and \$312,576 is restricted for special revenue funds.

#### Overview of the Financial Statements

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

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

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

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

Both of the government-wide financial statements distinguish functions of the Village of Eagle Nest that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Village of Eagle Nest include general government, public safety, public works, culture and recreation, and health and welfare. The business-type activities of the Village include Sewer, Water & Trash Utility billing and various licensing.

The government-wide financial statements can be found at Exhibits A-1 and A-2 of this report.

STATE OF NEW MEXICO  
Village of Eagle Nest  
Management's Discussion and Analysis  
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Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village of Eagle Nest, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village of Eagle Nest can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

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

The Village of Eagle Nest maintains twenty five individual governmental funds organized according to their type. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the General Fund, Municipal Streets Fund, CDBG Capital Project Fund and the Marina Way Capital Project Fund, all of which are considered to be major funds. Data from the other nineteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The Village of Eagle Nest adopts an annual appropriated budget for its general fund and all other funds. A budgetary comparison statement has been provided for the General Fund, Municipal Streets Fund, CDBG Capital Project Fund and the Marina Way Capital Project Fund to demonstrate compliance with this budget. In addition, the individual financial statements of the non-major governmental fund types include budgetary comparison data.

The basic governmental fund financial statements can be found at exhibits B-1 through D-3 of this report.

*Proprietary funds.* Proprietary funds are generally used to account for services for which the Village charges customers either outside customers or internal units or departments of the Village. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 45-65 of this report.

Combining statements. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 74-111 of this report.

STATE OF NEW MEXICO  
Village of Eagle Nest  
Management's Discussion and Analysis  
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GOVERNMENT-WIDE FINANCIAL ANALYSIS

This is the fourth year that the Village has presented its financial statements under the new reporting model required by the Governmental Accounting Standards Board Statement No. 34 (GASB #34), *Basic Financial Statements—and Management's Discussion and Analysis (MD&A) -for State and Local Governments*.

Analysis of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village of Eagle Nest, assets exceeded liabilities by \$5,819,076 at the close of the current fiscal year.

The largest portion of the Village of Eagle Nest's net position represents the Village's investment of \$5,437,926 in capital assets (e.g., land improvements, buildings, infrastructure and machinery & equipment); less any related outstanding debt used to acquire those assets. The Village of Eagle Nest uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the Village of Eagle Nest's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

<b>Village of Eagle Nest's Net Position</b>						
	June 30, 2015			June 30, 2014		
	Governmental	Business- Type	Total	Governmental	Business- Type	Total
<b>Assets</b>						
Current and other assets	\$ 986,461	\$ 317,252	\$ 1,303,713	\$ 730,936	\$ 262,550	\$ 993,486
Restricted Cash	12,354	-	12,354	67,577	11,944	79,521
Capital assets, net of accumulated depreciation	4,716,239	792,729	5,508,968	4,957,528	833,908	5,791,436
<b>Deferred Outflows of resources</b>	14,205	-	14,205	-	-	-
Total Assets	5,729,259	1,109,981	6,839,240	5,756,041	1,108,402	6,864,443
<b>Liabilities</b>						
Long-term liabilities outstanding	418,244	23,140	441,384	324,218	-	324,218
Other Liabilities	508,330	3,395	511,725	337,567	17,616	355,183
Total Liabilities	926,574	26,535	953,109	661,785	17,616	679,401
Deferred inflow of resources	67,055	-	67,055	-	-	-
<b>Net position</b>						
Net investment in capital assets	4,645,197	792,729	5,437,926	4,623,912	833,908	5,457,820
Restricted	352,066	-	352,066	22,600	-	22,600
Unrestricted	(261,633)	290,717	29,084	447,744	256,878	704,622
Total Net Position	4,735,630	1,083,446	5,819,076	5,094,256	1,090,786	6,185,042
Total Liabilities, Deferred inflow of resources and Net Position	\$ 5,729,259	\$ 1,109,981	\$ 6,839,240	\$ 5,756,041	\$ 1,108,402	\$ 6,864,443

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A portion of the Village of Eagle Nest's net position represents resources that are subject to restrictions. The restrictions relate to capital projects and debt service.

At the end of the current fiscal year, the Village of Eagle Nest is able to report positive balances in all of the categories of net position, for the government as a whole as well as for the business-type activities.

The Village of Eagle Nest's total net position decreased by \$(184,792) during the current fiscal year. This decrease is explained in the government and business-type activities discussion below, and is primarily a result of increased expenses in the governmental activities and decreased expenses in the business-type activities during the fiscal year.

Statement of Activities  
For the Year Ended June 30, 2015

	Governmental Activities	Business-Type Activities	Total
<b>Revenue</b>			
<b>Program revenue</b>			
Charges for Service	142,576	322,131	464,707
Operating grants and contributions	333,248	-	333,248
Capital Grants and Contributions	951,521	-	951,521
<b>General Revenue</b>			
Property Taxes	48,654	-	48,654
Franchise Taxes	12,688	-	12,688
Gas Taxes	10,052	-	10,052
Gross Receipts Taxes	218,794	-	218,794
Public Service Taxes	6,160	-	6,160
Interest Income	642	106	748
Misc Revenues	4,981	-	569,576
Total Revenue	1,729,316	322,237	4,042,251
<b>Expenses</b>			
General Government	608,145	-	608,145
Public Safety	100,508	-	100,508
Public Works	1,050,110	-	1,050,110
Culture and recreation	159,718	-	159,718
Health and Welfare	26,195	-	26,195
Interest on Long-term debt	-	-	-
Business-Type Funds	-	352,344	352,344
Total Expenses	1,944,676	352,344	2,297,020
(Decrease) Increase in Assets before transfer	(215,360)	(30,107)	(245,467)
Transfers	37,908	22,767	60,675
(Decrease) Increase in Net position	(177,452)	(7,340)	(184,792)
Net position, Beginning of Year, restated	4,913,082	1,090,785	6,003,868
Ending Net position, beginning	4,735,630	1,083,446	5,819,076

STATE OF NEW MEXICO  
Village of Eagle Nest  
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Governmental activities: Governmental activities decreased the Village of Eagle Nest's net position by \$(177,452). The key element of this decrease is a result of increased expenditures.

Business-type activities: Business-type activities decrease the Village's net position by \$(30,107). The key element was an increase in revenues of (\$77,400) or 32% and an increase in expenditures of \$76,943 or 28% due to capital projects and repayment of debt compared to prior year.

Statement of Activities  
For the Year Ended June 30, 2014

	Governmental Activities	Business-Type Activities	Total
<b>Revenue</b>			
<b>Program revenue</b>			
Charges for Service	32,789	244,837	277,626
Operating grants and contributions	276,059	-	276,059
Capital Grants and Contributions	1,197,959	-	1,197,959
<b>General Revenue</b>			
Property Tax	30,070	-	30,070
Gross Receipts Tax	196,663	12,938	209,601
State Shared	26,341	-	26,341
Lodgers' Tax	30,782	-	30,782
Franchise Taxes	16,103	-	16,103
Interest on investments	613	92	705
Misc Revenues	15,200	517	15,717
Total Revenue	1,822,579	258,384	2,080,963
<b>Expenses</b>			
General Government	274,220	-	274,220
Culture and Recreation	59,364	-	59,364
Public Safety	208,233	-	208,233
Public Works	179,582	-	179,582
Health and Welfare	99,710	-	99,710
Interest on Long-term debt	9,703	-	9,703
Business-type Funds	-	275,401	275,401
Total Expenses	830,812	275,401	1,106,213
(Decrease) Increase in Assets before transfer	991,767	(17,017)	974,750
Transfers	22,633	(22,633)	-
(Decrease) Increase in Net Position	1,014,400	(39,650)	974,750
Net position, Beginning of Year	4,079,856	1,130,436	5,210,292
Ending Net position	5,094,256	1,090,786	6,185,042

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Management's Discussion and Analysis  
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FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

As noted earlier, Village of Eagle Nest uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental funds.* The focus of Village of Eagle Nest's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Village of Eagle Nest's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of Governmental funds reported by the Village include the General Fund, Special Revenue Funds, and Capital Project Funds.

As of the end of the current fiscal year, Village of Eagle Nest's governmental funds reported combined ending fund balances of \$525,955 an increase of \$475,065 in comparison with the prior year. Of this amount, \$191,213 constitutes *unreserved fund balance*, which is available for spending at the government's discretion, \$312,576 constitutes reserved fund balances for special revenue funds, \$22,066 reserved for debt service and \$100 constitutes reserved fund balance for capital project funds.

Revenues for governmental activities overall totaled \$1,580,834 in the fiscal year ended June 30, 2015, which represents a decrease of \$231,527 from the fiscal year ended June 30, 2014. Expenditures for governmental activities, totaling \$1,563,475 decreased by \$346,294 from the fiscal year ended June 30, 2014. In the fiscal year ended June 30, 2015, revenues exceeded expenditures by \$17,359.

The General Fund is the chief operating fund of Village of Eagle Nest. At the end of the current fiscal year, *unreserved* fund balance of the general fund was \$191,213 of which \$191,213 was unassigned.

The fund balance of Village of Eagle Nest's general fund increased by \$53,955 during the current fiscal year due to expenditures and operating transfers in excess of revenues. Overall, the general fund's performance resulted in revenues in excess of expenditures in the fiscal year ended June 30, 2015 due to an increase in general fund revenues.

*Municipal Street Fund.* The Municipal Street Fund has a fund balance \$103,477. The net increase in fund balance for the current year was \$20,330 increase in fund balance is due primarily to a better than expected revenue during ski season and special events in late summer.

*CDBG Capital Project Fund.* The CDBG Capital Project Fund has a fund balance of \$100. The net increase in fund balance for the year was \$0 due to expenditures equated to grant revenue received.

*Marina Way Capital Project Fund.* The Marina Way Capital Project Fund has a fund balance of \$0. The net increase in fund balance for the year was \$7,637. The increase was primarily due to an increase in revenue, primarily from litigation.

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

At the end of the fiscal year, the net position for Joint Utility Fund was \$1,010,675 and \$72,771 for the Solid Waste Fund. The total decrease in net position for the proprietary funds was \$(7,340). Factors concerning the finances of this fund have been addressed previously in the discussion of the Village's business-type activities.

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 Village of Eagle Nest  
 Management's Discussion and Analysis  
 for the Year Ended June 30, 2015  
 Unaudited

General Fund Budgetary Highlights

Village budgets reflect the same pattern as seen in the revenue and expenditures of the Village. The State of New Mexico budget process is defined under state law and regulation. To enhance the process of developing a budget at the Village level, Village of Eagle Nest utilizes goals and objectives defined by the Village Councilors, community input meetings, long term plans and input from various staff groups to develop the Village budget. Village priorities are well defined through this process.

GASB Statement No. 34 does not require a statement presenting the overall result of the budget for each year; however, all major budgetary funds are required to be reported as a separate statement.

General Fund Expenditure Budget Performance

Final Budget	Actual non-GAAP Cash Basis	Favorable/(Unfavorable) Variance
\$328,116	\$298,486	\$29,630

During the budgeting process, the Village budgeted all expenditures under the general government line item. Throughout the year when expenditures were anticipated in other functions, the Village prepared BAR's to increase the budget for the general fund for those functions.

The Capital Project Funds (non-major) are included in the original budget which is submitted to the Department of Finance and Administration (DFA). However, these funds are spent on a project-by-project basis so the budgets are constantly changing. The individual project budgets for these funds are created during the year through budget adjustment requests (BAR's).

Capital Asset and Debt Administration

Capital assets. Village of Eagle Nest's capital assets for its governmental and business-type activities as of June 30, 2015 amount to \$4,338,133 (net of accumulated depreciation). Capital assets include land, infrastructure, buildings, and machinery and equipment and vehicles. There was \$218,058 increase in the Village's capital assets (excluding accumulated depreciation) for the current fiscal year due primarily to participation in a road project and the infrastructure improvements. There was \$275,510 decrease (excluding accumulated depreciation) in business-type capital assets during the current fiscal year.

Capital Assets, June 30, 2015

	Governmental Total Activities	Business-type Activities
Infrastructure	\$ 6,276,657	\$ -
Land	363,906	179,500
Buildings and improvements	1,642,813	1,603,072
Equipment and Vehicles	1,365,145	20,652
Total capital assets	9,648,521	1,803,224
Accumulated depreciation	4,932,282	1,010,495
Capital assets, net of accumulated depreciation	\$ 4,716,639	\$ 792,729

STATE OF NEW MEXICO  
Village of Eagle Nest  
Management's Discussion and Analysis  
for the Year Ended June 30, 2015  
Unaudited

For government-wide financial statement presentation, all depreciable capital assets were depreciated from acquisition date to the end of the current fiscal year. Fund financial statements record capital asset purchases as expenditures. See Note 7 in the accompanying Notes to the Financial Statements for further information regarding capital assets.

Debt Administration- At the end of the current fiscal year, Village of Eagle Nest had total long-term obligations outstanding of \$327,650. Of this amount, \$301,457 is associated with long term note payables.

Village of Eagle Nest's Outstanding Debt  
As of June 30, 2015

	Governmental Activities	Business-type Activities	Total
Loans	\$ 301,457	\$ -	\$ 301,457
Total long-term liabilities	\$ 301,457	\$ -	\$ 301,457

See Note 8 in the accompanying Notes to the Financial Statements for further information regarding Village of Eagle Nest's long-term debt.

Economic Factors and Next Year's Budgets and Rates

The following are currently known facts, decisions, or conditions that are expected to have a significant effect and impact on the Village's financial position or results of operations. After a two year cycle of large infrastructure projects that impacted gross receipt taxes, the Village is facing a lean year both on the capital project side, as well as a down economy. With this in mind, the Village budgeted gross receipt taxes remains current with FY 2013/2014 budget. The Village employees received a 3% cost of living increase and with continued frugal spending controls the Village will maintain a tight rein on the budget.

The Village has been awarded a \$500,000 Community Development Block Grant for Water System Improvements for the Village infrastructure, \$40,000 New Mexico Department of Transportation COOP Grant and \$7,500 for the New Mexico Clean and Beautiful grant. The Village of Eagle Nest has been named a New Mexico Frontier Community, which will assist the Village with the development of "Main Street" and the Enchanted Eagle Park as a venue site. Enchanted Eagle Park continues to be a top priority for development and improvements towards a park that will provide activities for residents and visitors alike. Other areas of development include additional Senior Center services, attracting new businesses, including broadband corporations and Healthcare Clinic or Urgent Care facility. Applications for FY 15/16 projects are \$50,000 CDBG Planning Grant for a revised Village of Eagle Nest Comprehensive Plan, \$325,000 New Mexico Department of Transportation MAP application for Village street improvements and \$1,000,000 Water Trust Board application for water system improvements to the annexed area of the Village. The Village continues exploring water and waste water infrastructure improvements. An analysis of the enterprise funds is being conducted to see where the Village can improve and consideration of raising rates. A possible increase to waste water and solid waste rates is being explored due to rising cost of maintenance of equipment, equipment, disposal fees and transportation of solid waste. Through the efforts of the elected officials, Village employees and the community the Village will continue to strive for continued improvements to economic development and infrastructure improvements.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Village of Eagle Nest's finances for all of those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Village of Eagle Nest Administration, Village of Eagle Nest ,151 Willow Drive, P.O. Box 168, Eagle Nest, New Mexico, 87718-0168.



**BASIC  
FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**STATEMENT OF NET POSITION**  
June 30, 2015

Exhibit A-1

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>Assets</b>			
Current Assets			
Cash and cash equivalents	\$ 616,765	\$ -	\$ 616,765
Due from Pooled Cash	218,150	192,594	410,744
Investments	85,954	87,695	173,649
Taxes receivable	10,495	-	10,495
Accounts receivable	32,265	36,963	69,228
Prepaid Deposits	22,832	-	22,832
	<u>986,461</u>	<u>317,252</u>	<u>1,303,713</u>
Noncurrent Assets			
Restricted Cash due from Pooled Cash	12,354	-	12,354
Capital assets	9,648,521	1,803,224	11,451,745
Less: accumulated depreciation	<u>(4,932,282)</u>	<u>(1,010,495)</u>	<u>(5,942,777)</u>
	<u>4,728,593</u>	<u>792,729</u>	<u>5,521,322</u>
Deferred outflows of resources			
Post Measurement Date Contributions-Employer	<u>14,205</u>	<u>-</u>	<u>14,205</u>
Total Deferred outflows of resources	<u>14,205</u>	<u>-</u>	<u>14,205</u>
Total Assets	<u>\$ 5,729,259</u>	<u>\$ 1,109,981</u>	<u>\$ 6,839,240</u>

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**STATEMENT OF NET POSITION**  
June 30, 2015

Exhibit A-1

	Governmental Activities	Business-type Activities	Total
<b>Liabilities</b>			
Current Liabilities			
Due to Pooled Cash	\$ 423,098	\$ -	\$ 423,098
Accounts payable	16,037	2,989	19,026
Accrued salaries and benefits	11,947	406	12,353
Accrued interest	2,660	-	2,660
Current portion of loans/bonds payable	54,588	-	54,588
Total Current Liabilities	<u>508,330</u>	<u>3,395</u>	<u>511,725</u>
Noncurrent Liabilities			
Deposits Payable	11,283	12,719	24,002
Accrued Compensated Absences	15,772	10,421	26,193
Loans/bonds payable	246,869	-	246,869
Net Pension Liability	144,320	-	144,320
Total Noncurrent Liabilities	<u>418,244</u>	<u>23,140</u>	<u>441,384</u>
Total Liabilities	<u>926,574</u>	<u>26,535</u>	<u>953,109</u>
Deferred inflows of resources			
Change in Assumptions in Net Pension Liability	98	-	98
Investment Experience in Net Pension Liability	56,462	-	56,462
Unavailable revenue-property taxes	10,495	-	10,495
Total Deferred inflows of resources	<u>67,055</u>	<u>-</u>	<u>67,055</u>
<b>Net Position</b>			
Net Investment in Capital Assets	4,645,197	792,729	5,437,926
Restricted for:			
Capital projects	100	-	100
Special revenue funds	351,185	-	351,185
Debt Service funds	781	-	781
Unrestricted	(261,633)	290,717	29,084
Total Net Position	<u>4,735,630</u>	<u>1,083,446</u>	<u>5,819,076</u>
Total Liabilities, Deferred inflows of resources and Net Position	<u>\$ 5,729,259</u>	<u>\$ 1,109,981</u>	<u>\$ 6,839,240</u>

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**STATEMENT OF ACTIVITIES**  
For the Year Ending June 30, 2015

Exhibit A-2

	<b>Program Revenues</b>		
Expenses	Charges for Services	Operating Grants and Contributions	
<b>Primary Government</b>			
General government	\$ 608,145	\$ 123,957	\$ 31,523
Public safety	100,508	2,589	93,982
Public works	1,050,110	655	82,136
Culture and recreation	159,718	8,175	4,038
Health and welfare	26,195	7,200	121,569
Interest on long-term debt	-	-	-
	<u>1,944,676</u>	<u>142,576</u>	<u>333,248</u>
<b>Total governmental activities</b>			
<b>Business-type Activities:</b>			
Joint Utilities	352,344	322,131	-
	<u>352,344</u>	<u>322,131</u>	<u>-</u>
<b>Total business type activities</b>			
	<u>352,344</u>	<u>322,131</u>	<u>-</u>
<b>Total</b>	<u>\$ 2,297,020</u>	<u>\$ 464,707</u>	<u>\$ 333,248</u>

**General Revenues:**

Taxes

Property taxes, levied for general purposes

Franchise taxes

Gas taxes

Gross receipts taxes

Public service taxes

Interest income

Miscellaneous income

Transfers

Total General Revenues and Transfers

Changes in net position

Net position, beginning

Prior Period Adjustment in General Fund

Restatement for Net Pension Liability

Net position, restated

Net position, ending

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**STATEMENT OF ACTIVITIES**  
For the Year Ending June 30, 2015

Exhibit A-2

<u>Program Revenues</u>	<u>Net Program (Expense) Revenue and Changes in Net Position</u>		
	<u>Primary Government</u>		
<u>Capital Grants and Contributions</u>	<u>Government Activities</u>	<u>Business Type Activities</u>	<u>Total</u>
\$ -	\$ (452,665)	\$ -	\$ (452,665)
-	(3,937)	-	(3,937)
951,521	(15,798)	-	(15,798)
-	(147,505)	-	(147,505)
-	102,574	-	102,574
-	-	-	-
<u>951,521</u>	<u>(517,331)</u>	<u>-</u>	<u>(517,331)</u>
<u>-</u>	<u>-</u>	<u>(30,213)</u>	<u>(30,213)</u>
<u>-</u>	<u>-</u>	<u>(30,213)</u>	<u>(30,213)</u>
<u>\$ 951,521</u>	<u>(517,331)</u>	<u>(30,213)</u>	<u>(547,544)</u>
	48,654	-	48,654
	12,688	-	12,688
	10,052	-	10,052
	218,794	-	218,794
	6,160	-	6,160
	642	106	748
	4,981	-	4,981
	<u>37,908</u>	<u>22,767</u>	<u>60,675</u>
	<u>339,879</u>	<u>22,873</u>	<u>362,752</u>
	(177,452)	(7,340)	(184,792)
	5,094,256	1,090,786	6,185,042
	13,707	-	13,707
	<u>(194,881)</u>	<u>-</u>	<u>(194,881)</u>
	<u>4,913,082</u>	<u>1,090,786</u>	<u>6,003,868</u>
	<u>\$ 4,735,630</u>	<u>\$ 1,083,446</u>	<u>\$ 5,819,076</u>

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**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
June 30, 2015

	<u>General Fund</u>	<u>Municipal Street Fund</u>	<u>CDBG Capital Project Fund</u>	<u>Marina Way Capital Project Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<i>Assets</i>						
Cash and cash equivalents	\$ 591,147	\$ -	\$ 100	\$ -	\$ 25,518	\$ 616,765
Due from Pooled Cash	-	81,761	-	-	148,743	230,504
Investments	7,022	37,495	-	-	41,437	85,954
Other receivables	35,667	865	-	-	8,087	44,619
Prepaid Deposits	-	-	-	-	22,832	22,832
<i>Total assets</i>	<u>\$ 633,836</u>	<u>\$ 120,121</u>	<u>\$ 100</u>	<u>\$ -</u>	<u>\$ 246,617</u>	<u>\$ 1,000,674</u>
<i>Liabilities and fund balances</i>						
<i>Liabilities</i>						
Due to Pooled Cash	\$ 423,098	\$ -	\$ -	\$ -	\$ 12,354	\$ 435,452
Accounts payable	8,226	16,285	-	-	2,809	27,320
Accrued salaries and benefits	11,299	359	-	-	289	11,947
<i>Total liabilities</i>	<u>442,623</u>	<u>16,644</u>	<u>-</u>	<u>-</u>	<u>15,452</u>	<u>474,719</u>
<i>Deferred inflows of resources</i>						
Unavailable revenue-property taxes	-	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balances</i>						
Fund Balance						
Restricted for:						
General Fund	-	-	-	-	-	-
Special Revenue Funds	-	103,477	-	-	209,099	312,576
Capital Projects Funds	-	-	100	-	-	100
Debt Service Funds	-	-	-	-	22,066	22,066
Committed for:						
General Fund	-	-	-	-	-	-
Special Revenue Funds	-	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-	-
Assigned for:						
General Fund	-	-	-	-	-	-
Special Revenue Funds	-	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-	-
Unassigned for:						
General Fund	191,213	-	-	-	-	191,213
<i>Total fund balances</i>	<u>191,213</u>	<u>103,477</u>	<u>100</u>	<u>-</u>	<u>231,165</u>	<u>525,955</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 633,836</u>	<u>\$ 120,121</u>	<u>\$ 100</u>	<u>\$ -</u>	<u>\$ 246,617</u>	<u>\$ 1,000,674</u>

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STATE OF NEW MEXICO  
VILLAGE OF EAGLE NEST  
RECONCILIATION OF BALANCE SHEET-GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
June 30, 2015

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

Fund balances - total governmental funds	\$ 525,955
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	4,716,239
Long-term liabilities, including notes payable, and net pension liability are not due and payable in the current period and, therefore, are not reported in the funds	<u>(506,564)</u>
Net position of governmental activities	<u>\$ 4,735,630</u>

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**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS**  
For the Year Ending June 30, 2015

	General Fund	Municipal Street Fund	CDBG Capital Project Fund	Marina Way Capital Project Fund	Other Governmental Funds	Total
<i>Revenues:</i>						
<i>Taxes</i>						
Gross receipts taxes	\$ 181,655	\$ 37,139	\$ -	\$ -	\$ 10,148	\$ 228,942
Property taxes	38,506	-	-	-	-	38,506
Lodgers' tax	-	-	-	-	-	-
Gasoline tax	-	10,052	-	-	-	10,052
Franchise tax	12,688	-	-	-	-	12,688
State Grant Income	(4,226)	70,000	517,038	286,029	248,169	1,117,010
Charges for Services	92,500	-	-	-	63,256	155,756
Licenses and Fees	6,217	-	-	-	67	6,284
Investment Income (Loss)	499	45	-	-	98	642
Miscellaneous	7,643	1,210	-	-	2,101	10,954
	<u>335,482</u>	<u>118,446</u>	<u>517,038</u>	<u>286,029</u>	<u>323,839</u>	<u>1,580,834</u>
<i>Expenditures:</i>						
<i>Current:</i>						
General Government	294,587	-	-	-	44,318	338,905
Public Safety	-	-	-	-	125,143	125,143
Public Works	-	98,116	517,038	281,744	271	897,169
Culture and Recreation	-	-	-	-	156,821	156,821
Health and Welfare	-	-	-	-	31,995	31,995
Capital Outlay	-	-	-	-	-	-
<i>Debt Service:</i>						
Principal	-	-	-	-	13,442	13,442
Interest	-	-	-	-	-	-
	<u>294,587</u>	<u>98,116</u>	<u>517,038</u>	<u>281,744</u>	<u>371,990</u>	<u>1,563,475</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>40,895</u>	<u>20,330</u>	<u>-</u>	<u>4,285</u>	<u>(48,151)</u>	<u>17,359</u>
<i>Other financing sources (uses)</i>						
Transfers (Out)	(6,248)	-	-	-	(12,352)	(18,600)
Transfers In	19,308	-	-	3,352	29,471	52,131
<i>Total other financing sources (uses)</i>	<u>13,060</u>	<u>-</u>	<u>-</u>	<u>3,352</u>	<u>17,119</u>	<u>33,531</u>
<i>Net change in fund balance</i>	53,955	20,330	-	7,637	(31,032)	50,890
<i>Fund balance - beginning of year</i>	<u>137,258</u>	<u>83,147</u>	<u>100</u>	<u>(7,637)</u>	<u>262,197</u>	<u>475,065</u>
<i>Fund balance - end of year</i>	<u>\$ 191,213</u>	<u>\$ 103,477</u>	<u>\$ 100</u>	<u>\$ -</u>	<u>\$ 231,165</u>	<u>\$ 525,955</u>

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STATE OF NEW MEXICO  
VILLAGE OF EAGLE NEST

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
For the Year Ending June 30, 2015

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

Net change in fund balances - total governmental funds	\$	50,890
<p>Governmental funds report capital outlays as expenditures. However in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:</p>		
Capital expenditures		14,181
Depreciation expense		(255,470)
<p>The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.</p>		
Increase in accrued interest		(2,660)
Principal payments on notes payable		32,159
Increase in accrued compensated absences		(16,552)
		(177,452)
Change in net position of governmental activities	\$	(177,452)

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**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ 186,435	\$ 186,435	\$ 220,417	\$ 33,982
State Grant Income	-	-	3,044	3,044
Charges For Services	96,865	96,865	96,865	-
Licenses and Fees	8,435	8,435	6,084	(2,351)
Interest Income	850	850	499	(351)
Investment Income(Loss)	-	-	-	-
Miscellaneous	-	-	7,643	7,643
<i>Total revenues</i>	<u>292,585</u>	<u>292,585</u>	<u>334,552</u>	<u>41,967</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General Government	328,116	328,116	298,486	29,630
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>328,116</u>	<u>328,116</u>	<u>298,486</u>	<u>29,630</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(35,531)</u>	<u>(35,531)</u>	<u>36,066</u>	<u>71,597</u>
<i>Other financing sources (uses)</i>				
Designated Cash	35,531	35,531	-	(35,531)
Transfers In	-	-	19,308	19,308
Transfers Out	(19,308)	(19,308)	(6,248)	13,060
<i>Total other financing sources (uses)</i>	<u>16,223</u>	<u>16,223</u>	<u>13,060</u>	<u>(3,163)</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	<u>(19,308)</u>	<u>(19,308)</u>	<u>49,126</u>	<u>68,434</u>
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>118,923</u>	<u>118,923</u>
<i>Cash Balance - End of Year</i>	<u>\$ (19,308)</u>	<u>\$ (19,308)</u>	<u>\$ 168,049</u>	<u>\$ 187,357</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			8,649	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			(3,820)	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ 53,955</u>	

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**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**MUNICIPAL STREETS SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes	\$ 41,035	\$ 41,035	\$ 46,326	\$ 5,291
State Grant Income	70,000	70,000	70,000	-
Charges For Services	-	-	-	-
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	-	-	45	45
Miscellaneous	150	6,546	1,210	(5,336)
<i>Total revenues</i>	<u>111,185</u>	<u>117,581</u>	<u>117,581</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	105,490	109,775	81,407	28,368
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>105,490</u>	<u>109,775</u>	<u>81,407</u>	<u>28,368</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>5,695</u>	<u>7,806</u>	<u>36,174</u>	<u>28,368</u>
<i>Other financing sources (uses)</i>				
Designated Cash	(5,695)	(7,806)	-	7,806
Transfers (In) Out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(5,695)</u>	<u>(7,806)</u>	<u>-</u>	<u>7,806</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	36,174	36,174
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>45,587</u>	<u>45,587</u>
<i>Cash Balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 81,761</u>	<u>\$ 81,761</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			(2,048)	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			<u>(13,796)</u>	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ 20,330</u>	

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**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**PROPRIETARY FUNDS**  
**STATEMENT OF NET POSITION**  
June 30, 2015

	<u>Joint Utility Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>
<b>Assets</b>			
Current Assets			
Cash and cash equivalents	\$ -	\$ -	\$ -
Due from Pooled Cash	140,651	51,943	192,594
Investments	74,214	13,481	87,695
Accounts receivable, net of allowance	<u>28,092</u>	<u>8,871</u>	<u>36,963</u>
Total Current Assets	<u>242,957</u>	<u>74,295</u>	<u>317,252</u>
Noncurrent Assets			
Capital assets	1,803,224	-	1,803,224
Less: accumulated depreciation	<u>(1,010,495)</u>	<u>-</u>	<u>(1,010,495)</u>
Total Noncurrent Assets	<u>792,729</u>	<u>-</u>	<u>792,729</u>
Total Assets	<u>\$ 1,035,686</u>	<u>\$ 74,295</u>	<u>\$ 1,109,981</u>
<b>Liabilities</b>			
Current Liabilities			
Accounts payable	\$ 1,465	\$ 1,524	\$ 2,989
Accrued salaries and benefits	<u>406</u>	<u>-</u>	<u>406</u>
Total Current Liabilities	<u>1,871</u>	<u>1,524</u>	<u>3,395</u>
Noncurrent Liabilities			
Deposits Payable	12,719	-	12,719
Accrued Compensated Absences	<u>10,421</u>	<u>-</u>	<u>10,421</u>
Total Noncurrent Liabilities	<u>23,140</u>	<u>-</u>	<u>23,140</u>
Total Liabilities	<u>25,011</u>	<u>1,524</u>	<u>26,535</u>
<b>Net Position</b>			
Net Investment in Capital Assets	792,729	-	792,729
Unrestricted	<u>217,946</u>	<u>72,771</u>	<u>290,717</u>
Total Net Position	<u>1,010,675</u>	<u>72,771</u>	<u>1,083,446</u>
Total Net Position and Liabilities	<u>\$ 1,035,686</u>	<u>\$ 74,295</u>	<u>\$ 1,109,981</u>

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**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
For the Year Ended June 30, 2015

	<u>Joint Utility Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>
<i>Operating revenues:</i>			
Charges for services	\$ 204,000	\$ 118,131	\$ 322,131
<i>Total operating revenues</i>	<u>204,000</u>	<u>118,131</u>	<u>322,131</u>
<i>Operating expenses:</i>			
Operating Expenses	49,774	10,147	59,921
Travel	3,021	732	3,753
Depreciation	41,179	-	41,179
Contract Services	9,170	67,679	76,849
Salaries	51,608	31,352	82,960
Supplies	12,939	18,445	31,384
<i>Total operating expenses</i>	<u>167,691</u>	<u>128,355</u>	<u>296,046</u>
<i>Operating income (loss)</i>	<u>36,309</u>	<u>(10,224)</u>	<u>26,085</u>
<i>Non-operating revenues (expenses):</i>			
Interest Income	90	16	106
<i>Total non-operating revenues (expenses)</i>	<u>90</u>	<u>16</u>	<u>106</u>
<i>Income (loss) before transfers</i>	36,399	(10,208)	26,191
Transfers	(33,531)	-	(33,531)
<i>Change in net position</i>	2,868	(10,208)	(7,340)
<i>Net position, beginning of year</i>	<u>1,007,807</u>	<u>82,979</u>	<u>1,090,786</u>
<i>Net Position, end of year</i>	<u>\$ 1,010,675</u>	<u>\$ 72,771</u>	<u>\$ 1,083,446</u>

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**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**STATEMENT OF CASH FLOWS-PROPRIETARY FUNDS**  
For the Year Ended June 30, 2015

	<u>Joint Utility Fund</u>	<u>Solid Waste Fund</u>	<u>Total</u>
<i>Cash flows from operating activities:</i>			
Cash received from user charges	\$ 204,000	\$ 118,131	\$ 322,131
Cash payments to employees for services	(51,608)	(31,352)	(82,960)
Cash payments to suppliers for goods and services	(37,731)	(86,223)	(123,954)
Depreciation	(41,179)	-	(41,179)
<i>Net cash provided by operating activities</i>	<u>73,482</u>	<u>556</u>	<u>74,038</u>
<i>Cash flows from capital and related financing activities:</i>			
Acquisition of capital assets	-	-	-
Proceeds from loan	-	-	-
Principal paid on debt	-	-	-
Transfers from other funds	(33,531)	-	(33,531)
Interest paid on debt	-	-	-
<i>Net cash used by financing activities:</i>	<u>(33,531)</u>	<u>-</u>	<u>(33,531)</u>
<i>Cash flows from capital and related investing activities:</i>			
Interest earned	-	13	13
Net cash used by investing activities:	<u>-</u>	<u>13</u>	<u>13</u>
<i>Net decrease in cash and cash equivalents</i>	39,951	569	40,520
<i>Cash and cash equivalents - beginning of year</i>	<u>174,914</u>	<u>64,855</u>	<u>239,769</u>
<i>Cash and cash equivalents - end of year</i>	<u>\$ 214,865</u>	<u>\$ 65,424</u>	<u>\$ 280,289</u>
<i>Reconciliation of operating income (loss) to net cash provided (used)</i>			
<i>by operating activities</i>			
Operating income (loss)	\$ 36,309	\$ (10,224)	\$ 26,085
Adjustments to reconcile operating (loss) to net cash (used)			
by operating activities			
Depreciation	41,179	-	41,179
Changes in assets and liabilities			
Receivables	(11,491)	9,253	(2,238)
Inventory	-	-	-
Accrued expenses	(406)	-	(406)
Accounts payable	(357)	1,524	1,167
Accrued compensated absences	8,248	-	8,248
<i>Net cash (used) by operating activities</i>	<u>\$ 73,482</u>	<u>\$ 553</u>	<u>\$ 74,035</u>

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**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2015

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

The Village of Eagle Nest (“Village”) was incorporated in 1976, under provisions of Chapter 3, Article 2, NMSA, 1978 as amended. The Village operates under a Council-Mayor form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, water and sewer services, refuse collection, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

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

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

This summary of significant accounting policies of the 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 Government Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements have incorporated all applicable GASB statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures. The more significant of the Village’s accounting policies are described below.

**A. Financial Reporting Entity**

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

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body’s ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters.

A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based upon the application of these criteria, the Village has no component units, and is not a component unit of another governmental agency.

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2015

**NOTE 1.**

**B. Government-wide and fund financial statements**

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

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

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

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2015

**NOTE 1.**

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

Governmental funds are used to account for the Village's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets and the servicing of general long-term debt. Governmental funds include:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues are provided through property and other taxes, federal sources, state sources, charges for services, licenses and fees, and other miscellaneous recoveries and revenue. Expenditures include all costs associated with the daily operation of the Village except for items included in other funds.

The *Special Revenue Funds* account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

The *Debt Service Funds* account for the services of general long-term debt not being financed by proprietary or nonexpendable trust funds.

The *Capital Projects Funds* account for the acquisition of fixed assets or construction of major capital projects not being financed by the proprietary or nonexpendable trust funds.

Under the requirements of GASB No. 34, the Village is required to present certain of its governmental funds as major based upon certain criteria. The major funds presented in the fund financial statements include only the General Fund, Municipal Streets Fund, and Capital Project Funds. No other funds were required to be presented as major at the discretion of management.

*General Fund* – the Village's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. Revenues are provided primarily through property, gross receipts and other miscellaneous taxes.

*Municipal Streets Fund* - to account for revenues from a 1 cent gasoline tax which is used to repair and construct roads.

*Capital Project – CDBG* - to account for receipts under the Community Development Block Grant and expenditures related to the grant. Authority is federal grant under Title 1 of the Housing and Community Development Act of 1974.

*Capital Project – Marina Way* - to account for the grant funds from the New Mexico Department of Game and Fish used for the paving of Marina Way in order to provide improved access to boating and fishing recreational opportunities. Authorized by 17-1-1 NMSA 1978.

The *Joint Utility Fund* (Enterprise Fund) accounts for charges from the delivery of water and sewer utility services to the Village and the corresponding costs of delivering those services.

The *Solid Waste Fund* (Enterprise Fund) accounts for activities of solid waste utility service to the Village and the corresponding costs of delivering those services.

Additionally, the government reports the following fund types:

The fiduciary funds are purely custodial (assets equal liabilities) and do not involve measurement of results of operations. The Village has no fiduciary funds. The Village's fiduciary funds are used to account for the collection and expenditure of volunteer fire donations.

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2015

**NOTE 1. C. Measurement focus, basis of accounting, and financial statement presentation (continued)**

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes, because elimination of these charges would distort the direct costs and program revenues reported in the Statement of Activities.

Program revenues reduce the cost of the function to be financed from the Village's general revenues. Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing service in connection with the fund's principal ongoing operations. The principal operating revenue of the Village's enterprise fund is charges for services for the Village's water & sewer utilities. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the Village's policy to use the restricted resources first, then unrestricted resources as they are needed.

**D. Assets, Liabilities, and Net Position or Equity**

**Deposits and Investments:** The Village's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. State statutes authorize the Village to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Investment Pool.

Investments for the Village are reported at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

**Receivables and Payables:** Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds or internal balances" (i.e., the current portion of interfund loans) or "advances to/from other funds or internal balances" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

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

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

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2015

**NOTE 1. D. Assets, Liabilities, and Net Position or Equity (continued)**

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

**Capital Assets:** Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5). Library books are expensed as purchased.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction. Property, plant, and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	45
Land Improvements	20
Vehicles	6
Computer Equipment	5
Other Furniture and Equipment	5-20

**Unearned Revenues:** Accounting principles generally accepted in the United States of America require that grant revenue be recognized at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as Unearned Revenues. In addition, property taxes receivable but uncollected within sixty (60) days of year-end are classified as deferred revenue.

**Deferred Inflow/Outflows of Resources:** GASB 63 amended previous guidance on Unearned Revenues in the Government-Wide Financial Statements to include deferred outflow of resources, which is the consumption of net assets by the government that is applicable to a future reporting period and deferred inflow of resources, which is acquisition of net assets by the government that is applicable to a future reporting period. Property taxes levied but not received are recorded as deferred inflows of resources unless the amount is undetermined.

**Compensated Absences:** Qualified employees are entitled to accumulate annual leave according to a graduated leave schedule of ten days to twenty days per year, depending on length of service. Employees may accumulate up to 240 hours of annual leave and carry that leave forward from calendar year to calendar year. Upon termination, employees will be paid for all days of accrued annual leave. Qualified employees are entitled to accumulate sick leave up to 120 hours at a rate of twelve days per year. Sick leave can be carried over from year to year. Upon termination employees receive pay for sick time accumulated up to 120 hours.

All vacation pay and applicable accumulated sick leave is accrued when incurred in the government-wide financial statements. A liability for those amounts is reported in the governmental funds only if they have matured, for example, as a result of an employee retirements or terminations.

**Long-term Obligations:** In the government-wide fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2015

**D. Assets, Liabilities, and Net Position or Equity (continued)**

**Net Position or Fund Equity:**

Committed fund balance represents amounts that are useable only for specified purposes by formal action of the governments' highest level of decision-making authority.

Assigned fund balance represents amounts that are intended to be used for specific purpose, but are neither restricted nor committed. Intent is expressed by the governing body or a subordinate high level body or official whom the governing body has delegated

Restricted fund balance represents amounts with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation.

Unassigned fund balance is the residual classification for the general fund and represents the amount that have not been assigned to other funds, and that have not been restricted, committed or assigned to specific purposes.

Net investment in capital assets consists of net position including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.

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

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

**Estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Tax Revenues:** The Village receives mill levy and ad-valorem tax revenues. Property taxes are assessed on January 1<sup>st</sup> of each year and are payable in two equal installments, on November 10<sup>th</sup> of the year in which the tax bill is prepared and May 10<sup>th</sup> of the following year with the levies becoming delinquent 30 days (one month) thereafter. The Village recognizes tax revenues in the period for which they are levied in the government-wide financial statements. The Village records only the portion of the taxes considered 'measureable' and 'available' in the governmental fund financial statements. Descriptions of the individual general, debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

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

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2015

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

*Budgetary Information*

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

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

The budgetary information presented in these financial statements has been amended in accordance with the above procedures.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds. The Village is required to balance its budgets each year. Accordingly, amounts that are in excess or deficient are presented as changes in cash designated for expenditures, not as an excess or deficiency of revenues over expenditures. The Village Council may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance.

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

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with Generally Accepted Accounting Principles, a reconciliation of resultant basis, perspective, equity, and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2015 is presented as part of the budgetary statements.

**NOTE 3. Deposits and Investments**

State statutes authorize the investment of Village funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States government obligations. All invested funds of the Village properly followed State investment requirements as of June 30, 2015.

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

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

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

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

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2015

**NOTE 3. Deposits and Investments (continued)**

NM State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the Village for at least one half the amount in excess of FDIC coverage on deposit with the institution.

The schedule listed below discloses the State of New Mexico, Office of the State Auditor's requirements on reporting the insured portion of the Village's deposits.

	International Bank	Bank of America	First National Bank
Checking, Interest Bearing	\$ 660,684	\$ 5,097	\$ 992
Total Deposits	660,684	5,097	992
Less: FDIC Coverage	250,000	-	-
Total uninsured public funds	410,684	5,097	992
50% Collateral requirement	205,292	-	-
Pledged Securities	299,578	-	-
(Over)Under collateralized	\$ (94,086)	\$ -	\$ -

**Custodial Credit Risk-Deposits**

Account Balance	\$ 666,773
FDIC Insured	250,000
Pledged Collateral:	
Collateral held by the pledging bank, not in the Village's name	299,578
Uninsured and uncollateralized	117,195
Total Deposits	<u>\$ 666,773</u>

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2015, \$117,195 of the Village's bank balance of \$666,773 was exposed to custodial credit risk.

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

**Reconciliation of Cash and Temporary Investments**

Carrying amounts by fund per financial statement at June 30, 2015 is:

Governmental Funds- Balance Sheet	
Cash and cash equivalents per Exhibit B-1	\$702,719
Cash and cash equivalents per Exhibit D-1	87,695
Add outstanding deposits and checks	50,108
Less Petty Cash	(100)
Less State Treasurers LGIP reflected in investments	(173,649)
Total	<u>\$ 666,773</u>



**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 3. Deposits and Investments (continued)**

*Custodial Credit Risk – Investments.* For an investment, custodial credit risk is the risk that in the event of counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village does not have an investment policy for custodial credit risk. The Village’s investments are in certificates of deposits and investment in the State Treasurer’s Local Government Investment Pool (LGIP). The LGIP is not subject to custodial credit risk and the custodial credit risk for the certificates of deposits is contemplated in *custodial risk – cash*.

*Interest Rate Risk and Credit Rating- Investment in State Treasurer’s LGIP*

The Village does not have a formal policy limiting investment maturities to manage its exposure to fair value losses from increasing interest rates. The Village’s investments at June 30, 2015 include the following:

State Treasurer LGIP	AAAm	56.4-day WAM(R)	\$ <u>173,649</u>
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The State Treasurer Local Government Investment Pool is not SEC registered. Section 6-10-10 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 funds in securities that are issued by the United States government or by its departments or agencies and are either 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; 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 amounts of the fund were invested. Any unrealized gain or loss on the portfolio is distributed through the investment yield on distributed dates. The carrying amount of the portfolio approximates the fair value of all investments at June 30, 2015. Participation in the Local Government Investment Pool is voluntary.

NM State Statutes require collateral pledged for repurchase agreements in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the Village for at least 102% of the amount on deposit with the institution. There are no repurchase agreements for the year ended June 30, 2015.

The Village utilizes pooled accounts for their funds. The General, Special Revenue, Capital Projects, and Proprietary are all in multiple accounts.

**STATE OF NEW MEXICO**  
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**NOTE 4. Receivables**

Receivables as of June 30, 2015, are as follows:

	General Fund	EMS Fund	Lodgers' Tax Fund	Senior Citizen Fund	Other Governmental Funds	Total
Property Taxes Receivables	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due from other governments:	-	-	-	-	-	-
Other accounts receivable	23,313	3,551	865	4,536	-	32,265
	<u>\$ 23,313</u>	<u>\$ 3,551</u>	<u>\$ 865</u>	<u>\$ 4,536</u>	<u>\$ -</u>	<u>\$ 32,265</u>

	<u>Joint Utility</u>	<u>Solid Waste</u>
Accounts receivable, net of allowance of \$0	<u>\$ 28,092</u>	<u>\$ 8,871</u>
Total	<u>\$ 28,092</u>	<u>\$ 8,871</u>

The above receivables are deemed 100% collectible. In accordance with GASB No.33, property tax receivables are presented net of unearned revenue in the governmental balance sheet. In accordance with GASB No.65, Deferred inflows of resources accounts for delinquent property taxes that are due to the Village but that have not been remitted to the Village. The deferred inflows of resources totaling \$0, is presented in the general fund.

**STATE OF NEW MEXICO**  
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**NOTE 5. Interfund Receivables, Payables, and Transfers**

The outstanding balances between funds result mainly from the time lag 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 Village Council authorizes transfers between funds to cover the expenditures in the receiving funds. Interfund balances are due within one year. Transfers are a result of the Village transferring money from the general fund and the Water Fund to cover expenditures in other funds.

<b>Due from other funds</b>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 12,354	\$ 423,098
Local Correction	5,055	-
EMS Fund	10,903	-
Law Enforcement	-	3,299
Library Fund	10,597	9,055
Lodgers' Tax	11,696	-
Municipal Street	81,761	-
Recreation Fund	518	-
Water Rights Fund	2,647	-
Senior Citizen's	6,513	-
Ambulance Replacement	33,524	-
Public Works Vehicle Replacement	10	-
Debt Service Reserve	30,000	-
Debt Replacement Fund	13,444	-
Aquaponics	1,063	-
Debt Service	22,066	-
Recycle Fund	707	-
Joint Utility – Proprietary Fund	140,651	-
Solid Waste – Proprietary Fund	51,943	-
Total	\$ <u>435,452</u>	\$ <u>435,452</u>
<b>Transfers</b>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 19,308	\$ 6,248
EMS Fund	-	9,000
Senior Citizen's	6,248	-
Ambulance Replacement	9,000	-
Capital Projects Fund – WTR System Improv 13-1440	-	3,352
Capital Projects Fund – Marina Way	3,352	-
Debt Service Fund	14,223	-
Joint Utility – Proprietary Fund	22,767	56,298
Total	<u>\$ 74,898</u>	<u>\$ 74,898</u>

**STATE OF NEW MEXICO**  
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**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 6. Accounts Payables**

Accounts payable as of June 30, 2015, are as follows:

Payable to suppliers	\$ 16,037
Accrued salaries and taxes	<u>11,947</u>
 Total accounts payable and accrued expenses	 <u><u>\$ 27,984</u></u>

**NOTE 7. Capital Assets**

A summary of capital assets and changes occurring during the year ended June 30, 2015 follows.

<b>Governmental Activities</b>	<u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2015</u>
Capital assets not being depreciated:				
Land	\$ 363,906	\$ -	\$ -	\$ 363,906
Construction in Progress	<u>656,503</u>	<u>-</u>	<u>656,503</u>	<u>-</u>
Total capital assets not being depreciated	<u>1,020,409</u>	<u>-</u>	<u>656,503</u>	<u>363,906</u>
 Capital assets being depreciated:				
Infrastructure	5,620,154	656,503	-	6,276,657
Buildings & Improvements	1,628,632	14,181	-	1,642,813
Equipment and vehicles	<u>1,365,145</u>	<u>-</u>	<u>-</u>	<u>1,365,145</u>
Total capital assets being depreciated	<u>8,613,931</u>	<u>670,684</u>	<u>-</u>	<u>9,254,615</u>
Total Capital Assets	<u>9,634,340</u>	<u>670,684</u>	<u>656,503</u>	<u>9,648,521</u>
 Less accumulated depreciation:				
Infrastructure	2,634,166	121,393	-	2,755,559
Buildings & Improvements	1,031,903	44,954	-	1,076,857
Equipment and vehicles	<u>1,010,743</u>	<u>89,123</u>	<u>-</u>	<u>1,099,866</u>
Total Accumulated Depreciation	<u>4,676,812</u>	<u>255,470</u>	<u>-</u>	<u>4,932,282</u>
Total capital assets net of depreciation	<u>\$ 4,957,528</u>	<u>415,214</u>	<u>656,503</u>	<u>4,716,239</u>

Capital assets, net of accumulated depreciation, at June 30, 2015 appear in the Statement of Net Position as follows:

Governmental activities	\$ 4,716,239
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Depreciation expense for the year ended June 30, 2015 was charged to the following functions and funds:

General Government	\$ 23,495
Public Safety	101,804
Public Works	126,011
Culture and Recreation	-
Health and Welfare	<u>4,160</u>
Total depreciation expense governmental funds	<u>\$ 255,470</u>

**STATE OF NEW MEXICO**  
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**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 7. Capital Assets (continued)**

<b>Business-Like Activities</b>	<u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2015</u>
Capital assets, not being depreciated				
Land	\$ 179,500	\$ -	\$ -	\$ 179,500
Total Capital assets, not being depreciated	179,500	-	-	179,500
Capital assets being depreciated:				
Building & Improvements	1,603,072	-	-	1,603,072
Equipment & Vehicles	20,652	-	-	20,652
Total Capital assets being depreciated	1,623,724	-	-	1,623,724
Total Capital Assets	1,803,224	-	-	1,803,224
Less accumulated depreciation:				
Building & Improvements	948,914	40,929	-	989,843
Equipment & Vehicles	20,402	250	-	20,652
Total Accumulated Depreciation	969,316	41,179	-	1,010,495
Total capital assets net of depreciation	<u>\$ 833,908</u>	<u>\$ 41,179</u>	<u>\$ -</u>	<u>\$ 792,729</u>

Depreciation expense relating to business-like activities for the year ended June 30, 2015 totaled \$41,179.

**NOTE 8. Long-term Debt**

During the year ended June 30, 2015, the following changes occurred in the liabilities reported in the government-wide statement of net position:

<b>Governmental Activities</b>	<u>Balance June 30, 2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2015</u>	<u>Due Within One Year</u>
Loans	\$ 333,616	\$ -	\$ 32,159	\$ 301,457	\$ 54,588
Compensated Absences	21,344	12,678	18,250	15,772	-
Total Long-Term Debt	<u>\$ 354,960</u>	<u>\$ 12,678</u>	<u>\$ 50,409</u>	<u>\$ 317,229</u>	<u>\$ 54,588</u>

In prior years, the General Fund has typically liquidated the compensated absences.

**STATE OF NEW MEXICO**  
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**NOTE 8. Long-term Debt (continued)**

**Business-type Activities:**

Description	Balance June 30, 2014	Additions	Retirements	Balance June 30, 2015	Due Within One Year
Compensated Absences	\$ -	\$ 10,421	\$ -	\$ 10,421	\$ -
Total	\$ -	\$ 10,421	\$ -	\$ 10,421	\$ -

The annual requirements to amortize the 2008 loan payable-NMFA as of June 30, 2015, including interest payments are as follows:

Year Ended	Principal	Interest	Total
2016	\$ 22,163	\$ 2,281	\$ 24,444
2017	22,928	1,553	24,481
2018	23,726	793	24,519
Total	\$ 68,817	\$ 4,627	\$ 73,444

The annual requirements to amortize the NMED ARRA loan as of June 30, 2015, including interest payments are as follows:

Year Ended	Principal	Interest	Total
2015	\$ 8,132	\$ 4,538	\$ 12,670
2016	8,376	4,330	12,676
2017	8,628	4,115	12,743
2018	8,887	3,894	12,781
2019	9,153	3,666	12,819
2020-2024	50,053	14,664	64,717
2025-2029	58,025	7,850	65,875
2030-2034	25,720	995	26,715
Total	\$ 176,974	\$ 44,052	\$ 221,026

The annual requirements to amortize the NMFA Water Project Fund as of June 30, 2015, including interest payments are as follows:

Year Ended	Principal	Interest	Total
2015	\$ 2,864	\$ 139	\$ 3,003
2016	2,872	132	3,004
2017	2,879	125	3,004
2018	2,886	118	3,004
2019	2,893	110	3,003
2020-2024	14,574	444	15,018
2025-2029	14,758	260	15,018
2030-2034	11,940	75	12,015
Total	\$ 55,666	\$ 1,403	\$ 57,069

The Village does not have any short term debt.

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**NOTE 9. Risk Management**

The Village is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries and natural disasters. The Village of Eagle Nest participates in the New Mexico Self-Insurer's Fund risk pool. The Village pays an annual premium to the pool based on claim experience and the status of the pool. The Village is not liable for more than the premium paid.

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

At June 30, 2015, no unpaid claims have been filed which exceed the policy limits and to the best of management's knowledge and belief all known and unknown claims will be covered by insurance.

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

**NOTE 10. Other Required Individual Fund Disclosures**

Generally accepted accounting principles require disclosures as part of the Combining Statements - Overview of certain information concerning individual funds including:

A. Deficit fund balance of individual funds.

None

Fund deficits will be funded by general fund transfers or by grant revenues.

B. No expenditures exceeded appropriations by fund.

**STATE OF NEW MEXICO**  
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**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 11. PERA Pension Plans**

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

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

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

**Contributions.** The contribution requirements of defined benefit plan members and the 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 FY14 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on pages 29 through 31 of the PERA FY14 annual audit report at [http://osanm.org/media/audits/366\\_Public\\_Employees\\_Retirement\\_Association\\_2014.pdf](http://osanm.org/media/audits/366_Public_Employees_Retirement_Association_2014.pdf). The PERA coverage options that apply to Village is: the General Division. Statutorily required contributions to the pension plan from the Village were \$14,205 and employer paid member benefits that were “picked up” by the employer were \$0 for the year ended June 30, 2015.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:** The PERA pension liability amounts, net pension liability amounts, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2014.

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



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**NOTE 11. PERA Pension Plans (continued)**

For PERA Fund Division – General Division, at June 30, 2015, the Village reported a liability of \$144,320 for its proportionate share of the net pension liability. At June 30, 2014, the Village’s proportion was 0.0185 percent, which was unchanged from its proportion measured as of June 30, 2013, due to the insignificance of the difference.

For the year ended June 30, 2015, the Village recognized PERA Fund Division – General Division pension expense of \$6,021. At June 30, 2015, the Village reported PERA Fund Division – General Division deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	98
Net difference between projected and actual earnings on pension plan investments	-	56,462
Changes in proportion and differences between the Village contributions and proportionate share of contributions	-	-
Village contributions subsequent to the measurement date	14,205	-
Total	\$ 14,205	\$ 56,560

\$14,205 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, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2016	\$	(14,140)
2017		(14,140)
2018		(14,140)
2019		(14,140)
2020		-
Thereafter	\$	-

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

Actuarial valuation date	June 30, 2013
Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay
Amortization period	Solved for based on statutory rates
Asset valuation method	Fair value
Actuarial assumptions:	
• Investment of 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

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**NOTE 11. PERA Pension Plans (continued)**

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

ALL FUNDS – Asset Class	Target Allocation	Long-term Expected Real Rate of Return
US Equity	21.1%	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	<u>4.0</u>	4.15
Total	100.0%	

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

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

PERA Fund Division – General Divison	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Village’s proportionate share of the net pension liability	\$ 272,075	\$ 144,320	\$ 45,623

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

**Payables to the pension plan.** At June 30, 2015, the Village had no outstanding amount of contributions to the pension plan and therefore, had no payables reported at fiscal year 2015.

**STATE OF NEW MEXICO**  
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**NOTE 12. Post-Employment Benefits**

The Retiree Health Care Act 10-7C-1 to 10-7C-16, NMSA 1978) provides comprehensive care group health insurance for persons who have retired from certain public service in New Mexico. As authorized under Section 9D of Chapter 6, Laws of 1990, the Village has elected not to participate in the program for the current year.

**NOTE 13. Contingent Liabilities**

The Village is party to various claims and lawsuits arising in the normal course of business. Management and the Village's attorney are unaware of any material pending or threatened litigation, claims or assessments against the Village which are not covered by the Village's insurance as described in Note 9.

**NOTE 14. Federal and State Grants**

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

**NOTE 15. Joint Powers Agreements**

Law Enforcement Services

*Purpose:* The Village entered into an agreement with the Colfax County for law enforcement services provided by the Colfax County Sheriff. Using grant funds, the Village will purchase qualified law enforcement property and equipment and dedicate and maintain them for the exclusive use of members of the Colfax County Sheriff's Office. The Colfax County Sheriff agrees to provide four man hours of law enforcement coverage within the municipal limits of the Village per day or, alternately six man hours per day for a five period.

*Participants:* Colfax County and Village of Eagle Nest

*Responsible Party for Operation and Audit:* Village of Eagle Nest

*Beginning and Ending Date of Agreement:* Effective June 30, 2014 and is subject to the obtainment and receipt by the Village of LEP funds.

*Total Estimated Amount of Project and Actual Amount Contributed:* None

Energy Minerals and Natural Resources Department (EMNRD)

*Purpose:* An agreement between EMNRD and the Village for cooperation and participation in the wildland fire protection and suppression of any wildland fires.

*Participants:* EMNRD and Village of Eagle Nest

*Responsible Party for Operation and Audit:* EMNRD

*Beginning and Ending Date of Agreement:* Entered on April 15, 2008 and continues indefinitely

*Total Estimated Amount of Project and Actual Amount Contributed:* Unknown

**STATE OF NEW MEXICO**  
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**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 15. Joint Powers Agreements (continued)**

Taos Regional Landfill Board

*Purpose:* To establish, finance and operate the Taos Regional Landfill Facility.

*Participants:* County of Taos, Town of Taos, Village of Questa, Village of Red River, Village of Taos Ski Valley, and Village of Eagle Nest

*Responsible Party for Operation and Audit:* County of Taos

*Beginning and Ending Date of Agreement:* Effective June 19, 2001 and continue for fifty years.

*Total Estimated Amount of Project and Actual Amount Contributed:* None

Refuse Collection

*Purpose:* An agreement between the Village and Colfax County for the collection and disposal of refuse from real property located within the county boundaries.

*Participants:* Colfax County and Village of Eagle Nest

*Responsible Party for Operation and Audit:* Village of Eagle Nest

*Beginning and Ending Date of Agreement:* Effective December 18, 2001 and will continue from year to year unless a party notifies the other of its termination.

*Total Estimated Amount of Project and Actual Amount Contributed:* None

**NOTE 16. Related Party Transactions**

The Village paid \$241 for equipment repairs to LP&G Inc. who is owned by the Mayor's brother.

Two Village employees are married and are employed at the Senior Citizen's Center. The wife manages the day to day operations and the husband is a driver for the Center. The husband reports to the Chief Purchasing Officer/Senior Citizen's Center Director.

An employee who is a cook at the Senior Citizen's Center also sits on the Village's council.

**NOTE 17. Commitments**

The Village had the following commitments on contracts at June 30, 2015:

The Village entered into a contract with WM Serazio Company for the Deep Tunnel Trail Improvements in the awarded amount of \$215,000. At June 30, 2015, the Village paid \$92,875 and there was an outstanding balance of \$122,125.

**NOTE 18. Subsequent Review**

The Village of Eagle Nest has evaluated subsequent events through November 20, 2015, which is the date the financial statements were available for issuance.

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**NOTES TO FINANCIAL STATEMENTS**  
June 30, 2015

**NOTE 19. Restatement of Net Position**

GASB 68 requires a restatement of Net Position to include the net pension liability at June 30, 2015 as the Village is required to recognize the liability on their government-wide financial statements. Also, a prior period adjustment for the General Fund to the Net Position on the Statement of Activities was included due to understatement of expenses in order to roll-forward fund balance.

		Government Activities
Beginning Net Position	\$	5,094,256
Restatement for Net Pension Liability		(194,881)
Prior Period Adjustment		13,707
Net Position, beginning, restated	\$	4,913,082

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**SUPPLEMENTARY INFORMATION**

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**NON-MAJOR GOVERNMENTAL FUNDS**

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**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
June 30, 2015

**NONMAJOR GOVERNMENTAL FUNDS**

**SPECIAL REVENUE FUNDS**

The Special Revenue Funds are used to account for Federal, State and Local funded grants. These grants are awarded to the Village with the purpose of accomplishing specific educational tasks. Grants accounted for in the Special Revenue Funds include:

**Local Corrections Fund** - to establish an additional source of funds to municipalities to offset the costs of corrections. The source of the fund is a five dollar fee, which must be paid by all persons violating the law relating to the operations of a motor vehicle. Authority is State Statute Chapter 35, section 14-11. No minimum balance required according to legislation.

**Fire Protection Fund** - to account for the financial resources from a state grant and charges for services rendered. Expenditures include all costs associated with the fire protection fund. Authority by State Statute Chapter 178, Laws of 1978. No minimum balance required according to legislation.

**Emergency Medical Services (EMS) Fund** - to account for the acquisitions of the emergency medical equipment and the operation of the equipment financed through a grant from the State of New Mexico. Authority by State Statute 24-10A-1 to 24-10A-10. No minimum balance required according to legislation.

**Law Enforcement Protection Fund** - to account for grant funds used for maintenance and development of the Village's police force. Financing is provided by a grant from the State of New Mexico. Such revenue provides for purchase and repairs of equipment as well as classes to update the training of police personnel and may be used only for these purposes. Authority is NMSA 29-13-1. No minimum balance required according to legislation.

**Senior Citizen's Fund** - to account for program income and expenditures related to the Senior Citizen's program. Authority is Village ordinance and DHHS 45 CFR Part 92. No minimum balance required according to legislation.

**Library Fund** - is used to account for the operations and maintenance of the Village Library. Funding is provided by a state grant under Section 18-2-4b NMSA, 1978. No minimum balance required according to legislation.

**Lodgers' Tax Fund** - To account for a lodger's tax imposed and used for cultural and recreational purposes. Authority is NMSA 1978 Section 3-38-13. No minimum balance required according to legislation.

**Recreation Fund** - to account for the operation and maintenance of recreational facilities in the Village. Financing is provided by a specific annual cigarette tax levy. Authority NMSA 7-12-1 & 7-12-15. No minimum balance required according to legislation.

**Water Rights Fund** - to account for the fees charged for water rights and expenditures made to obtain water rights. Authority is Village Council Resolution 2004-13. No minimum balance required according to legislation.

**Activities Fund** - to account for revenues raised and expenditures of promotional activities of the Village. Authority is ordinance Resolution 76-6. No minimum balance required according to legislation.

**Beautification Fund** - to account for the proceeds of a State Appropriation for Economic Development planning purposes. Authority is granted in prior years by the State of New Mexico. No minimum balance required according to legislation.

**Enchanted Eagle Park** - to account for donations and related expenditures for a recreational use park within the Village. Authority is a legally adopted budget, NMSA 1978 6-6-5. No minimum balance required according to legislation.

**Aquaponics Fund** - to account for the grant funds from the NM Centennial Foundation for an Aquaponics project. Authority is a legally adopted budget, NMSA 1978 6-6-5. No minimum balance required according to legislation.

**Recycle Fund** - to account for revenues raised and expenditures of the recycling activities of the Village. Authority is Ordinance Resolution 76-7. No minimum balance required according to legislation.

**Ambulance Replacement Fund** - to account for funds designated by the Village Council for ambulance replacement. Authority is Village council action June 12, 1984 Ordinance 73-12. No minimum balance required according to legislation.

**Public Works Vehicle Replacement Fund** - to account for funds designated by village council for the purchase of vehicles for public works projects. Authority is Village Council Resolution 93-14. No minimum balance required according to legislation.

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
June 30, 2015

**SPECIAL REVENUE FUNDS**

**Debt Service Reserve** - to account for monies set aside from joint utility revenue each month to accumulate a reserve for payment of waste water improvement loan if needed. Authority is Village Ordinance no. 2010-02 and the loan agreement with the New Mexico Environment Department, Loan Number ARRA CWSRF 05. No minimum balance required according to legislation.

**Replacement Reserve** - to account for monies set-aside in reserve for any maintenance to the joint utility system in the case of an emergency. Authority is Village Ordinance no. 2010-02 and loan agreement with the New Mexico Environment Department, Loan Number ARRA CWSRF 05. No minimum balance required according to legislation.

**All funds are on a reimbursement basis, therefore there are no reverting fund requirements.**

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
June 30, 2015

**CAPITAL PROJECT FUNDS**

**CDBG Fund (307)** - to account for receipts under the Community Development Block Grant and expenditures related to the grant. Authority is federal grant under Title 1 of the Housing and Community Development Act of 1974.

**Marina Way** - to account for the grant funds from the New Mexico Department of Game and Fish used for the paving of Marina Way in order to provide improved access to boating and fishing recreational opportunities. Authorized by 17-1-1 NMSA 1978.

**Park Replacement Fund (302)** - to account for funds received under a state capital appropriation project to remove asbestos, including demolition and debris removal, from abandoned buildings in Enchanted Eagle Park. Authority is NMSA 1978, sections 9-6-5 and 9-6-5.1.

**WTR System Improvement 13-1440-STB (326)** – to account for the grant funds used to plan, design, construct and equip water system improvements, including a water tank and installation of water lines. Authority by Laws of 2013, Chapter 226, Section 23, Paragraph 8.

**DEBT SERVICE FUNDS**

**Debt Service Fund** - to account for monies set-aside to pay the principal and interest on the NMED/ARRA loan when due. Authority is Village Ordinance no. 2010-02 and loan agreement with the New Mexico Environment Department, Loan Number ARRA CWSRF 05.

**PROPRIETARY MAJOR FUNDS**

**Joint Utility Fund**

To account for the activities of the Village's water and sewer operations.

**Solid Waste Fund**

To account for the activities of the Village's solid waste operations.

STATE OF NEW MEXICO  
VILLAGE OF EAGLE NEST  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
June 30, 2015

	Local Corrections Fund	Fire Protection Fund	Emergency Medical Services Fund	Law Enforcement Protection Fund
<i>Assets</i>				
Cash and cash equivalents	\$ -	\$ 18,499	\$ -	\$ -
Due from Pooled Cash	5,055	-	10,903	-
Investments	4,473	5,866	8,497	3,304
Other receivables	-	-	-	-
Prepaid Deposits	-	-	-	22,832
<i>Total assets</i>	<u>\$ 9,528</u>	<u>\$ 24,365</u>	<u>\$ 19,400</u>	<u>\$ 26,136</u>
<i>Liabilities</i>				
Due to Pooled Cash	\$ -	\$ -	\$ -	\$ 3,299
Accounts payable	-	2,031	-	-
Accrued salaries and benefits	-	-	-	-
Accrued compensated absences	-	-	-	-
Unearned revenue	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>2,031</u>	<u>-</u>	<u>3,299</u>
<i>Deferred inflows of resources</i>				
Unavailable revenue-property taxes	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balances</i>				
Fund Balance				
Restricted for:				
General Fund	-	-	-	-
Special Revenue Funds	9,528	22,334	19,400	22,837
Capital Projects Funds	-	-	-	-
Debt Service Funds	-	-	-	-
Committed for:				
General Fund	-	-	-	-
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Assigned for:				
General Fund	-	-	-	-
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Unassigned for:				
General Fund	-	-	-	-
<i>Total fund balances</i>	<u>9,528</u>	<u>22,334</u>	<u>19,400</u>	<u>22,837</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 9,528</u>	<u>\$ 24,365</u>	<u>\$ 19,400</u>	<u>\$ 26,136</u>



STATE OF NEW MEXICO  
VILLAGE OF EAGLE NEST  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
June 30, 2015

	<u>Beautification Fund</u>	<u>Enchanted Eagle Park Fund</u>	<u>Aquaponics Fund</u>	<u>Recycle Fund</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 992	\$ 3,663	\$ -	\$ -
Due from Pooled Cash	-	-	1,063	707
Investments	-	-	-	12,353
Other receivables	-	-	-	-
Prepaid Deposits	-	-	-	-
<i>Total assets</i>	<u>\$ 992</u>	<u>\$ 3,663</u>	<u>\$ 1,063</u>	<u>\$ 13,060</u>
<i>Liabilities</i>				
Due to Pooled Cash	\$ -	\$ -	\$ -	\$ -
Accounts payable	-	-	-	-
Accrued salaries and benefits	-	-	-	-
Accrued compensated absences	-	-	-	-
Unearned revenue	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Deferred inflows of resources</i>				
Unavailable revenue-property taxes	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund Balances</i>				
Fund Balance				
Restricted for:				
General Fund	-	-	-	-
Special Revenue Funds	992	3,663	1,063	13,060
Capital Projects Funds	-	-	-	-
Debt Service Funds	-	-	-	-
Committed for:				
General Fund	-	-	-	-
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Assigned for:				
General Fund	-	-	-	-
Special Revenue Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Unassigned for:				
General Fund	-	-	-	-
<i>Total fund balances</i>	<u>992</u>	<u>3,663</u>	<u>1,063</u>	<u>13,060</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 992</u>	<u>\$ 3,663</u>	<u>\$ 1,063</u>	<u>\$ 13,060</u>





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STATE OF NEW MEXICO  
VILLAGE OF EAGLE NEST  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
June 30, 2015

	Debt Service Fund	Total Nonmajor Governmental Funds
<i>Assets</i>		
Cash and cash equivalents	\$ -	\$ 25,518
Due from Pooled Cash	22,066	148,743
Investments	-	41,437
Other receivables	-	8,087
Prepaid Deposits	-	22,832
<i>Total assets</i>	\$ 22,066	\$ 246,617
<i>Liabilities</i>		
Due to Pooled Cash	\$ -	\$ 12,354
Accounts payable	-	2,809
Accrued salaries and benefits	-	289
Accrued compensated absences	-	-
Unearned revenue	-	-
<i>Total liabilities</i>	-	15,452
<i>Deferred inflows of resources</i>		
Unavailable revenue-property taxes	-	-
<i>Total deferred inflows of resources</i>	-	-
<i>Fund Balances</i>		
Fund Balance		
Restricted for:		
General Fund	-	-
Special Revenue Funds	-	209,099
Capital Projects Funds	-	-
Debt Service Funds	22,066	22,066
Committed for:	-	-
General Fund	-	-
Special Revenue Funds	-	-
Capital Projects Funds	-	-
Assigned for:	-	-
General Fund	-	-
Special Revenue Funds	-	-
Capital Projects Funds	-	-
Unassigned for:	-	-
General Fund	-	-
<i>Total fund balances</i>	22,066	231,165
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	\$ 22,066	\$ 246,617

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
For the Year Ended June 30, 2015

	Local Corrections Fund	Fire Protection Fund	Emergency Medical Services Fund	Law Enforcement Protection Fund
<i>Revenues:</i>				
Taxes				
Gross receipts taxes	\$ -	\$ 5,000	\$ 5,148	\$ -
State Grant Income	-	73,982	-	20,000
Charges for Services	43	-	9,789	-
Licenses and Fees	-	-	-	-
Investment Income (Loss)	5	54	10	8
Miscellaneous	-	116	-	-
<i>Total revenues</i>	<u>48</u>	<u>79,152</u>	<u>14,947</u>	<u>20,008</u>
<i>Expenditures:</i>				
Current:				
General Government	-	-	-	-
Public Safety	2	120,463	-	4,678
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	17,193	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2</u>	<u>120,463</u>	<u>17,193</u>	<u>4,678</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>46</u>	<u>(41,311)</u>	<u>(2,246)</u>	<u>15,330</u>
<i>Other financing sources (uses)</i>				
Transfers In	-	-	-	-
Transfers Out	-	-	(9,000)	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(9,000)</u>	<u>-</u>
<i>Net change in fund balances</i>	46	(41,311)	(11,246)	15,330
<i>Fund balances - beginning of year</i>	<u>9,482</u>	<u>63,645</u>	<u>30,646</u>	<u>7,507</u>
<i>Fund balances - end of year</i>	<u>\$ 9,528</u>	<u>\$ 22,334</u>	<u>\$ 19,400</u>	<u>\$ 22,837</u>

<u>Library Fund</u>	<u>Lodgers' Tax Fund</u>	<u>Recreation Fund</u>	<u>Senior Citizen Fund</u>	<u>Water Rights Fund</u>	<u>Activities Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4,038	-	-	135,954	-	-
9,070	29,657	395	-	-	-
67	-	-	-	-	-
-	3	-	-	1	2
-	-	-	415	-	1,570
<u>13,175</u>	<u>29,660</u>	<u>395</u>	<u>136,369</u>	<u>1</u>	<u>1,572</u>
-	44,318	-	-	-	-
-	-	-	-	-	-
-	-	-	-	271	-
10,009	-	782	127,711	-	-
-	-	-	14,800	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>10,009</u>	<u>44,318</u>	<u>782</u>	<u>142,511</u>	<u>271</u>	<u>-</u>
<u>3,166</u>	<u>(14,658)</u>	<u>(387)</u>	<u>(6,142)</u>	<u>(270)</u>	<u>1,572</u>
-	-	-	6,248	-	-
-	-	-	-	-	-
-	-	-	6,248	-	-
3,166	(14,658)	(387)	106	(270)	1,572
<u>7,611</u>	<u>22,874</u>	<u>1,365</u>	<u>10,027</u>	<u>3,487</u>	<u>4,205</u>
<u>\$ 10,777</u>	<u>\$ 8,216</u>	<u>\$ 978</u>	<u>\$ 10,133</u>	<u>\$ 3,217</u>	<u>\$ 5,777</u>

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**For the Year Ended June 30, 2015**

	Beautification Fund	Enchanted Eagle Park Fund	Aquaponics Fund	Recycle Fund
<i>Revenues:</i>				
Taxes				
Gross receipts taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	-	-	-	-
Charges for Services	-	1,511	655	12,136
Licenses and Fees	-	-	-	-
Investment Income (Loss)	-	-	-	15
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,511</u>	<u>655</u>	<u>12,151</u>
<i>Expenditures:</i>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	100	714	1,064	14,550
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>100</u>	<u>714</u>	<u>1,064</u>	<u>14,550</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(100)</u>	<u>797</u>	<u>(409)</u>	<u>(2,399)</u>
<i>Other financing sources (uses)</i>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	(100)	797	(409)	(2,399)
<i>Fund balances - beginning of year</i>	<u>1,092</u>	<u>2,866</u>	<u>1,472</u>	<u>15,459</u>
<i>Fund balances - end of year</i>	<u>\$ 992</u>	<u>\$ 3,663</u>	<u>\$ 1,063</u>	<u>\$ 13,060</u>

<u>Ambulance Replacement Fund</u>	<u>PW Vehicle Replacement Fund</u>	<u>Park Replacement Fund</u>	<u>WTR System Improvement 13- 1440</u>	<u>Debt Service Reserve</u>	<u>Debt Replacement Reserve</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	14,195	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>14,195</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	1,891	-	-	-
2	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2</u>	<u>-</u>	<u>1,891</u>	<u>-</u>	<u>-</u>	<u>-</u>
(2)	-	12,304	-	-	-
9,000	-	-	-	-	-
-	-	-	(3,352)	-	-
<u>9,000</u>	<u>-</u>	<u>-</u>	<u>(3,352)</u>	<u>-</u>	<u>-</u>
8,998	-	12,304	(3,352)	-	-
<u>24,670</u>	<u>12</u>	<u>(12,304)</u>	<u>3,352</u>	<u>13,444</u>	<u>30,000</u>
<u>\$ 33,668</u>	<u>\$ 12</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,444</u>	<u>\$ 30,000</u>

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**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**For the Year Ended June 30, 2015**

	Debt Service Fund	Total Nonmajor Governmental Funds
<i>Revenues:</i>		
Taxes		
Gross receipts taxes	\$ -	\$ 10,148
State Grant Income	-	248,169
Charges for Services	-	63,256
Licenses and Fees	-	67
Investment Income (Loss)	-	98
Miscellaneous	-	2,101
<i>Total revenues</i>	-	323,839
<i>Expenditures:</i>		
Current:		
General Government	-	44,318
Public Safety	-	125,143
Public Works	-	271
Culture and Recreation	-	156,821
Health and Welfare	-	31,995
Capital Outlay	-	-
Debt Service:		
Principal	13,442	13,442
Interest	-	-
<i>Total expenditures</i>	13,442	371,990
 <i>Excess (deficiency) of revenues over expenditures</i>	 (13,442)	 (48,151)
 <i>Other financing sources (uses)</i>		
Transfers In	14,223	29,471
Transfers Out	-	(12,352)
<i>Total other financing sources (uses)</i>	14,223	17,119
 <i>Net change in fund balances</i>	 781	 (31,032)
 <i>Fund balances - beginning of year</i>	 21,285	 262,197
 <i>Fund balances - end of year</i>	 \$ 22,066	 \$ 231,165

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**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**CORRECTION SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	-	-	-	-
Charges For Services	1,200	1,200	43	(1,157)
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	75	75	5	(70)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,275</u>	<u>1,275</u>	<u>48</u>	<u>(1,227)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General Government	-	-	-	-
Public Safety	1,200	1,200	2	1,198
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,200</u>	<u>1,200</u>	<u>2</u>	<u>1,198</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>75</u>	<u>75</u>	<u>46</u>	<u>(29)</u>
<i>Other financing sources (uses)</i>				
Designated Cash	75	75	-	75
Transfers (In) Out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>75</u>	<u>75</u>	<u>-</u>	<u>75</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	<u>150</u>	<u>150</u>	<u>46</u>	<u>46</u>
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>5,012</u>	<u>5,012</u>
<i>Cash Balance - End of Year</i>	<u>\$ 150</u>	<u>\$ 150</u>	<u>\$ 5,058</u>	<u>\$ 5,058</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			-	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ 46</u>	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**FIRE PROTECTION FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ 5,000	\$ 5,000
State Grant Income	49,348	49,348	72,241	22,893
Charges For Services	-	-	-	-
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	-	-	54	54
Miscellaneous	30,534	30,534	117	(30,417)
<i>Total revenues</i>	<u>79,882</u>	<u>79,882</u>	<u>77,412</u>	<u>(2,470)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General Government	-	-	-	-
Public Safety	95,054	118,496	118,496	-
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>95,054</u>	<u>118,496</u>	<u>118,496</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(15,172)</u>	<u>(38,614)</u>	<u>(41,084)</u>	<u>(2,470)</u>
<i>Other financing sources (uses)</i>				
Designated Cash	15,172	38,614	-	(38,614)
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>15,172</u>	<u>38,614</u>	<u>-</u>	<u>(38,614)</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	(41,084)	(41,084)
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>59,583</u>	<u>59,583</u>
<i>Cash Balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,499</u>	<u>\$ 18,499</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			<u>(227)</u>	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ (41,311)</u>	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**EMERGENCY MEDICAL SERVICES SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ 5,148	\$ 5,148
State Grant Income	-	-	-	-
Charges For Services	24,900	24,900	14,142	(10,758)
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	-	-	10	10
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>24,900</u>	<u>24,900</u>	<u>19,300</u>	<u>(5,600)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	22,311	26,192	17,193	8,999
Capital Outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>22,311</u>	<u>26,192</u>	<u>17,193</u>	<u>8,999</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>2,589</u>	<u>(1,292)</u>	<u>2,107</u>	<u>3,399</u>
<i>Other financing sources (uses)</i>				
Designated Cash	(11,589)	1,292	-	(1,292)
Transfers (In) Out	9,000	-	(9,000)	(9,000)
<i>Total other financing sources (uses)</i>	<u>(2,589)</u>	<u>1,292</u>	<u>(9,000)</u>	<u>(10,292)</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	(6,893)	(6,893)
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>17,796</u>	<u>17,796</u>
<i>Cash Balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,903</u>	<u>\$ 10,903</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			<u>(4,353)</u>	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ (11,246)</u>	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**LAW ENFORCEMENT PROTECTION SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	20,000	20,000	20,000	-
Charges For Services	-	-	-	-
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	15	15	4	(11)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>20,015</u>	<u>20,015</u>	<u>20,004</u>	<u>(11)</u>
<i>Expenditures:</i>				
Current:				
General Government	-	-	-	-
Public Safety	27,507	27,510	27,510	-
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>27,507</u>	<u>27,510</u>	<u>27,510</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(7,492)</u>	<u>(7,495)</u>	<u>(7,506)</u>	<u>(11)</u>
<i>Other financing sources (uses)</i>				
Designated Cash	(7,492)	(7,495)	-	(7,495)
Transfers (In) Out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(7,492)</u>	<u>(7,495)</u>	<u>-</u>	<u>(7,495)</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	(14,984)	(14,990)	(7,506)	(7,506)
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>4,207</u>	<u>4,207</u>
<i>Cash Balance - End of Year</i>	<u>\$ (14,984)</u>	<u>\$ (14,990)</u>	<u>\$ (3,299)</u>	<u>\$ (3,299)</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			<u>22,836</u>	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ 15,330</u>	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**LIBRARY SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	-	-	4,038	4,038
Charges For Services	13,839	13,839	9,070	(4,769)
Licenses and Fees	-	-	67	67
Interest Income	-	-	-	-
Investment Income(Loss)	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>13,839</u>	<u>13,839</u>	<u>13,175</u>	<u>(664)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	15,791	15,791	9,858	5,933
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>15,791</u>	<u>15,791</u>	<u>9,858</u>	<u>5,933</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,952)</u>	<u>(1,952)</u>	<u>3,317</u>	<u>5,269</u>
<i>Other financing sources (uses)</i>				
Designated Cash	1,952	1,952	-	(1,952)
Transfers (In) Out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,952</u>	<u>1,952</u>	<u>-</u>	<u>(1,952)</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	3,317	3,317
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>7,280</u>	<u>7,280</u>
<i>Cash Balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>10,597</u>	<u>\$ 10,597</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			<u>(151)</u>	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ 3,166</u>	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**LODGERS' TAX SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	-	-	-	-
Charges For Services	43,000	43,000	26,106	(16,894)
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	55	55	3	(52)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>43,055</u>	<u>43,055</u>	<u>26,109</u>	<u>(16,946)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General Government	50,190	50,190	41,008	9,182
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>50,190</u>	<u>50,190</u>	<u>41,008</u>	<u>9,182</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(7,135)</u>	<u>(7,135)</u>	<u>(14,899)</u>	<u>(7,764)</u>
<i>Other financing sources (uses)</i>				
Designated Cash	7,135	7,135	-	(7,135)
Transfers (In) Out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>7,135</u>	<u>7,135</u>	<u>-</u>	<u>(7,135)</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	(14,899)	(14,899)
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>17,540</u>	<u>17,540</u>
<i>Cash Balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>2,641</u>	<u>\$ 2,641</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			241	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			<u>-</u>	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ (14,658)</u>	



**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**RECREATION SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	-	-	-	-
Charges For Services	15	415	395	(20)
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	15	415	395	(20)
<i>Expenditures:</i>				
<i>Current:</i>				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	850	1,050	782	268
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	850	1,050	782	268
<i>Excess (deficiency) of revenues over expenditures</i>	(835)	(635)	(387)	248
<i>Other financing sources (uses)</i>				
Designated Cash	835	635	-	(635)
Transfers (In) Out	-	-	-	-
<i>Total other financing sources (uses)</i>	835	635	-	(635)
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	(387)	(387)
<i>Cash Balance - Beginning of Year</i>	-	-	905	905
<i>Cash Balance - End of Year</i>	\$ -	\$ -	518	\$ 518
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			-	
<i>Net Change in Fund Balance (GAAP basis)</i>			\$ (387)	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**SENIOR CITIZEN'S CENTER SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	120,048	146,134	131,418	(14,716)
Charges For Services	-	-	-	-
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	-	-	-	-
Miscellaneous	-	-	415	415
<i>Total revenues</i>	<u>120,048</u>	<u>146,134</u>	<u>131,833</u>	<u>(14,301)</u>
<i>Expenditures:</i>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	118,088	123,088	114,858	8,230
Health and Welfare	27,161	27,161	14,800	12,361
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>145,249</u>	<u>150,249</u>	<u>129,658</u>	<u>20,591</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(25,201)</u>	<u>(4,115)</u>	<u>2,175</u>	<u>6,290</u>
<i>Other financing sources (uses)</i>				
Designated Cash	25,201	4,115	-	(4,115)
Transfers (In) Out	-	-	6,248	6,248
<i>Total other financing sources (uses)</i>	<u>25,201</u>	<u>4,115</u>	<u>6,248</u>	<u>2,133</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	8,423	8,423
<i>Cash Balance - Beginning of Year</i>	-	-	(1,910)	(1,910)
<i>Cash Balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,513</u>	<u>\$ 6,513</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			(7,401)	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			(916)	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ 106</u>	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**WATER RIGHTS SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	-	-	-	-
Charges For Services	-	-	-	-
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	15	15	1	(14)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>15</u>	<u>15</u>	<u>1</u>	<u>(14)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	3,200	3,200	271	2,929
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,200</u>	<u>3,200</u>	<u>271</u>	<u>2,929</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(3,185)</u>	<u>(3,185)</u>	<u>(270)</u>	<u>2,915</u>
<i>Other financing sources (uses)</i>				
Designated Cash	3,185	3,185	-	(3,185)
Transfers (In) Out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>3,185</u>	<u>3,185</u>	<u>-</u>	<u>(3,185)</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	(270)	(270)
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>2,917</u>	<u>2,917</u>
<i>Cash Balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,647</u>	<u>\$ 2,647</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			-	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ (270)</u>	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**ACTIVITIES SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	-	-	-	-
Charges For Services	-	-	-	-
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	75	75	2	(73)
Miscellaneous	3,075	3,075	1,570	(1,505)
<i>Total revenues</i>	<u>3,150</u>	<u>3,150</u>	<u>1,572</u>	<u>(1,578)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>3,150</u>	<u>3,150</u>	<u>1,572</u>	<u>(1,578)</u>
<i>Other financing sources (uses)</i>				
Designated Cash	(3,150)	(3,150)	-	3,150
Transfers (In) Out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(3,150)</u>	<u>(3,150)</u>	<u>-</u>	<u>3,150</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	1,572	1,572
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>792</u>	<u>792</u>
<i>Cash Balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,364</u>	<u>\$ 2,364</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			-	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ 1,572</u>	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**BEAUTIFICATION SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	-	-	-	-
Charges For Services	-	-	-	-
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	-	-	-	-
Miscellaneous	3,500	3,500	-	(3,500)
<i>Total revenues</i>	<u>3,500</u>	<u>3,500</u>	<u>-</u>	<u>(3,500)</u>
<i>Expenditures:</i>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	3,500	3,500	100	3,400
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,500</u>	<u>3,500</u>	<u>100</u>	<u>3,400</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(100)</u>	<u>(100)</u>
<i>Other financing sources (uses)</i>				
Designated Cash	-	-	-	-
Transfers (In) Out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	<u>-</u>	<u>-</u>	<u>(100)</u>	<u>(100)</u>
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>1,092</u>	<u>1,092</u>
<i>Cash Balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 992</u>	<u>\$ 992</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			-	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ (100)</u>	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**ENCHANTED EAGLE PARK SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	-	-	-	-
Charges For Services	5,000	5,000	1,511	(3,489)
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>5,000</u>	<u>5,000</u>	<u>1,511</u>	<u>(3,489)</u>
<i>Expenditures:</i>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	5,000	5,000	714	4,286
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>5,000</u>	<u>5,000</u>	<u>714</u>	<u>4,286</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>797</u>	<u>797</u>
<i>Other financing sources (uses)</i>				
Designated Cash	-	-	-	-
Transfers (In) Out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	<u>-</u>	<u>-</u>	<u>797</u>	<u>797</u>
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>2,866</u>	<u>2,866</u>
<i>Cash Balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,663</u>	<u>\$ 3,663</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			-	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ 797</u>	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**AQUAPONICS SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	-	-	-	-
Charges For Services	1,300	1,300	655	(645)
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,300</u>	<u>1,300</u>	<u>655</u>	<u>(645)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	1,000	1,500	1,064	436
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,000</u>	<u>1,500</u>	<u>1,064</u>	<u>436</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>300</u>	<u>(200)</u>	<u>(409)</u>	<u>(209)</u>
<i>Other financing sources (uses)</i>				
Designated Cash	(300)	200	-	(200)
Transfers (In) Out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(300)</u>	<u>200</u>	<u>-</u>	<u>(200)</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	(409)	(409)
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>1,472</u>	<u>1,472</u>
<i>Cash Balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,063</u>	<u>\$ 1,063</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			-	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ (409)</u>	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**RECYCLE SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	-	-	-	-
Charges For Services	-	-	-	-
Licenses and Fees	-	-	-	-
Interest Income	15,136	15,136	12,136	(3,000)
Investment Income(Loss)	50	50	15	(35)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>15,186</u>	<u>15,186</u>	<u>12,151</u>	<u>(3,035)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	17,136	17,136	14,550	2,586
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>17,136</u>	<u>17,136</u>	<u>14,550</u>	<u>2,586</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,950)</u>	<u>(1,950)</u>	<u>(2,399)</u>	<u>(449)</u>
<i>Other financing sources (uses)</i>				
Designated Cash	1,950	1,950	-	(1,950)
Transfers (In) Out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,950</u>	<u>1,950</u>	<u>-</u>	<u>(1,950)</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	(2,399)	(2,399)
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>3,106</u>	<u>3,106</u>
<i>Cash Balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 707</u>	<u>\$ 707</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			-	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ (2,399)</u>	



**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**AMBULANCE REPLACEMENT SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	-	-	-	-
Charges For Services	15	15	-	(15)
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>15</u>	<u>15</u>	<u>-</u>	<u>(15)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	-	2	2	-
Capital Outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>2</u>	<u>2</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>15</u>	<u>13</u>	<u>(2)</u>	<u>(15)</u>
<i>Other financing sources (uses)</i>				
Designated Cash	(15)	(13)	-	13
Transfers (In) Out	-	-	9,000	9,000
<i>Total other financing sources (uses)</i>	<u>(15)</u>	<u>(13)</u>	<u>9,000</u>	<u>9,013</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	8,998	8,998
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>24,526</u>	<u>24,526</u>
<i>Cash Balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,524</u>	<u>\$ 33,524</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			-	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ 8,998</u>	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**PUBLIC WORKS VEHICLE REPLACEMENT SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	-	-	-	-
Charges For Services	5,025	5,025	-	(5,025)
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	5,025	5,025	-	(5,025)
<i>Expenditures:</i>				
<i>Current:</i>				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	5,000	5,000	-	5,000
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	5,000	5,000	-	5,000
<i>Excess (deficiency) of revenues over expenditures</i>	25	25	-	(25)
<i>Other financing sources (uses)</i>				
Designated Cash	(25)	(25)	-	25
Transfers (In) Out	-	-	-	-
<i>Total other financing sources (uses)</i>	(25)	(25)	-	25
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	-	-
<i>Cash Balance - Beginning of Year</i>	-	-	10	10
<i>Cash Balance - End of Year</i>	\$ -	\$ -	\$ 10	\$ 10
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			-	
<i>Net Change in Fund Balance (GAAP basis)</i>			\$ -	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**PARK REPLACEMENT SPECIAL REVENUE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	18,765	18,765	14,195	(4,570)
Charges For Services	-	-	-	-
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>18,765</u>	<u>18,765</u>	<u>14,195</u>	<u>(4,570)</u>
<i>Expenditures:</i>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	6,461	6,461	1,891	4,570
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>6,461</u>	<u>6,461</u>	<u>1,891</u>	<u>4,570</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>12,304</u>	<u>12,304</u>	<u>12,304</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated Cash	(12,304)	(12,304)	-	12,304
Transfers (In) Out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(12,304)</u>	<u>(12,304)</u>	<u>-</u>	<u>12,304</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	12,304	12,304
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>(12,304)</u>	<u>(12,304)</u>
<i>Cash Balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			-	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ 12,304</u>	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**CDBG CAPITAL PROJECTS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	440,636	440,636	517,038	76,402
Charges For Services	-	-	-	-
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>440,636</u>	<u>440,636</u>	<u>517,038</u>	<u>76,402</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	967,136	969,644	517,038	452,606
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>967,136</u>	<u>969,644</u>	<u>517,038</u>	<u>452,606</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(526,500)</u>	<u>(529,008)</u>	<u>-</u>	<u>529,008</u>
<i>Other financing sources (uses)</i>				
Designated Cash	526,500	529,008	-	(529,008)
Transfers (In) Out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>526,500</u>	<u>529,008</u>	<u>-</u>	<u>(529,008)</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	-	-
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>100</u>	<u>100</u>
<i>Cash Balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 100</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			-	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ -</u>	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**MARINA WAY CAPITAL PROJECTS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	215,000	215,000	328,714	113,714
Charges For Services	-	-	-	-
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>215,000</u>	<u>215,000</u>	<u>328,714</u>	<u>113,714</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	501,030	501,030	281,744	219,286
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>501,030</u>	<u>501,030</u>	<u>281,744</u>	<u>219,286</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(286,030)</u>	<u>(286,030)</u>	<u>46,970</u>	<u>333,000</u>
<i>Other financing sources (uses)</i>				
Designated Cash	286,030	286,030	-	(286,030)
Transfers (In) Out	-	-	3,352	3,352
<i>Total other financing sources (uses)</i>	<u>286,030</u>	<u>286,030</u>	<u>3,352</u>	<u>(282,678)</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	50,322	50,322
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>(50,322)</u>	<u>(50,322)</u>
<i>Cash Balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			286,029	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			<u>(328,714)</u>	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ 7,637</u>	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**WTR SYSTEM IMPROVEMENT #13-1440 CAPITAL PROJECTS FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	-	-	-	-
Charges For Services	-	-	-	-
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated Cash	-	-	-	-
Transfers (In) Out	3,352	(3,352)	(3,352)	-
<i>Total other financing sources (uses)</i>	<u>3,352</u>	<u>(3,352)</u>	<u>(3,352)</u>	<u>-</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	3,352	(3,352)	(3,352)	-
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>3,352</u>	<u>3,352</u>
<i>Cash Balance - End of Year</i>	<u>\$ 3,352</u>	<u>\$ (3,352)</u>	<u>\$ -</u>	<u>\$ 3,352</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			<u>-</u>	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ (3,352)</u>	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**DEBT SERVICE RESERVE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	-	-	-	-
Charges For Services	-	-	-	-
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated Cash	-	-	-	-
Transfers (In) Out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	-	-
<i>Cash Balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>13,444</u>	<u>13,444</u>
<i>Cash Balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,444</u>	<u>\$ 13,444</u>
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			<u>-</u>	
<i>Net Change in Fund Balance (GAAP basis)</i>			<u>\$ -</u>	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**DEBT SERVICE REPLACEMENT RESERVE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	-	-	-	-
Charges For Services	-	-	-	-
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
<i>Current:</i>				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated Cash	-	-	-	-
Transfers (In) Out	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	-	-
<i>Cash Balance - Beginning of Year</i>	-	-	30,000	30,000
<i>Cash Balance - End of Year</i>	\$ -	\$ -	\$ 30,000	\$ 30,000
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			-	
<i>Net Change in Fund Balance (GAAP basis)</i>			\$ -	



**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**DEBT SERVICE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	-	-	-	-
Charges For Services	-	-	-	-
Licenses and Fees	-	-	-	-
Interest Income	-	-	-	-
Investment Income(Loss)	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
<i>Current:</i>				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Culture and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Capital Outlay	-	-	-	-
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	16,448	16,448	13,442	3,006
<i>Total expenditures</i>	16,448	16,448	13,442	3,006
<i>Excess (deficiency) of revenues over expenditures</i>	(16,448)	(16,448)	(13,442)	3,006
<i>Other financing sources (uses)</i>				
Designated Cash	16,448	16,448	-	(16,448)
Transfers (In) Out	-	-	14,223	14,223
<i>Total other financing sources (uses)</i>	16,448	16,448	14,223	(2,225)
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	781	781
<i>Cash Balance - Beginning of Year</i>	-	-	21,285	21,285
<i>Cash Balance - End of Year</i>	\$ -	\$ -	\$ 22,066	\$ 22,066
Adjustment expenditures for payables, payroll taxes, prepaid expenses and other accruals			-	
Adjustment for revenues for tax accruals, earnings on investments, and other deferrals and accruals			-	
<i>Net Change in Fund Balance (GAAP basis)</i>			\$ 781	

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**JOINT UTILITY PROPRIETARY FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	-	-	-	-
Charges For Services	187,811	190,319	204,000	13,681
Investment Income(Loss)	250	250	90	(160)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>188,061</u>	<u>190,569</u>	<u>204,090</u>	<u>13,521</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Operating Expenses	290,000	290,000	49,774	240,226
Travel	-	-	3,021	(3,021)
Gross Receipts Tax	-	-	-	-
Depreciation	205,000	205,000	41,179	163,821
Purchases for Resale	-	-	-	-
Contract Services	13,000	13,000	9,170	3,830
Salaries	120,380	120,380	51,608	68,772
Supplies	-	-	12,939	(12,939)
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>628,380</u>	<u>628,380</u>	<u>167,691</u>	<u>460,689</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(440,319)</u>	<u>(437,811)</u>	<u>36,399</u>	<u>474,210</u>
<i>Other financing sources (uses)</i>				
Designated Cash	459,627	457,119	-	(457,119)
Transfers (In) Out	(19,308)	(19,308)	(33,531)	(14,223)
<i>Total other financing sources (uses)</i>	<u>440,319</u>	<u>437,811</u>	<u>(33,531)</u>	<u>(471,342)</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	2,868	2,868
<i>Fund balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>1,007,807</u>	<u>1,007,807</u>
<i>Fund balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,010,675</u>	<u>\$ 1,010,675</u>

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**SOLID WASTE PROPRIETARY FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL**  
**For the Year Ended June 30, 2015**

	Budgeted Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
State Grant Income	-	-	-	-
Charges For Services	104,199	104,199	118,131	13,932
Investment Income(Loss)	100	100	16	(84)
Miscellaneous	9,958	9,958	-	(9,958)
<i>Total revenues</i>	<u>114,257</u>	<u>114,257</u>	<u>118,147</u>	<u>3,890</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Operating Expenses	260,000	260,000	10,147	249,853
Travel	-	-	732	(732)
Gross Receipts Tax	-	-	-	-
Depreciation	205,000	205,000	-	205,000
Purchases for Resale	-	-	-	-
Contract Services	-	-	67,679	(67,679)
Salaries	122,821	122,821	31,352	91,469
Supplies	-	-	18,445	(18,445)
<i>Debt Service:</i>				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>587,821</u>	<u>587,821</u>	<u>128,355</u>	<u>459,466</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(473,564)</u>	<u>(473,564)</u>	<u>(10,208)</u>	<u>463,356</u>
<i>Other financing sources (uses)</i>				
Designated Cash	473,564	473,564	-	(473,564)
Transfers (In) Out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>473,564</u>	<u>473,564</u>	<u>-</u>	<u>(473,564)</u>
<i>Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)</i>	-	-	(10,208)	(10,208)
<i>Fund balance - Beginning of Year</i>	<u>-</u>	<u>-</u>	<u>82,979</u>	<u>82,979</u>
<i>Fund balance - End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 72,771</u>	<u>\$ 72,771</u>

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**PENSION LIABILITY**  
**REQUIRED SUPPLEMENTARY INFORMATION**

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STATE OF NEW MEXICO  
Village of Eagle Nest  
Required Supplementary Information  
June 30, 2015

**SCHEDULE OF THE PROPORTIONATE SHARE OF THE  
NET PENSION LIABILITY OF PERA FUND DIVISION – GENERAL  
Public Employees Retirement Association (PERA) Plan  
Last 10 Fiscal Years\***

	<u>2015</u>
Village's proportion of the net pension liability (asset)	0.0185%
Village's proportionate share of the net pension liability (asset)	\$ 144,320
Village's covered-employee payroll	\$ 199,837
Village's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	72.22%
Plan fiduciary net position as a percentage of the total pension liability	81.29%

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

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STATE OF NEW MEXICO  
Village of Eagle Nest  
Required Supplementary Information  
June 30, 2015

**SCHEDULE OF THE CONTRIBUTIONS**

**Public Employees Retirement Association (PERA) Plan**

**PERA Fund Division - General**

**Last 10 Fiscal Years\***

	<u>2015</u>
Contractually required contribution	\$ 14,205
Contributions in relation to the contractually required contribution	\$ 14,205
Contribution deficiency (excess)	-
Village's covered-employee payroll	\$ 191,957
Contributions as a percentage of covered-employee payroll	7.40%

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

*Note: The employee contribution is not included in this schedule.*

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STATE OF NEW MEXICO  
Village of Eagle Nest  
Required Supplementary Information  
June 30, 2015

**Notes to Required Supplementary Information**

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

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

**Changes of assumptions.**

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

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**SUPPORTING SCHEDULES**

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**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**SCHEDULE OF CASH AND INVESTMENT ACCOUNTS**  
**JUNE 30, 2015**

Schedule I

Bank Account Type/Name	International Bank	Bank of America	FNB NM	Total
Checking - Village of Eagle Nest	\$ -	\$ 5,097	\$ -	\$ 5,097
Checking - Beautification Committee	-	-	992	992
Checking - CDBG	100	-	-	100
Checking - Fire, Interest Bearing	32,409	-	-	32,409
Checking - General Pooled Account, Interest Bearing	621,815	-	-	621,815
Checking - Activities	2,364	-	-	2,364
Checking - Enchanted Eagle Park	4,095	-	-	4,095
<b>Total On Deposit</b>	<b>660,784</b>	<b>5,097</b>	<b>992</b>	<b>666,873</b>
<b>Reconciling Items</b>	<b>(50,108)</b>	<b>-</b>	<b>-</b>	<b>(50,108)</b>
<b>Reconciled Balance</b>	<b>\$ 610,675</b>	<b>\$ 5,097</b>	<b>\$ 992</b>	<b>\$ 616,765</b>
Investments in NM State Treasurer				173,649
<b>Total June 30, 2015</b>				<b>\$ 790,414</b>

This amount is reflected in the financial statements as follows:

Cash and cash equivalents-Governmental activities Ex-B-1	702,719
Cash and cash equivalents-Business type activities Ex-D-1	87,695
	<u>\$ 790,414</u>

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**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY**  
**FOR PUBLIC FUNDS**  
**JUNE 30, 2015**

Schedule II

Name of Depository	Description of Pledged Collateral	Market Value June 30, 2015	Name and Location of Safekeeper
International Bank	FNMA CBL Cusip 3136FPBB2, 2.25% 8/25/2015	\$ 100,167	Bankers Bank of the West Denver, CO
International Bank	FHLB Cusip 73130A0C65, .62% 12/28/2016	150,090	Bankers Bank of the West Denver, CO
International Bank	FNMA . Cusip 3136G12K4, 1.20% 12/20/2018	<u>49,500</u>	Bankers Bank of the West Denver, CO
		<u>\$ 299,757</u>	

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**Village of Eagle Nest**  
**Schedule of Vendor Information for purchases exceeding \$60,000 (excluding GRT)**  
**For the Year Ended June 30, 2015**

<b>RFP# RFB#/RFP# / State-Wide Price Agreement</b>	<b>Type of Procurement</b>	<b>Awarded Vendor</b>	<b>\$ Amount of awarded Contract</b>	<b>\$ Amount of Amended Contract</b>	<b>Name and Physical Address of ALL Vendors that responded</b>	<b>In-State/Out-of- State Vendor (Y or N) (Based on Statutory Definition)</b>	<b>Was the vendor instate and chose Veteran's preference (Y or N)</b>	<b>Brief Description of the Scope of Work</b>
Lucky Shoe Not Awarded the Contract	N/A	N/A	N/A	N/A	Lucky Shoe P.O. Box 167 Eaglenest, NM 87118	Y	N	Providing meals for the Senior Citizens Center
Country Kitchen Not Awarded the Contract	N/A	N/A	N/A	N/A	Lake View Contry Kitchen 91 Therma Drive Eagle Nest, NM 87718	Y	N	Providing meals for the Senior Citizens Center
NM Underground Contractors Inc.  Not Awarded Contract	N/A	N/A	N/A	N/A	NM Underground Contractors Inc. 6201 Industry Way SE Albuquerque, NM 87105	Y	N	Professional Services for the Water Meter Replacement Project Water System Improvements
New Image Construction  Not Awarded Contract	N/A	N/A	N/A	N/A	New Image Construction 119 Industrial Ave NE Albuquerque, NM 87107	Y	N	Professional Services for the Water Meter Replacement Project Water System Improvements
RL Leeder Company Not Awarded Contract	N/A	N/A	N/A	N/A	RL Leeder Company P.O.Box 15147 Santa Fe, NM 87592	Y	N	Professional Services for the Deep Tunnel Trail Improvements
Northern Mountain Constructors Not Awarded Contract	N/A	N/A	N/A	N/A	Northern Mountain Constructors 25021 US-64, El Prado, NM 87529	Y	N	Professional Services for the Marina Way Reconstruction
Calamity Janes	N/A	Calamity Janes	72,800.00	\$72,800.00	Calamity Jane's 51 E Therma St. Eagle nest, NM 87718	Y	N	Providing meals for the Senior Citizens Center
Dennis Engineering Company	N/A	Dennis Engineering Company	1,387,000.00	1,387,000.00	Dennis Engineering Company 21 Main Street, Ste 201 Edgewood, NM 87015	Y	N	Professional Engineering Consulting Services for the Water Meter Replacement Project Marina Way Reconstruction Water System Improvements
Desert Utility and Paving LLC	N/A	Desert Utility and Paving LLC	\$374,494.90	\$366,378.94	Desert Utility and Paving LLC 8201 Golf Course NW, Ste D3 #295 Albuquerque, NM 87120	Y	N	Professional Services for the Marina Way Project
Adame Construction	N/A	Adame Construction	\$356,374.86	\$356,374.86	Adame Construction P.O. Box 1358 Los Lunas, NM 87031	Y	Y	Professional Services for the Water Meter Replacement Project Bid Schedule I Active Water Meters
Adame Construction	N/A	Adame Construction	\$391,304.05	\$391,304.05	Adame Construction P.O. Box 1358 Los Lunas, NM 87031	Y	Y	Professional Services for the Water System Improvements
W.M. Serazio Company	N/A	W.M. Serazio Company	\$213,891.13	\$215,779.81	W.M. Serazio Company P.O. Box 1192 Raton, NM 87740	Y	N	Professional Services for the Deep Tunnel Trail Improvements

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**COMPLIANCE SECTION**

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

Timothy Keller  
New Mexico State Auditor  
The Office of Management and Budget and  
The Governing Board  
Village of Eagle Nest  
Eagle Nest, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information and the budgetary comparisons of the General fund and Special Revenue funds, and capital project funds of the Village of Eagle Nest as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Village of Eagle Nest's basic financial statements, and the combining and individual and related budgetary comparisons of Village of Eagle Nest, presented as supplemental information, and have issued our report thereon dated November 20, 2015.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Village of Eagle Nest's internal control over financial reporting to determine the auditing 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 Village of Eagle Nest's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village of Eagle Nest'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 function, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or 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 the internal control over financial reporting was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses, that we consider to be significant deficiencies described as 2015-001, 2015-002 and 2015-003.

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### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Village of Eagle Nest'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 instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying schedule of findings and responses as items 2015-001, 2015-002 and 2015-003.

### **Village of Eagle Nest's Response to Findings**

Village of Eagle Nest's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. Village of Eagle Nest's responses were not subjected to auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of Village of Eagle Nest's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Village of Eagle Nest's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Precision Accounting, LLC*

Precision Accounting LLC  
Albuquerque, New Mexico  
November 20, 2015

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**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
June 30, 2015

**A. PRIOR YEAR AUDIT FINDINGS**

None

**B. FINDINGS-FINANCIAL STATEMENT AUDIT**

**2015-001 Controls over Disbursements (Significant Deficiency)**

**CONDITION:** During our test work of the cash disbursement cycle, we noted sixteen (16) transactions out of a population of seven hundred fifty-two (752) checks tested that were not supported with approved purchase order/purchase requisition. This resulted in a 2.0% error.

**CRITERIA:** NMSA 1978, section 6-5-8, states that purchases for goods and services, other than personnel, must be accompanied by supporting invoices and documentation, and the New Mexico Procurement Code (13-1-28 to 13-1-199 NMSA 1978) states that purchase orders should be approved by management prior to purchases, including purchase order revisions as necessary.

**CAUSE:** With key changes in administrators and staff, the Village was behind on its filing and the disbursement packets were not complete.

**EFFECT:** Without adequate supporting documentation on the approval for purchases, there can be risks for unsupported or improper purchases with public funding and the potential to negatively affect fund budgets.

**RECOMMENDATION:** We recommend that the Village complete each disbursement packet prior to issuing checks to ensure that the procurement is adequately supported and documented authorization for purchase and payment.

**CLIENT RESPONSE:** Disbursements should be assembled as soon as the check is written and mailed for that document. The Finance Officer plans to have documents completed at least one time a week or as soon as the transaction is completed. It will be assigned to an assistant if the Finance Officer is unable to complete everything at that time. The final document will contain a copy of the check, invoice(s), quoted(s) if needed, packing slips, completed purchase requisition and purchase order. The document is now complete and can be filed according to month, check order and bank account (i.e. general/pooled, fire, CDBG, parks, etc.). Upon completion all transactions will be monitored by Administrator or Procurement Officer. The Procurement Officer and Administrator are responsible for administering and monitoring this process and corrective action will be effective immediately.

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
June 30, 2015

**B. FINDINGS-FINANCIAL STATEMENT AUDIT (continued)**

**2015-002 Noncompliance with Payroll (Significant Deficiency)**

**CONDITION:** During our test work of forty (42) payroll paychecks, we noted six (6) paychecks where the hourly wage rate paid to employees did not match hourly wage rate per the Village's board approved salary schedule. The calculated error rate is 14.2%, where projected over the payroll population of 420 paychecks on average during the year resulted in 60 errors.

**CRITERIA:** NMSA 1978 section 6-5-2 states that proper internal controls should be designed and employed to prevent accounting errors and violations of state and federal law and rules related to financial matters.

**CAUSE:** The Mayor gave the Finance Officer authorization for wage rate increases. The change in wages was made in QuickBooks accounting software without the proper documentation.

**EFFECT:** Without proper documentation of the wage increase authorizations the auditors are unable to determine whether the Village is making accurate payroll disbursements.

**RECOMMENDATION:** The Village should maintain adequate supporting documentation for wage rate increase authorizations. The Village should have payroll staff to perform a review of employee files within QuickBooks to ensure all employee wage rates match the wage rates authorized. There should be a secondary management review to ensure accuracy of processed payroll.

**CLIENT RESPONSE:** When a wage increase is submitted to the Finance Officer/Payroll Officer there should be a document handed to them that states the authority to increase an employee's wage. There will be no increases if that documentation is not provided with the request. The Village of Eagle Nest also has a form which documents the increase. This document shows the previous wage and the new approved wage as well as the effective date of the increase. The form is approved by the Mayor or Administrator. All documents are filed together in the employee's file. The Finance Officer/Payroll Officer and Administrator are responsible for administering and monitoring this process and corrective action will be effective immediately.

**2015-003 Reconciliation of Utility Security Deposits (Significant Deficiency)**

**CONDITION:** During our test work of utility security deposits are not being reconciled and adjusted accordingly.

**CRITERIA:** NMSA 1978 section 6-5-2 states that proper internal controls should be designed and employed to prevent accounting errors and violations of state and federal law and rules related to financial matters.

**CAUSE:** The Village is behind in issuing refunds for security deposits in accordance with their policies.

**EFFECT:** By not reconciling the utility security deposits the Village may not be able to accurately account for customer security deposits or refunds or may be erroneously retaining customer deposits.

**RECOMMENDATION:** The Village should be reconciling the utility security deposits and refunding or applying customer balances in accordance with their policies.

**CLIENT RESPONSE:** The new customer is required to pay a Joint Utility deposit (Utility security deposit). The deposit is recorded in the general receipt book and posted to the main accounting system. A copy of the receipt is provided to the Joint Utility Billing Clerk. The billing clerk enters that deposit as information only on the customer's account in the RVS utility system. The Billing Clerk and Finance Officer should have reports that match at the end of each month. The Administrator will be provided a copy of that report for a check and balance system. The customer will be refunded the deposit at the end of one year (according to the Village of Eagle Nest Utility Ordinance) with good payment history and in good standing. The customer may also choose to apply their deposit to an outstanding balance in place of a lump sum payment. The Finance Officer and Billing Clerk will determine which customers are eligible for refunds and a check will be issued to said customer at that time. The Finance Officer and Billing Clerk are responsible for administering and monitoring this process and corrective action will be effective immediately.

**STATE OF NEW MEXICO**  
**VILLAGE OF EAGLE NEST**  
**OTHER DISCLOSURES**  
June 30, 2015

**A. AUDITOR PREPARED FINANCIAL STATEMENTS**

The Village has the capability of understanding and accepting responsibility for its own GAAP-basis financial statements, however, the Village's personnel do not have the time to prepare them. Therefore, the outside auditor prepared the GAAP-basis financial statements and footnotes for inclusion in the annual audit report.

**B. EXIT CONFERENCE**

The contents of this report were discussed on November 20, 2015. The following individuals were in attendance.

Village of Eagle Nest

Bill Lowery, Mayor Pro-Tem/Councilor  
Mary Burgland, Village Clerk/Treasurer  
Cathy Coppy, Village Finance Officer  
Kay Brown, Village Administrator/Senior Citizen  
Center Director

Precision Accounting LLC

Melissa R. Santistevan, CPA, CFE, CGMA  
Mei Y. To, CPA