

CITY OF RIO RANCHO NEW MEXICO

Comprehensive Annual
Financial Report
For the Year Ended June 30, 2016



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CITY OF RIO RANCHO, NEW MEXICO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2016

MAYOR AND CITY COUNCIL

Greggory D. Hull.....Mayor

Jim Owen..... Councilor – District 1

Dawnn Robinson Councilor – District 2

Cheryl Everett..... Councilor – District 3

Marlene Feuer..... Councilor – District 4

Shelby Smith Councilor – District 5

David Bency Councilor – District 6

CITY ADMINISTRATION

Keith J. Riesberg City Manager

Stephen Ruger City Clerk

ACKNOWLEDGMENTS

This report is prepared by the Department of Financial Services:

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Susan Adams

Michelle Ortiz

Kathy Fox

Don Martinez

We express our appreciation to all of the departmental staff throughout the City whose extra time and effort made this report possible.

CITY OF RIO RANCHO, NEW MEXICO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Year Ended June 30, 2016

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December 8, 2016

To the Honorable Mayor, Members of the City Council,
and Citizens of Rio Rancho:

In accordance with New Mexico statutes, we are pleased to present the Comprehensive Annual Financial Report of the City of Rio Rancho (the City) for the fiscal year ended June 30, 2016. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City's management.

We believe the enclosed information accurately presents the City's financial position and results of operations, in all material respects, in accordance with generally accepted accounting principles. We also believe we have included all disclosures necessary to enable the reader to gain an understanding of the City's financial activities. These assertions are made on the basis of the City's system of internal control over assets and liabilities recorded in the accounting system. These controls have been designed to provide reasonable, but not absolute, assurance of safeguarding assets against loss from unauthorized use or disposition, and to ensure the reliability of financial records for preparing financial statements. The concept of reasonable assurance recognizes that the cost of a control should not exceed the expected benefits, and that the evaluation of costs and benefits requires estimates and judgments by management.

The Report. The Comprehensive Annual Financial Report includes all funds of the City, and includes all departments, agencies, and other organizational units under the control of the Governing Body. The report is presented in four sections: Introductory, Financial, Statistical, and Single Audit. The Introductory Section contains a list of principal officials, this transmittal letter, and the City's organization chart. The Financial Section contains the independent auditors' report, Management's Discussion and Analysis (MD&A), the Basic Financial Statements, Required Supplementary Information, and Supplementary Information. The Statistical Section provides a history of selected financial, economic, and demographic information. The Single Audit Section includes the City's schedule of expenditures of federal awards along with the auditors' reports on internal controls and compliance with applicable laws and regulations.

Independent Auditors. Heinfeld, Meech & Co., P.C., a certified public accounting firm, has audited the City's financial statements. The firm conducted the audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. The firm has issued an unmodified ("clean") opinion on the City's financial statements, as explained in the independent auditors' report at the front of the Financial Section beginning on page 13.

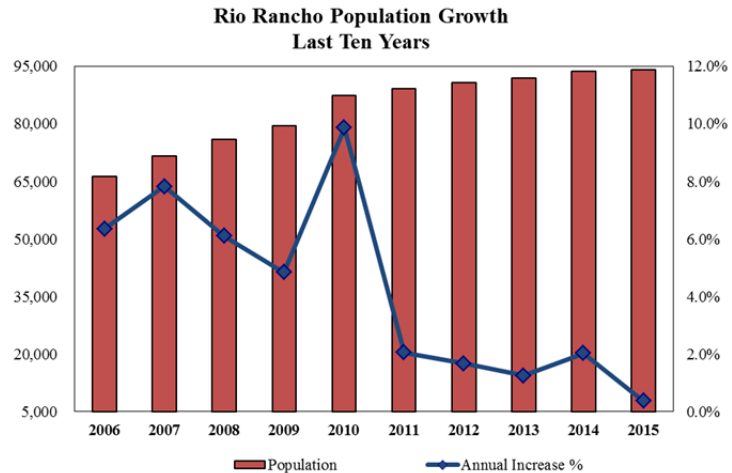
Federal and state regulations also require the City to undergo an annual "single audit" in conformance with the Federal Single Audit Act of 1984, as amended, and the U.S. Office of Management and Budget 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Information related to the Single Audit, including the schedule of expenditures of federal awards, audit findings and recommendations, summary of prior audit findings, and the auditors' report, is included in the Single Audit Section that starts on page 193.

Management's Discussion and Analysis (MD&A). The discussion and analysis beginning on page 15 provides an overview and analysis of the City's recent financial performance. This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it.

PROFILE OF THE CITY

Geography and Demographics. The City of Rio Rancho is located in Sandoval County in central New Mexico, northwest and adjacent to Albuquerque, New Mexico’s largest city. The metropolitan area is serviced by east-west Interstate I-40 and north-south Interstate I-25. The Santa Fe railroad has a major rail line through Albuquerque. The Rail Runner rail provides commuter service between the nearby communities of Bernalillo, Albuquerque, Los Lunas, and Santa Fe. There are two general aviation facilities, including the Albuquerque International Sunport, that provide service to the metropolitan area.

Rio Rancho is the third largest city in New Mexico. Between 2000 and 2010, the City’s population increased from 51,765 to 87,521 (69%). As of 2015, the City’s population was 94,171, according to the most recent estimates by the U.S. Census Bureau.

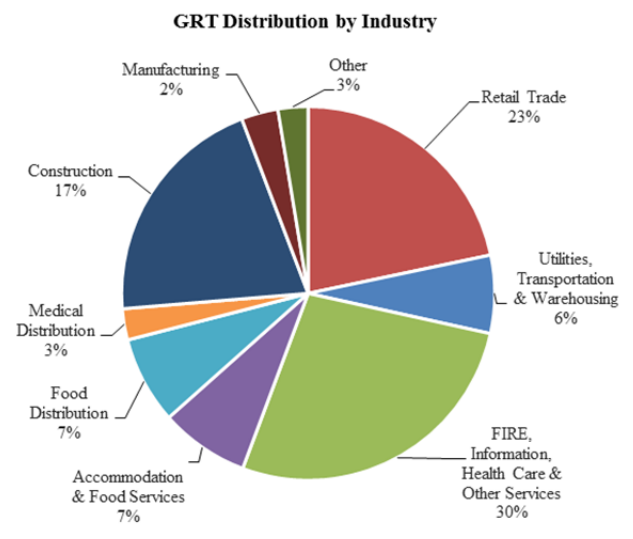


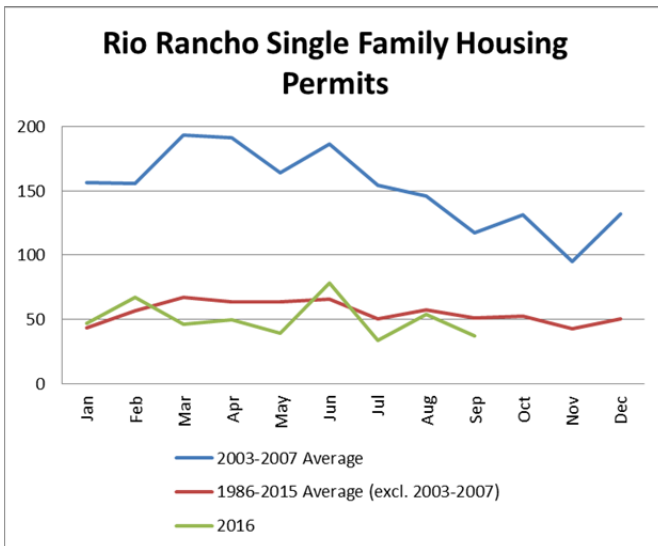
Government Structure. The City was incorporated in 1981 and adopted a municipal charter as a “home rule” city in 1991. The City has a hybrid Council/Manager form of government in which the Mayor is a member of the Governing Body. The City Manager is the Chief Administrative Officer, appointed by the Mayor subject to approval of the Governing Body.

The City provides to its citizens those services that have proven to be necessary and meaningful and has done so with less City employees per capita than similarly sized New Mexico cities. Major services provided include police and fire protection, emergency ambulance service, roads, water and wastewater services, parks and recreational activities, libraries, senior services, and general administrative services.

ECONOMIC CONDITION AND OUTLOOK

Local Economy. Rapid population growth coupled with the increased availability of credit during the housing boom led to a surge in the number of single-family housing permits issued beginning in 2003 and ending in 2007. During this time, annual permits issued rose steadily, peaking at an all-time high of 3,084 permits in 2005. As economic growth slowed in 2008 and the economy entered a recession, Rio Rancho housing market activity declined sharply. Since the peak in 2005, the number of housing permits issued fell 90 percent to 301 in 2011. This weakness in housing construction translated into a significant drop in the City’s gross receipts tax revenues and slowed the growth rate of City property tax revenues. Since 2012, tax revenues have stabilized, boosted by the construction of two hospitals and several new retail establishments. In fiscal year 2016, gross receipts grew 9.8%, with most of the increase coming from robust activity in the construction sector. The City’s elected officials and management continue to seek opportunities to diversify the City’s economic base. Having a diverse mix of construction, retail, and service industries will help buffer the City’s budget against future downturns in any one sector.

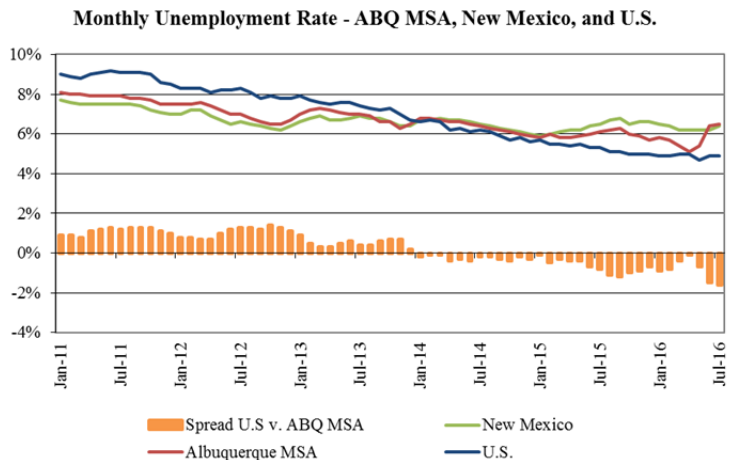




The City’s current financial condition reflects a local economy that is steadily improving. Single-family building permits are on track to exceed 500 units in calendar year 2016; gross receipts taxes are expected to decline 1.2% in fiscal year 2017. Although the economy is improving, the reduction in GRT is due to one-time commercial construction revenues. Personal income growth is expected to range from 4.0% to 5.2% through 2019.

The unemployment rate in the metro area has remained fairly steady for the past two years, hovering between 5.4% and 6.5% since 2014. The Bureau of Business and Economic Research expects employment growth to be positive but

slow in the Albuquerque MSA over the next three years, growing at rates of 1.5% in 2017, 1.4% in 2018 and 1.5% on 2019. In the longer term, through 2022 (using 2016 as the base year), the Albuquerque MSA economy is forecasted to add 31,017 jobs at an average annual growth (AAG) rate of 1.4%. Sectors leading the job growth include the healthcare and social assistance sector as well as accommodation and food services. The construction sector is forecasted to finally begin to add jobs at a consistent pace (2.8% AAG) with growth fairly even throughout the period. The administrative & waste services sector is also forecasted to be a strong performer over the period. The retail trade sector is forecasted to add 2,773 jobs and the professional and technical services sector should also contribute nicely.



Local Economic Growth Highlights. The local housing market is showing positive growth and development. During the past fiscal year, more than 500 new single-family home permits were issued. The Neighborhood by La Vida Llana, a senior-living community, has opened in the Loma Colorado community. The formation of a Public Improvement District has been approved to help support expansion of the existing Lomas Encantadas and Enchanted Hills communities. In the coming years, we are poised to see more than a 1,000 new homes added to the community through the expansion of these communities alone.

Numerous commercial and retail projects invested in Rio Rancho and opened their doors this past year. These include the following:

- The Plaza at Enchanted Hills
- Rio Grande Credit Union
- Gonstead Health
- Taco Cabana
- Chick fil A
- Whataburger

In addition, we are on track to see further growth in shopping opportunities in the community through the expansion of The Plaza at Enchanted Hills with retailers such as PetSmart, Ross, and Burkes Outlet.

Employment opportunities in Rio Rancho looked to be harmed by the closing of the Sprint call center in January 2016 which had been open since 1998. This resulted in a reduction of nearly 400 full-time positions. City staff worked diligently to attract another operation into that space and was pleased that Safelite auto glass repair agreed to move in, bringing approximately 900 insurance claims processing and operations support positions to the City. Additionally, PCM technology solutions has announced they will open an additional call center in Rio Rancho's City Center, bringing in nearly 225 positions.

The City continues to partner with Sandoval County to help fund the Sandoval Economic Alliance to help spur economic development in Rio Rancho and the surrounding areas.

Long-term Financial Planning and Policies. The General Fund ended fiscal year 2016 with an unassigned fund balance of \$16 million, which equals 32% of the fund's annual expenditures under the modified-accrual basis of accounting. On a budgetary basis, the General Fund's reserves ended the year at 24.3% of expenditures, which exceeds the State of New Mexico requirement of 1/12th (8.3%) of expenditures and is well above the City's stated policy target of 15%.

The City continues to budget and spend within its means. The fiscal year 2017 budget for the General Fund compared to actual fiscal year 2016 includes a \$3.7 million (7%) increase in expenditures and other uses, most of which is for increases to employee compensation and benefits, including \$2.7 million due to a 27th pay period occurring during fiscal year 2017. For all other governmental funds, 2017 budgeted operating expenditures as compared to actual expenditures in fiscal 2016 are decreasing \$3.6 million (17%). The City's five-year infrastructure and capital improvement plan (ICIP) includes funding for critical transportation, utility, and equipment projects. The ICIP is a rolling five-year plan that identifies the City's most important capital needs and the funding sources that will be used to pay for the various projects. Finally, the budget includes sufficient resources to cover annual debt service requirements, and the City is in compliance with all of its debt covenants and obligations.

CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the City of Rio Rancho for its 2015 comprehensive annual financial report. This was the 10th consecutive year the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. We believe our current comprehensive annual financial report meets the Certificate of Achievement Program's requirements, and will be submitting it to the GFOA again this year.

CONCLUSION

We believe this report provides useful information in evaluating the financial condition of the City. The preparation of this report is a team effort by the Department of Financial Services and other departments. We extend our appreciation for their ongoing commitment to excellence in financial reporting and for their continuing effort in providing pleasant and efficient service to the citizens of Rio Rancho.

Respectfully submitted,



Keith J. Riesberg
City Manager



Carole H. Jaramillo
Director of Financial Services



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

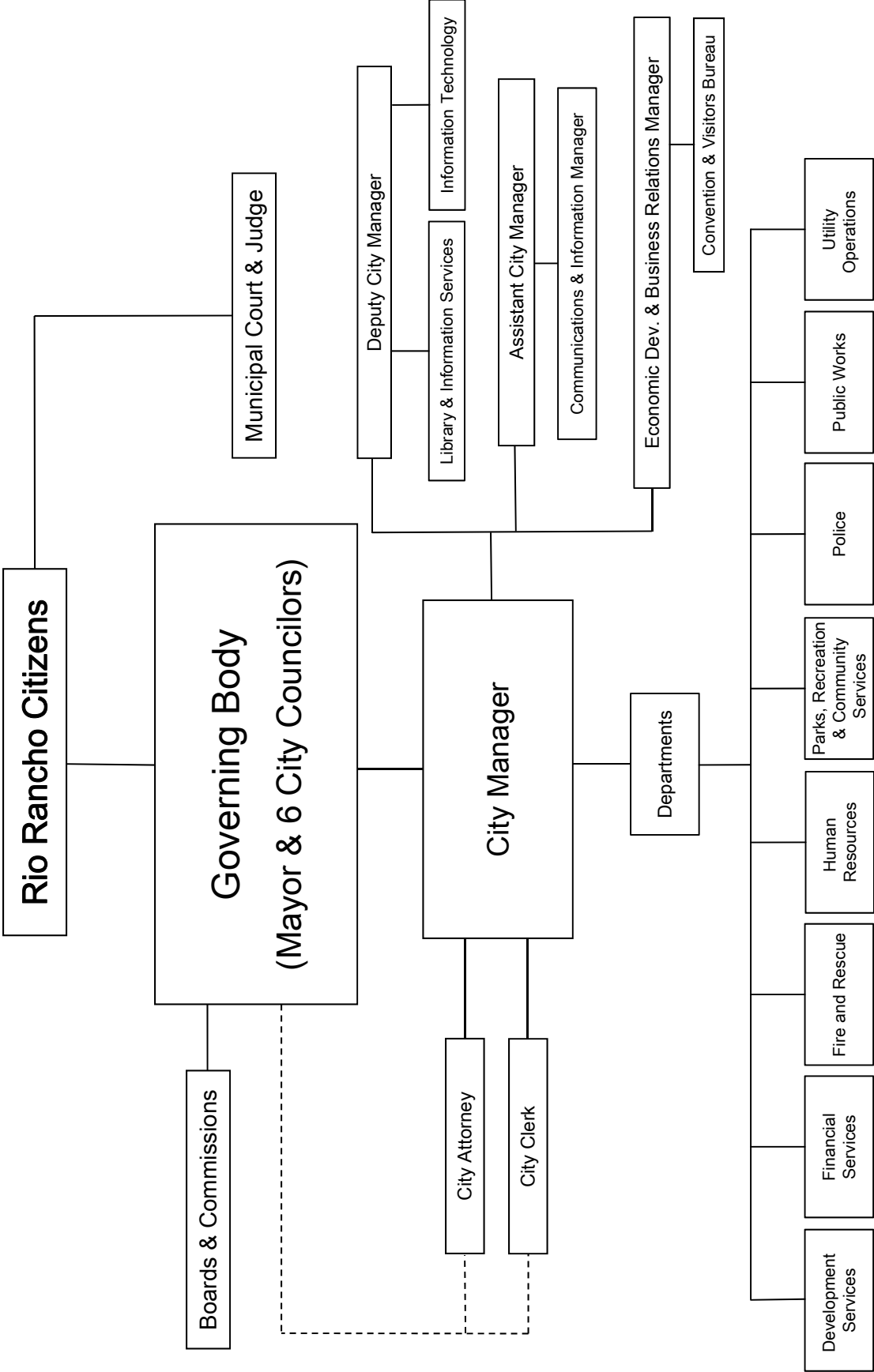
**City of Rio Rancho
New Mexico**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

City of Rio Rancho Organizational Structure



Financial Section



INDEPENDENT AUDITOR'S REPORT

Mr. Tim Keller
New Mexico State Auditor

Honorable Mayor and Members of the City Council
City of Rio Rancho, New Mexico

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, the aggregate remaining fund information and the budgetary comparison for the General Fund of City of Rio Rancho, New Mexico (City), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the City's nonmajor governmental funds, internal service funds and fiduciary funds, and the budgetary comparisons for all nonmajor governmental funds, enterprise funds and internal service funds presented as supplementary information, as defined by the Governmental Accounting Standards Board, in the accompanying Supplementary Information – Combining Statements, Budgetary Compliance, and Other Schedules as of and for the year ended June 30, 2016, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Rio Rancho, New Mexico, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, internal service, and fiduciary fund of City of Rio Rancho, New Mexico, as of June 30, 2016, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for all nonmajor governmental funds, enterprise funds and internal service funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As described in Note 2, the City implemented the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 72, *Fair Value Measurement and Application*, for the year ended June 30, 2016, which represents a change in accounting principle. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 15 through 23, and the net pension liability information on pages 68 through 70 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the City's financial statements, individual fund financial statements, and the budgetary comparisons. The Schedule of Expenditures of Federal Awards, as required by Office of Management and Budget Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), Introductory Section, Statistical Section, Schedule of Deposit and Investment Accounts, Schedule of Expenditures of State Appropriations, Joint Powers Agreement Schedule, Memorandum of Understanding Schedule, Schedule of Vendor Information, and the Combining Statement of Changes in Agency Assets and Liabilities are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards, Schedule of Deposit and Investment Accounts, Schedule of Expenditures of State Appropriations, Joint Powers Agreement Schedule, Memorandum of Understanding Schedule, and the Combining Statement of Changes in Agency Assets and Liabilities are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards, Schedule of Deposit and Investment Accounts, Schedule of Expenditures of State Appropriations, Joint Powers Agreement Schedule, Memorandum of Understanding Schedule, and the Combining Statement of Changes in Agency Assets and Liabilities are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2016, on our consideration of City of Rio Rancho, New Mexico'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 City of Rio Rancho, New Mexico's internal control over financial reporting and compliance.

Heinfeld, Meech & Co., P.C.

Heinfeld, Meech & Co., P.C.
Tucson, Arizona
December 7, 2016

CITY OF RIO RANCHO, NEW MEXICO
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2016

INTRODUCTION

The following is a discussion and analysis of the City of Rio Rancho's financial performance and activities for the year ended June 30, 2016. Please read it in conjunction with the transmittal letter in the Introductory Section of this report and with the financial statements that follow.

HIGHLIGHTS

Government-wide Level

- Combined net position increased \$22.6 million (5.4%) from the prior year due to a steadily improving economy and close monitoring of overall spending.

Capital Assets and Long-term Liabilities

- The City added \$25.9 million in new capital assets including \$5 million in water rights purchases, right of way acquisitions for Unser and Broadmoor projects, and purchase of three ambulances for the Fire Department along with eight replacement vehicles, a motorcycle and a truck for the Police Department.
- During FY2016, the City issued \$27.4 million in refunding bonds to advance refund \$30 million of outstanding Series 2007 water and wastewater revenue bonds. The City entered into a Water Project Fund Loan/Grant Agreement for \$3,840,000 for completion and equipping of the Phase 2 water treatment facility for the aquifer recharge project. Additionally, the City accepted a new loan from the New Mexico Finance Authority for the purchase of six new police vehicles and issued \$2.3 million in refunding bonds to advance refund \$2.4 million of outstanding Series 2006 general obligation bonds as well as issuing \$9 million in new voter-approved general obligation bonds for reconstruction and rehabilitation of High Resort and Sara Roads.
- As of June 30, 2016, the City's share of the New Mexico Public Employees Retirement Association (PERA) net pension liability, was \$57.3 million, which is 1.3% of PERA's total net pension liability.

Fund Level

- The General Fund ended the year with an unassigned fund balance of \$16 million, which equals 32% of the fund's annual expenditures and is well above the industry's recommended level of 15%.
- On a budgetary basis, General Fund revenues were \$1.3 million (2.3%) above budget and General Fund expenditures were \$3.4 million (6.3%) below budget.
- The Utility Fund net position increased \$13.4 million (6.9%) over the prior year and ended the year at \$207.8 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to the City's Basic Financial Statements. The Basic Financial Statements include three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the Basic Financial Statements, this report contains other required information, including combining statements, budget schedules, reports on federal grants, and a statistical section.

Government-wide Statements – Reporting the City as a Whole

The Statement of Net Position and the Statement of Activities comprise the government-wide financial statements. These statements provide a broad overview with a long-term focus of the City's finances as a whole and are prepared using the full-accrual basis of accounting, similar to private-sector companies. This means all revenues and expenses are recognized regardless of when cash is received or spent, and all assets and liabilities, including capital assets and long-term debt, are reported at the entity level. The government-wide statements report the City's net position and how it has changed from the prior year. Over time, increases and decreases in net position measure whether the City's overall financial condition is getting better or worse. In evaluating the government's overall condition, however, additional non-financial factors should be considered, such as the City's economic outlook, changes in its demographics, and the condition of its capital assets and infrastructure.

CITY OF RIO RANCHO, NEW MEXICO
MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended June 30, 2016

The government-wide statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or most of their costs through user fees and charges (*business-type activities*). Rio Rancho's governmental activities include general government, public safety, public works, parks and recreation, library services, community development, and economic development programs. The City has two business-type activities that include a water/waste water utility and a multi-purpose events center.

Fund Financial Statements – Reporting the City's Most Significant Funds

The fund financial statements provide detailed information about individual major funds, not the City as a whole. A fund is a group of related accounts that the City uses to keep track of specific resources that are segregated for a specific purpose. Some funds are required by law to exist, while others are established internally to maintain control over a particular activity. The City's funds are divided into three types:

Governmental Funds – Most of the City's basic services are accounted for in governmental funds and are essentially the same functions reported as governmental activities in the government-wide statements. Governmental funds use the modified-accrual basis of accounting, which measures the flow of current financial resources that can be converted to cash and the balances left at year-end that are available for future spending. This short-term view of the City's financial position helps determine whether the City has sufficient resources to cover expenditures in the near future.

Under New Mexico Administrative Code Section 2.2.2, governments in New Mexico must include the budgetary comparison statement for the General Fund and major special revenue funds as a component of the fund financial statements within the Basic Financial Statements.

Proprietary Funds – Rio Rancho uses two different types of proprietary funds. *Enterprise funds* are used to report the same activities presented as *business-type activities* in the government-wide financial statements. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains two internal service funds to account for its self-funded employee health and dental insurance activities. Because these services predominantly benefit governmental rather than business-type activities, they are included with *governmental activities* in the government-wide statements.

Fiduciary Funds – Fiduciary funds account for resources held for the benefit of parties outside the government. Fiduciary funds use full-accrual accounting, but they are not included in the government-wide statements because the assets in these funds are not available to finance the City's own programs.

Reconciliation Between Government-wide and Fund Statements

The financial statements include schedules that reconcile the amounts reported for governmental activities on the government-wide statements with amounts reported on the governmental fund statements. Following are some of the major differences between the two statements:

- Capital assets, long-term debt, and pension liabilities are included on the government-wide statements but are not included on the governmental fund statements.
- Capital spending produces assets on the government-wide statements but is considered an expenditure on the governmental fund statements.
- Delinquent property tax revenues that are owed to the City but not yet collected are reported as revenue on the government-wide statements but are deferred inflows on the governmental fund statements.

Notes to the Financial Statements

The notes provide additional information that is essential to a complete understanding of the financial statements, and they apply to both the government-wide and fund financial statements.

Required Supplementary Information

This section includes required information related to the City's pension plans.

Supplementary Information

This section includes combining statements for the City's nonmajor governmental funds, budgetary comparison schedules for all funds other than the General Fund, and statutorily required schedules related to the City's cash and investment balances, state appropriations, vendors, and interlocal agreements between the City and other governmental entities.

CITY OF RIO RANCHO, NEW MEXICO
MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended June 30, 2016

Statistical Information

This section provides up to ten years of financial, economic, and demographic information about the City.

Single Audit Section

This section reports on the City's expenditures of federal awards and is required by federal and state statutes.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position

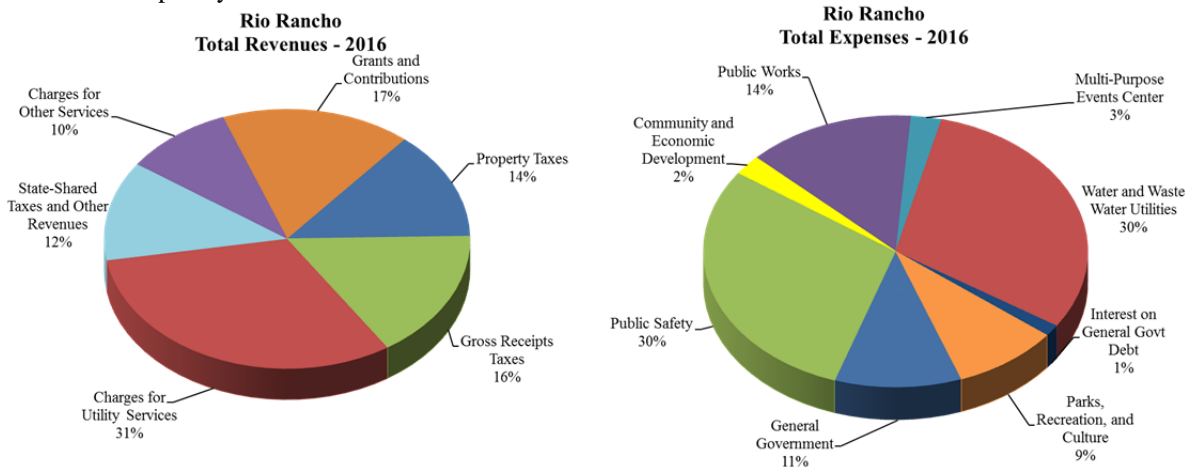
The largest component of the City's net position is composed of *capital assets* (land, buildings, equipment, roads, and other infrastructure), net of all outstanding debt that was issued to buy or build those assets. As capital assets, these resources are not available for future spending, nor can they be readily liquidated to pay off the related liabilities. Resources needed to repay capital-related debt must be provided from other sources.

Restricted net position comprises 8.5% of total net position and is subject to external restrictions on how the resources may be used. The remaining balance of net position is *unrestricted* and may be used at the City's discretion to meet its ongoing obligations to citizens and creditors. The following table compares the current year's net position to the prior year.

	Governmental		Business-type		Total	
	Activities		Activities			
	2016	2015	2016	2015	2016	2015
Current and Other Assets.....	\$ 52,747,781	\$ 41,461,356	\$ 39,822,503	\$ 38,022,927	\$ 92,570,284	\$ 79,484,283
Capital Assets.....	274,731,509	271,114,900	333,274,860	330,416,834	608,006,369	601,531,734
Total Assets.....	327,479,290	312,576,256	373,097,363	368,439,761	700,576,653	681,016,017
Total Deferred Outflows						
of Resources.....	7,809,401	5,139,969	8,898,549	7,107,041	16,707,950	12,247,010
Current and Other Liabilities.....	15,123,105	13,982,098	12,550,513	12,574,710	27,673,618	26,556,808
Long-term Liabilities.....	102,281,928	83,838,924	146,854,919	153,479,290	249,136,847	237,318,214
Total Liabilities.....	117,405,033	97,821,022	159,405,432	166,054,000	276,810,465	263,875,022
Total Deferred Inflows						
of Resources.....	1,169,562	12,253,139	40,973	474,904	1,210,535	12,728,043
Net Position:						
Net Investment in Capital Assets....	234,227,258	226,442,463	184,486,885	169,543,683	418,714,143	395,986,146
Restricted.....	18,491,028	9,731,861	7,087,740	9,716,564	25,578,768	19,448,425
Unrestricted.....	(36,004,190)	(28,532,260)	30,974,882	29,757,651	(5,029,308)	1,225,391
Total Net Position.....	\$ 216,714,096	\$ 207,642,064	\$ 222,549,507	\$ 209,017,898	\$ 439,263,603	\$ 416,659,962
Percent change from prior year	4.4%	0.3%	6.5%	6.0%	5.4%	2.0%

Changes in Net Position

The City's combined net position increased by \$22.6 million (5.4%) from the prior year. Net position of governmental activities increased \$9.1 million (4.4%) while net position of business-type activities increased \$13.5 million (6.5%). The following charts and schedules summarize the City's revenues and expenses relative to each other and to the prior year.



CITY OF RIO RANCHO, NEW MEXICO
MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended June 30, 2016

City of Rio Rancho Changes in Net Position For the Year Ended June 30								Total Percent Change 2015 to 2016
	Governmental Activities		Business-type Activities		Total			
	2016	2015	2016	2015	2016	2015		
Revenues								
General Revenues:								
Taxes.....	\$ 44,019,259	\$ 43,360,232	\$ —	\$ —	\$ 44,019,259	\$ 43,360,232	1.5 %	
Other General Revenues.....	13,523,924	13,949,043	45,744	21,072	13,569,668	13,970,115	(2.9)	
Program Revenues:								
Charges for Services.....	12,825,188	14,281,955	43,514,451	42,338,204	56,339,639	56,620,159	(0.5)	
Operating Grants.....	6,078,377	3,553,834	2,956,864	2,652,028	9,035,241	6,205,862	45.6	
Capital Grants.....	10,335,132	5,931,198	3,685,168	1,784,369	14,020,300	7,715,567	81.7	
Total Revenues	86,781,880	81,076,262	50,202,227	46,795,673	136,984,107	127,871,935	7.1	
Expenses								
General Government.....	12,223,084	11,754,103	—	—	12,223,084	11,754,103	4.0	
Public Safety.....	33,857,302	32,104,922	—	—	33,857,302	32,104,922	5.5	
Public Works.....	16,201,872	16,485,501	—	—	16,201,872	16,485,501	(1.7)	
Parks, Recreation, and Culture.....	10,132,443	10,578,196	—	—	10,132,443	10,578,196	(4.2)	
Community and Econ. Development..	2,710,890	2,437,296	—	—	2,710,890	2,437,296	11.2	
Interest on General Govt Debt.....	1,595,512	1,569,485	—	—	1,595,512	1,569,485	1.7	
Water and Waste Water Utilities.....	—	—	34,703,938	37,070,051	34,703,938	37,070,051	(6.4)	
Multi-Purpose Events Center.....	—	—	2,955,425	3,277,447	2,955,425	3,277,447	(9.8)	
Total Expenses	76,721,103	74,929,503	37,659,363	40,347,498	114,380,466	115,277,001	(0.8)	
Transfers.....	(988,745)	(1,074,860)	988,745	1,074,860	—	—		
Change in Net Position.....	9,072,032	5,071,899	13,531,609	7,523,035	22,603,641	12,594,934		
Net Position - Beginning.....	207,642,064	252,529,313	209,017,898	203,130,996	416,659,962	455,660,309		
Restatement.....	—	(49,959,148)	—	(1,636,133)	—	(51,595,281)		
Net Position - Beginning, as restated....	207,642,064	202,570,165	209,017,898	201,494,863	416,659,962	404,065,028		
Net Position - Ending.....	\$ 216,714,096	\$ 207,642,064	\$ 222,549,507	\$ 209,017,898	\$ 439,263,603	\$ 416,659,962	5.4 %	

Governmental Activities

In total, actual revenues for all governmental activities increased \$5.7 million (7%) from the prior year. Much of the increase was due to an improved economy and new construction that produced higher gross receipts (GRT) and property tax revenues. Compared to the prior year, actual GRT (both city and state-shared) grew approximately \$1.1 million (2.7%), while property taxes increased \$495,000 (2.7%). An additional \$1.8 million (46.7%) came from various grant revenues for emergency management, road construction, state capital outlay appropriations, and library materials.

Total governmental expenses increased \$1.8 million (2.4%) over the prior year primarily due to a 1.5% wage increase for all city employees and higher contribution rates required by the city's pension plan.

The following table shows to what extent the City's governmental activities relied on self-generated revenues to cover program costs. For 2016, these activities covered \$29.2 million (38.1%) of their total expenses through grants and charges for services. Taxes and other general revenues covered the remaining 61.9% of expenses.

City of Rio Rancho Net Cost of Governmental Activities For the Year Ended June 30						
	Program Expenses 2016	Less Program Revenues 2016	Net Program Costs		Program Revenues as a Percentage of Program Expenses	
			2016	2015	2016	2015
Activities:						
General Government.....	\$ 12,223,084	\$ (5,875,429)	\$ 6,347,655	\$ 3,551,371	48.1 %	69.8 %
Public Safety.....	33,857,302	(8,194,293)	25,663,009	25,041,292	24.2	22.0
Public Works.....	16,201,872	(8,453,283)	7,748,589	12,751,157	52.2	22.7
Parks, Recreation, and Culture.....	10,132,443	(4,592,638)	5,539,805	6,034,192	45.3	43.0
Community and Economic Development..	2,710,890	(2,123,054)	587,836	2,215,019	78.3	9.1
Interest on Long-term Debt.....	1,595,512	—	1,595,512	1,569,485	—	—
Total Governmental Activities.....	\$ 76,721,103	\$ (29,238,697)	\$ 47,482,406	\$ 51,162,516	38.1 %	27.9 %

CITY OF RIO RANCHO, NEW MEXICO
MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended June 30, 2016

Business-type Activities

Overall, net position for business-type activities increased \$13.5 million (6.5%) and ended the year at \$222.5 million. Following is a summary of activities within the Utility and Multi-Purpose Events Center functions.

Water and Waste Water Utility. Early in 2013, the Governing Body implemented a series of water rate increases over five years designed to cover rising operating and maintenance costs and to provide sufficient resources for non-growth related capital projects. Fiscal year 2016 was the fourth year of these rate increases, and rates are scheduled to increase an additional 7.8% in fiscal year 2017. For 2016, Utility operating revenues grew \$1.4 million (3.4%), partly due to the rate increase, but primarily due to the City's receipt of \$2,135,000 partial reimbursement of the \$6.3 million federal grant owed to the City from the Corp of Engineers since 2009. The City also received \$1 million in state appropriation grants for replacement of aging water lines. The growth in revenue was partially offset due to reduction in consumption by the City's largest industrial customer.

Total Utility production cost expenses decreased \$1.8 million (8.6%) mostly due to a decrease of \$1.3 million in Transmission and Distribution related to lower system repair and maintenance expense and a \$600,000 decrease in Wastewater operations also related to lower system repair and maintenance expense. Net position increased \$13.4 million (6.9%) and ended the year at \$207.8 million.

Multi-Purpose Events Center (MPEC). Operating revenues for the MPEC decreased \$173,000 (41.3%) due to fewer concerts than normal, hosted concerts not performing as well as expected and fewer concessions and sponsorship sales. Operating expenses decreased \$227,000 (11.1%) compared to the prior year due to staffing savings, lower utilities costs, fewer contracted services and staff efficiencies in reducing expenses. Net position of the MPEC Fund increased \$170,000 (1.2%) to end the year at \$14.8 million.

CAPITAL ASSETS, LONG-TERM DEBT, AND PENSIONS

Capital Assets

During 2016, the City added \$25.9 million in new capital assets including \$5 million in water rights purchases; right of way acquisitions for Unser and Broadmoor projects; purchase of three ambulances for the Fire Department; eight replacement vehicles, a motorcycle and a truck for the Police Department.

The City ended the year with \$67.4 million of projects still under various phases of design or construction including a reuse booster station and storage tank at Waste Water Treatment Plant #6, relocation of Lift Station 10, the Los Montoyas Arroyo sewer line project, Westside Boulevard permanent roadway improvements, extension of Broadmoor Boulevard to Paseo del Volcan, reconstruction of Idalia Road from NM528 to Iris Road, expansion of Southern Boulevard, and the "A Park Above" project in the Cabezon Area.

The City's total capital assets ended the year at \$608 million, an increase of \$6.5 million (0.1%) over the prior year due mostly to right of way and water rights acquisitions and depreciation of existing assets. Note 9 provides more information about the City's capital assets.

Long-term Debt

In September 2015, the City issued \$27.4 million in refunding bonds to advance refund \$30 million of outstanding Series 2007 water and wastewater revenue bonds. This advance refunding was undertaken to reduce total debt service payments over the next 17 years by \$5.6 million and to allow the City to replace a \$3 million debt service reserve fund with a surety reserve policy, reducing the amount of cash required to be held in reserve for Utility revenue bonds. This resulted in a net savings of \$1.3 million. In addition, the Utility Fund added \$3.1 million to its ongoing New Mexico Environment Department waste water project loan that began in 2009.

In January 2016, the City entered into a Water Project Fund Loan/Grant Agreement for \$3,840,000 with a notes payable component of \$384,000 owed by the City and a WTB (Water Trust Board) Grant Award of \$3,456,000. This was for completion and equipping of the Phase 2 water treatment facility for the aquifer recharge project.

In May 2016, the City accepted a new loan for \$259,950 from the New Mexico Finance Authority for the purchase of six new police vehicles.

In June 2016, the City issued \$2.3 million in refunding bonds to refund \$2.4 million of outstanding Series 2006 general obligation bonds. This advance refunding was undertaken to reduce total debt service payments over the next 3 years by \$73,542 and resulted in an economic gain of \$71,720. At the same time, the City issued \$9 million

CITY OF RIO RANCHO, NEW MEXICO
MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended June 30, 2016

in new general obligation bonds for reconstruction and rehabilitation of High Resort and Sara Roads. The City's total long-term liabilities, excluding pensions, ended the year at \$209.7 million, a decrease of \$2.8 million (1.3%).

Pensions

In FY15, the City implemented new accounting standards related to pensions. The new standards require the City to report its proportionate share of the New Mexico Public Employees Retirement Association (PERA) net pension liability. For fiscal year 2016, the City's share was \$55.7 million for governmental activities and \$1.6 million for business-type activities. Adding these liabilities to the Statement of Net Position resulted in a deficit unrestricted net position for governmental activities of \$36.0 million, while the business-type activities / Utility Enterprise Fund had sufficient unrestricted net position to absorb its share of the liability. The City's net pension liability was calculated by PERA based on state statutes governing benefit levels and contribution rates, as well as several assumptions adopted by the PERA Board of Directors, in conformance with GASB standards. The City does not control or influence any of the factors that determine the City's net pension liability except to the extent the City hires employees who are covered by one of PERA's pension plans.

The following table presents changes in the City's long-term obligations relative to the prior year. Note 10 provides more details on the City's long-term debt.

City of Rio Rancho
Long-term Liabilities
as of June 30

	Governmental Activities		Business-type Activities		Total		Total Percent Change
	2016	2015	2016	2015	2016	2015	2015 to 2016
	General Obligation Bonds, net...	\$ 24,594,126	\$ 18,258,113	\$ —	\$ —	\$ 24,594,126	\$ 18,258,113
GRT Revenue Bonds, net.....	13,124,725	14,364,139	26,750,000	28,100,000	39,874,725	42,464,139	(6.1)
Utility Revenue Bonds, net.....	—	—	86,768,055	94,298,275	86,768,055	94,298,275	(8.0)
Notes Payable.....	12,775,719	13,786,850	41,050,115	38,969,846	53,825,834	52,756,696	2.0
Compensated Absences.....	4,562,123	4,645,355	85,509	118,692	4,647,632	4,764,047	(2.4)
Net Pension Liability.....	55,732,750	41,125,556	1,594,062	1,211,785	57,326,812	42,337,341	35.4
Total.....	\$ 110,789,443	\$ 92,180,013	\$ 156,247,741	\$ 162,698,598	\$ 267,037,184	\$ 254,878,611	4.8 %

FINANCIAL ANALYSIS OF THE CITY'S GOVERNMENTAL FUNDS

Fund Balances

At June 30, the City's governmental funds reported combined fund balances of \$43 million, an increase of \$8.5 million (25%) from 2015. Of the total fund balances, \$27.4 million (64%) is restricted for various purposes, such as debt service and future capital projects, and is therefore unavailable for discretionary spending. The remaining \$15.5 million (36%) is unassigned and available for new spending. The following table presents the City's 2016 ending governmental fund balances.

City of Rio Rancho
Governmental Fund Balances
June 30, 2016

	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
Restricted.....	\$ —	\$ 11,484,216	\$ 4,428,625	\$ 11,526,568	\$ 27,439,409
Unassigned.....	16,011,877	(241,789)	—	(245,167)	15,524,921
Total.....	\$ 16,011,877	\$ 11,242,427	\$ 4,428,625	\$ 11,281,401	\$ 42,964,330
Percent change from prior year...	4.5%	9.4%	5.3%	143.0%	24.7%

**CITY OF RIO RANCHO, NEW MEXICO
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Year Ended June 30, 2016

General Fund

During 2016, fund balance in the General Fund increased \$686,000 (4.5%) mostly due to gross receipts tax revenues exceeding budgeted projections, but still down from last year's \$1.6 million fund balance increase.

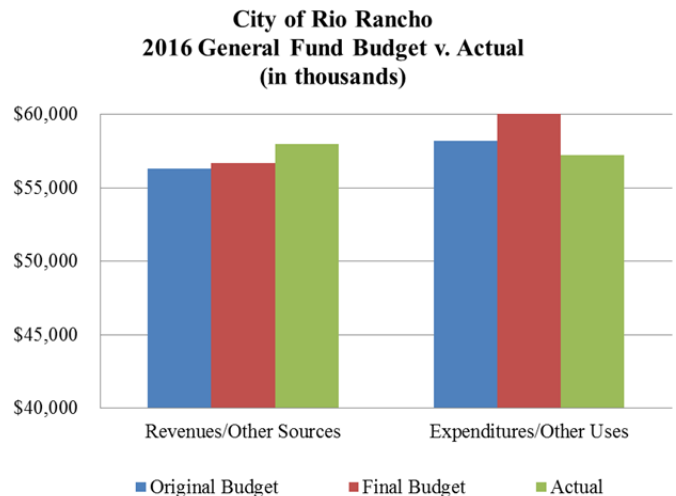
Revenues. Municipal and state-shared gross receipts taxes decreased \$12.3 million (43%) and intergovernmental state revenue increased \$12.8 million due to a change in the method of accounting for these revenues based on GFOA recommendations. Property tax revenues grew \$551,000 (3.8%) due to a combination of new properties and improvements added to the tax rolls by the county assessor and a modest 1.3 percent inflationary factor applied under New Mexico's "yield control" formula. In total, General Fund revenues decreased \$1.5 million (2.6%) over the prior year.

Expenditures and Transfers. Total expenditures decreased \$4 million (7.3%) and transfers made to other funds increased \$3.3 million (137.3%) in FY16. These were both due to the General Fund moving \$1.6 million to the new Regional Emergency Communications Center special revenue fund to pay for the City's portion of the 911 dispatch center expense and also contributing a required federal match of \$1.7 million to the Infrastructure Fund to pay for the Southern Boulevard reconstruction project.

Budgetary Highlights. On a budgetary (cash) basis, the original 2016 General Fund budget estimated a \$1.9 million decrease in fund balance; however, fund balance increased \$730,000 due to higher than expected gross receipts tax revenues and careful management of expenditures. Following are major amendments to the General Fund budget and comparisons of actual results to the budget for the fiscal year:

- General Fund revenues were \$1.3 (2.3%) million higher than projected mostly due to gross receipt tax revenue in main trades such as retail and services surpassing projections by \$1 million and \$930,000 (7% and 10%), respectively. Other sectors such as construction had a positive variance likely related to new commercial construction. Transportation, communications and utilities continued with a downward trend as collections were \$621,000 (17%) less than projected.
- Franchise tax revenue estimates were lowered \$95,000 (2.7%) during the year after analysis of collections indicated revenues would be less than originally expected. Actual franchise tax revenues were \$38,753 (1.1%) below the revised estimate.
- Fines and forfeitures revenue estimates were lowered \$87,000 (7.3%) during the year after analysis of collections indicated revenues would be less than originally expected. Actual fines and forfeitures revenues were \$163,164 (14.9%) below the revised estimate. A collections agency was contracted to increase collections although results did not meet expectations.
- Property tax revenue estimates were increased \$123,900 (0.8%) during the year after receiving the property tax certificate. Actual Property tax revenues were \$213,814 (1.4%) below the revised estimate, but still ended the year with actual collections of \$495,000.
- The City increased other revenue line items for unexpected one-time funds, including \$135,000 that was returned to the City by the MPEC management company for lowering the net operating loss below budget targets.
- Construction related revenues other than GRT were also much higher than estimated by \$449,000 (30%).

On a budgetary basis, total General Fund revenues were \$1.6 million (2.9%) above the original budget and \$1.3 million (2.3%) above the final budget. Total expenditures were \$1.9 million (3.7%) and \$3.4 million (6.3%) below the original and final budgets, respectively. The budgetary comparison statement on page 32 presents budget-to-actual results for all major revenue sources in, and each function of, the General Fund. The statement also reconciles the City's budgetary-basis revenues and expenditures to amounts reported in the financial statements on a modified-accrual basis.



CITY OF RIO RANCHO, NEW MEXICO
MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended June 30, 2016

Nonmajor Governmental Funds

The City's nonmajor governmental fund balances increased a total of \$7.8 million (40.9%), mostly in the capital project funds, although changes in individual funds varied significantly from the prior year. Following are the most significant activities within the City's nonmajor governmental funds.

Special Revenue Funds. Special Revenue expenses increased \$4.9 million (57.5%) from prior year due to \$2 million paid to UNM West based on an MOU to plan, design and construct infrastructure and other improvements for development of additional educational facilities and also due to moving costs for the Regional Emergency Communication Center from the General Fund to a newly created special revenue fund. Forty-five percent of the total cost of expenses paid by the City, other than payroll and operating expenses, is reimbursed under a JPA with Sandoval County, the Town of Bernalillo, The Village of Corrales and the Pueblo of Santa Ana. For 2016, the Regional Emergency Communication Center ended the year with a balance of \$411,000. The Local Economic Development Act Fund was added as a Special Revenue Fund, transferring balances from and closing the Rio Rancho Economic Development Fund from the Agency Funds. In addition, the Law Enforcement Fund increased \$261,000 due to loan proceeds of \$260,000 for the purchase of six new police vehicles in FY17. Finally, the Public Safety Enforcement Aid Fund increased \$234,000 since Red Light Camera revenues were moved into this fund from the General Fund.

Fund balances of all special revenue funds ended the year at \$11.2 million, some of which is restricted for the specific purposes of the funds in which the balances reside.

Debt Service Funds. Debt service expenditures decreased \$164,000 (2.5%) due to final payment of the NMFA GRT Refunding Loan as of June 2015. Fund balances ended the year at \$4.4 million, all of which is restricted for future debt service payments.

Capital Projects Funds. Total capital expenditures increased \$6.6 million (108.3%) from the prior year due to receipts of federal and state funds in the Infrastructure and Enhanced 9-11 funds and increased investment of Drainage Impact Fees. Major projects included equipment upgrades at the Regional Communications Center, construction of phase 2 improvements to the Los Milagros Drainage Channel, the Idalia Tributary Crossing, and road projects such as Idalia Road, Broadmoor Blvd., Southern Blvd, Sprint Blvd. Traffic Signal, Rockaway Traffic, and Unser Blvd. Phase 2 right of way acquisition. In addition, there was higher levels of spending on Westside Boulevard continued construction, improvements at Sports Complex North and completion of A Park Above. Fund balances ended the year at \$11.3 million, all of which is restricted for specific projects.

FINANCIAL ANALYSIS OF THE CITY'S PROPRIETARY FUNDS

Results of operations for the City's two enterprise funds were explained above under the heading "Business-type Activities." Internal service fund activities for 2016 were as follows.

Health Self-Insurance Fund

Expenses for claims and administration expenses decreased \$431,000 (7.1%) over the prior year and revenues increased \$228,000 (4.2%) due to a 5% increase in health insurance premiums for both the City and employees. Net position of the health insurance fund ended the year at \$1.1 million, which the City still feels is adequate to protect against unexpected future claims.

Dental Self-Insurance Fund

Charges to departments and employees for dental insurance increased \$47,000 (9.9%) due to a 10 % increase in dental insurance premiums for both the City and employees. This was done to help build the fund's reserves against unexpected future claims. Expenses were lower than the prior year at \$455,000, and net position increased \$67,700 (275%) to end the year at \$92,300.

CITY OF RIO RANCHO, NEW MEXICO
MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended June 30, 2016

OTHER MATTERS

The following issues may impact Rio Rancho's future financial position:

Settlement of Litigation Related to Impact Fee Moratorium

In August 2012, the City's Governing Body declared a two-year moratorium on impact fees required for new construction, cutting residential impact fees by half and non-residential impact fees altogether. Curb North, Inc. (Curb) filed suit against the City claiming that the moratorium impaired the value of its \$5.6 million of excess impact fee credits. In March 2014, the court found in favor of Curb to the extent Curb was not able to sell its credits during the two-year moratorium. A settlement amount of \$280,000 in damages was paid to Curb on 4/12/2016.

Refunding of Utility Bonds

On July 13, 2016, the City advance refunded its outstanding Series 2008 Joint Utility Revenue Bonds and its outstanding 2003 NMED Clean Water State Revolving Fund (CWSRF) Loan as well as refunding and restructuring its outstanding 2009 NMED CWSRF Loan by issuing \$53.805 million of Series 2016 Utility Refunding and Improvement Revenue Bonds. The advance refunding will save the City approximately \$2.5 million in cash-flow savings, or 7.31 percent.

REQUESTS FOR INFORMATION

This financial report is designed to provide citizens, taxpayers, and creditors with a general overview of Rio Rancho's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information in this report, or any other matters related to the City's budget and finances, should be addressed to the Rio Rancho Department of Financial Services, 3200 Civic Center Circle SE, Rio Rancho, New Mexico 87144.



Basic Financial Statements

CITY OF RIO RANCHO, NEW MEXICO

Statement of Net Position June 30, 2016

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Investments.....	\$ 29,248,740	\$ 25,500,865	\$ 54,749,605
Receivables:			
Accounts, net.....	1,795,085	6,244,054	8,039,139
Property Taxes.....	638,869	—	638,869
Gross Receipt Taxes.....	3,781,596	—	3,781,596
Due From Other Governments.....	6,949,853	571,119	7,520,972
Prepaid Bond Insurance.....	43,754	418,725	462,479
Restricted Cash.....	10,289,884	7,087,740	17,377,624
Capital Assets:			
Land.....	64,824,825	50,388,229	115,213,054
Construction-in-Progress.....	31,456,708	35,930,632	67,387,340
Infrastructure.....	285,987,441	159,518,335	445,505,776
Buildings and Improvements.....	54,646,923	100,033,439	154,680,362
Land Improvements.....	17,462,537	15,148,153	32,610,690
Machinery and Equipment.....	28,535,063	56,040,936	84,575,999
Less Accumulated Depreciation.....	(208,181,988)	(83,784,864)	(291,966,852)
Total Capital Assets.....	<u>274,731,509</u>	<u>333,274,860</u>	<u>608,006,369</u>
Total Assets.....	<u>327,479,290</u>	<u>373,097,363</u>	<u>700,576,653</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Bond Refundings.....	805,564	5,361,470	6,167,034
Deferred Pension Plan Items.....	7,003,837	145,543	7,149,380
Excess Consideration Provided for Acquisition.....	—	3,391,536	3,391,536
Total Deferred Outflows of Resources.....	<u>7,809,401</u>	<u>8,898,549</u>	<u>16,707,950</u>
LIABILITIES			
Accounts Payable	3,743,063	1,335,083	5,078,146
Accrued Liabilities.....	2,671,821	780,853	3,452,674
Unearned Revenue.....	200,706	—	200,706
Deposits.....	—	1,041,755	1,041,755
Long-term Liabilities:			
Due Within One Year.....	8,507,515	9,392,822	17,900,337
Due in More Than One Year.....	102,281,928	146,854,919	249,136,847
Total Liabilities.....	<u>117,405,033</u>	<u>159,405,432</u>	<u>276,810,465</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension Plan Items.....	1,169,562	40,973	1,210,535
Total Deferred Inflows of Resources.....	<u>1,169,562</u>	<u>40,973</u>	<u>1,210,535</u>
NET POSITION			
Net Investment in Capital Assets.....	234,227,258	184,486,885	418,714,143
Restricted for:			
Debt Service.....	5,375,788	7,087,740	12,463,528
Capital Improvements.....	13,115,240	—	13,115,240
Unrestricted.....	(36,004,190)	30,974,882	(5,029,308)
Total Net Position.....	<u>\$ 216,714,096</u>	<u>\$ 222,549,507</u>	<u>\$ 439,263,603</u>

The notes to the financial statements are an integral part of this statement.

CITY OF RIO RANCHO, NEW MEXICO

Statement of Activities For the Year Ended June 30, 2016

Activities:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services and Court Fines	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government:							
Governmental Activities:							
General Government.....	\$ 12,223,084	\$ 5,576,001	\$ 158,800	\$ 140,628	\$ (6,347,655)	\$ —	\$ (6,347,655)
Public Safety.....	33,857,302	3,514,328	3,941,396	738,569	(25,663,009)	—	(25,663,009)
Public Works.....	16,201,872	171,371	963,004	7,318,908	(7,748,589)	—	(7,748,589)
Parks, Recreation, and Culture.....	10,132,443	1,440,434	1,015,177	2,137,027	(5,539,805)	—	(5,539,805)
Community and Economic Development.....	2,710,890	2,123,054	—	—	(587,836)	—	(587,836)
Interest on Long-Term Debt.....	1,595,512	—	—	—	(1,595,512)	—	(1,595,512)
Total Governmental Activities...	<u>76,721,103</u>	<u>12,825,188</u>	<u>6,078,377</u>	<u>10,335,132</u>	<u>(47,482,406)</u>	<u>—</u>	<u>(47,482,406)</u>
Business-type Activities:							
Water and Waste Water Utilities...	34,703,938	43,252,348	1,088,185	3,685,168	—	13,321,763	13,321,763
Multi-Purpose Events Center.....	2,955,425	262,103	1,868,679	—	—	(824,643)	(824,643)
Total Business-type Activities...	<u>37,659,363</u>	<u>43,514,451</u>	<u>2,956,864</u>	<u>3,685,168</u>	<u>—</u>	<u>12,497,120</u>	<u>12,497,120</u>
Total Primary Government.....	<u>\$ 114,380,466</u>	<u>\$ 56,339,639</u>	<u>\$ 9,035,241</u>	<u>\$ 14,020,300</u>	<u>(47,482,406)</u>	<u>12,497,120</u>	<u>(34,985,286)</u>
General Revenues and Transfers:							
Taxes:							
Property Taxes, General Purpose.....					14,895,758	—	14,895,758
Property Taxes, Debt Service.....					3,695,669	—	3,695,669
Gross Receipt Taxes.....					22,028,576	—	22,028,576
Franchise Taxes.....					3,399,256	—	3,399,256
Total Taxes.....					<u>44,019,259</u>	<u>—</u>	<u>44,019,259</u>
Unrestricted Grants, Aid, and State-Shared Revenue.....					13,268,517	—	13,268,517
Unrestricted Investment Income.....					44,722	45,744	90,466
Miscellaneous.....					210,685	—	210,685
Transfers.....					(988,745)	988,745	—
Total General Revenues and Transfers.....					<u>56,554,438</u>	<u>1,034,489</u>	<u>57,588,927</u>
Change in Net Position.....					9,072,032	13,531,609	22,603,641
Net Position - Beginning.....					<u>207,642,064</u>	<u>209,017,898</u>	<u>416,659,962</u>
Net Position - Ending.....					<u>\$ 216,714,096</u>	<u>\$ 222,549,507</u>	<u>\$ 439,263,603</u>

The notes to the financial statements are an integral part of this statement.

CITY OF RIO RANCHO, NEW MEXICO

Balance Sheet Governmental Funds June 30, 2016

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and Cash Equivalents.....	\$ 10,217,505	\$ 16,900,587	\$ 27,118,092
Receivables:			
Accounts, net.....	1,093,582	701,503	1,795,085
Property Taxes.....	510,039	128,830	638,869
Gross Receipt Taxes.....	3,172,065	609,531	3,781,596
Due From Federal Government.....	23,219	4,071,275	4,094,494
Due From State Government.....	2,011,695	795,918	2,807,613
Due From Local Governments.....	—	47,746	47,746
Due From Other Funds.....	2,375,199	—	2,375,199
Restricted Investments.....	—	10,289,884	10,289,884
Total Assets.....	<u>\$ 19,403,304</u>	<u>\$ 33,545,274</u>	<u>\$ 52,948,578</u>
LIABILITIES			
Accounts Payable.....	\$ 620,561	\$ 2,206,846	\$ 2,827,407
Accrued Liabilities.....	2,214,924	213,251	2,428,175
Due To Other Funds.....	—	2,375,199	2,375,199
Unearned Revenue.....	200,706	—	200,706
Total Liabilities.....	<u>3,036,191</u>	<u>4,795,296</u>	<u>7,831,487</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes.....	355,236	88,704	443,940
Unavailable Revenue - Intergovernmental..	—	1,708,821	1,708,821
Total Deferred Inflows of Resources.....	<u>355,236</u>	<u>1,797,525</u>	<u>2,152,761</u>
FUND BALANCES			
Restricted.....	—	27,439,409	27,439,409
Unassigned.....	16,011,877	(486,956)	15,524,921
Total Fund Balances.....	<u>16,011,877</u>	<u>26,952,453</u>	<u>42,964,330</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances.....	<u>\$ 19,403,304</u>	<u>\$ 33,545,274</u>	<u>\$ 52,948,578</u>

The notes to the financial statements are an integral part of this statement.

CITY OF RIO RANCHO, NEW MEXICO

Reconciliation of the Balance Sheet – Governmental Funds To the Statement of Net Position June 30, 2016

Total Fund Balances – Governmental Funds..... \$ 42,964,330

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds, but they are reported in the Statement of Net Position. Capital assets consist of the following:

Land.....	\$ 64,824,825	
Infrastructure.....	285,987,441	
Other capital assets.....	132,101,231	
Accumulated depreciation.....	(208,181,988)	274,731,509
		<hr/>

Some of the City's revenues will be collected after year-end but are not available soon enough to pay for the current year's expenditures and therefore are reported as unavailable revenue in governmental funds.....

Property Taxes.....	443,940	
Intergovernmental.....	1,708,821	2,152,761
		<hr/>

A liability for accrued interest on long-term debt is not reported in governmental funds because interest payments are not due at June 30, but the liability is reported for governmental activities on the Statement of Net Position..... (243,646)

The City uses internal service funds to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are reported with governmental activities in the Statement of Net Position..... 1,214,992

Some liabilities and deferred outflows/inflows of resources are not reported in governmental funds, but they are reported in the Statement of Net Position. These amounts consist of the following:

Bonds and notes payable.....	(48,655,719)	
Unamortized premiums and discounts on bonds.....	(1,838,851)	
Deferred amount on bond refundings.....	805,564	
Prepaid bond insurance costs.....	43,754	
Net pension liability.....	(55,732,750)	
Deferred pension plan items, net.....	5,834,275	
Compensated absences.....	(4,562,123)	(104,105,850)
		<hr/>

Net Position of Governmental Activities..... \$ 216,714,096

The notes to the financial statements are an integral part of this statement.

CITY OF RIO RANCHO, NEW MEXICO

Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds For the Year Ended June 30, 2016

	General	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Property Taxes.....	\$ 14,911,082	\$ 3,708,329	\$ 18,619,411
Municipal Taxes.....	18,247,317	3,781,259	22,028,576
Franchise Taxes.....	3,338,941	60,315	3,399,256
Licenses and Permits.....	337,255	—	337,255
Intergovernmental - Federal.....	57,159	5,578,444	5,635,603
Intergovernmental - State.....	11,081,362	7,271,592	18,352,954
Intergovernmental - Local.....	73,334	578,337	651,671
Impact Fees.....	—	1,032,838	1,032,838
Charges for Services.....	5,994,511	1,009,650	7,004,161
Fines and Forfeitures.....	899,214	108,246	1,007,460
Miscellaneous.....	2,298,738	2,491,261	4,789,999
Total Revenues.....	<u>57,238,913</u>	<u>25,620,271</u>	<u>82,859,184</u>
EXPENDITURES			
Current:			
General Government.....	7,572,593	3,107,471	10,680,064
Public Safety.....	25,486,674	5,243,858	30,730,532
Public Works.....	7,336,879	786,037	8,122,916
Parks, Recreation, and Culture.....	7,794,687	1,379,030	9,173,717
Community and Economic Development.....	2,174,628	614,601	2,789,229
Capital Outlay.....	389,234	13,983,166	14,372,400
Debt Service:			
Principal.....	—	5,531,081	5,531,081
Interest and Other Charges.....	—	1,742,367	1,742,367
Total Expenditures.....	<u>50,754,695</u>	<u>32,387,611</u>	<u>83,142,306</u>
Revenues Over (Under) Expenditures.....	6,484,218	(6,767,340)	(283,122)
OTHER FINANCING SOURCES (USES)			
Loan Proceeds.....	—	259,950	259,950
Issuance of General Obligation Bonds.....	—	9,000,000	9,000,000
Issuance of Refunding Bonds.....	—	2,310,000	2,310,000
Payment to Refunding Escrow.....	—	(2,390,736)	(2,390,736)
Premium on Bonds Issued.....	—	604,340	604,340
Transfers In.....	2	4,810,066	4,810,068
Transfers Out.....	(5,797,965)	(848)	(5,798,813)
Total Other Financing Sources (Uses).....	<u>(5,797,963)</u>	<u>14,592,772</u>	<u>8,794,809</u>
Net Change in Fund Balances.....	686,255	7,825,432	8,511,687
Fund Balances - Beginning.....	15,325,622	19,127,021	34,452,643
Fund Balances - Ending.....	<u>\$ 16,011,877</u>	<u>\$ 26,952,453</u>	<u>\$ 42,964,330</u>

The notes to the financial statements are an integral part of this statement.

CITY OF RIO RANCHO, NEW MEXICO

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds To the Statement of Activities For the Year Ended June 30, 2016

Net Change in Fund Balances – Total Governmental Funds.....		\$ 8,511,687
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital purchases are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current year, these amounts were as follows:		
Capital purchases.....	\$ 15,472,501	
Assets received from developers and others.....	763,928	
Depreciation expense.....	<u>(11,558,413)</u>	4,678,016
Governmental funds report pension contributions as expenditures. However, they are reported as deferred outflows of resources in the Statement of Net Position. The change in net pension liability, adjusted for deferred pension items, is reported as pension expense in the Statement of Activities.....		
Current year pension contributions.....	3,693,023	
Pension expense.....	<u>(4,462,164)</u>	(769,141)
Bond and loan proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. In the current year, proceeds were received from new bonds and loans (net of escrow agent payments).....		
		(9,781,052)
Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. In the current year, these amounts were as follows:		
Bond and note principal payments.....		5,531,081
Management uses internal service funds to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.....		
		54,426
Certain revenues will not be collected for some time after the end of the year, and therefore they do not provide current financial resources in governmental funds.		
Property Taxes.....	(27,984)	
Intergovernmental.....	<u>1,708,821</u>	1,680,837
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of the following:		
Amortization of bond premiums, discounts, and deferred amounts.....	66,918	
Change in accrued interest on long-term debt.....	77,435	
Change in compensated absences.....	83,232	
Loss on disposal of assets.....	<u>(1,061,407)</u>	<u>(833,822)</u>
Change in Net Position of Governmental Activities.....		<u>\$ 9,072,032</u>

The notes to the financial statements are an integral part of this statement.

CITY OF RIO RANCHO, NEW MEXICO

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual General Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Property Taxes.....	\$ 14,989,768	\$ 15,113,668	\$ 14,899,854	\$ (213,814)
Municipal and State-Shared Taxes.....	28,296,607	28,276,607	29,394,673	1,118,066
Franchise Taxes.....	3,580,659	3,485,659	3,446,906	(38,753)
Licenses and Permits.....	333,115	328,615	337,255	8,640
Intergovernmental - Federal.....	202,755	202,755	157,235	(45,520)
Intergovernmental - Local.....	101,500	101,500	101,500	—
Charges for Services.....	5,278,397	5,306,422	5,984,217	677,795
Fines and Forfeitures.....	1,184,500	1,097,500	934,336	(163,164)
Miscellaneous.....	1,919,706	2,302,453	2,260,681	(41,772)
Total Revenues.....	<u>55,887,007</u>	<u>56,215,179</u>	<u>57,516,657</u>	<u>1,301,478</u>
EXPENDITURES				
Current:				
General Government.....	7,421,386	8,326,972	8,003,618	323,354
Public Safety.....	26,245,932	26,359,315	25,410,612	948,703
Public Works.....	7,968,788	8,080,763	7,372,647	708,116
Parks, Recreation, and Culture.....	8,486,174	8,509,736	7,687,162	822,574
Community and Economic Development.....	2,319,487	2,387,651	2,138,521	249,130
Capital Outlay.....	510,333	762,830	376,249	386,581
Total Expenditures.....	<u>52,952,100</u>	<u>54,427,267</u>	<u>50,988,809</u>	<u>3,438,458</u>
Revenues Over (Under) Expenditures.....	2,934,907	1,787,912	6,527,848	4,739,936
OTHER FINANCING SOURCES (USES)				
Transfers In.....	401,005	447,227	447,227	—
Transfers Out.....	(5,269,720)	(6,255,966)	(6,245,190)	10,776
Total Other Financing Sources (Uses).....	<u>(4,868,715)</u>	<u>(5,808,739)</u>	<u>(5,797,963)</u>	<u>10,776</u>
Net Change in Fund Balances.....	(1,933,808)	(4,020,827)	729,885	4,750,712
Fund Balances - Beginning, Budgetary Basis..	10,924,211	11,676,856	11,685,723	8,867
Fund Balances - Ending, Budgetary Basis.....	<u>\$ 8,990,403</u>	<u>\$ 7,656,029</u>	<u>\$ 12,415,608</u>	<u>\$ 4,759,579</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 57,516,657
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	6,730,118
Prior year accrued revenue.....	(7,007,862)
Total Actual Revenues - GAAP Basis.....	<u>\$ 57,238,913</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 50,988,809
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	2,835,484
Prior year accrued expenditures.....	(2,974,866)
Allowances for doubtful accounts are considered expenditures for financial reporting but not for budgetary reporting.....	(94,732)
Total Actual Expenditures - GAAP Basis.....	<u>\$ 50,754,695</u>

The notes to the financial statements are an integral part of this statement.

CITY OF RIO RANCHO, NEW MEXICO

Statement of Net Position Proprietary Funds June 30, 2016

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Utilities Fund	Multi-Purpose Events Center Fund	Total	
ASSETS				
Current Assets:				
Cash and Investments	\$ 24,668,314	\$ 832,551	\$ 25,500,865	\$ 2,130,648
Receivables:				
Accounts, net.....	6,236,383	7,671	6,244,054	—
Due From Federal Government.....	46,574	—	46,574	—
Due From State Government.....	280,983	243,562	524,545	—
Total Current Assets.....	<u>31,232,254</u>	<u>1,083,784</u>	<u>32,316,038</u>	<u>2,130,648</u>
Noncurrent Assets:				
Restricted Cash.....	4,850,960	2,236,780	7,087,740	—
Prepaid Bond Insurance.....	418,725	—	418,725	—
Capital Assets:				
Land.....	50,055,729	332,500	50,388,229	—
Construction in Progress.....	35,917,632	13,000	35,930,632	—
Infrastructure.....	159,518,335	—	159,518,335	—
Buildings and Improvements.....	59,047,632	40,985,807	100,033,439	—
Land Improvements.....	14,714,912	433,241	15,148,153	—
Machinery and Equipment.....	54,852,516	1,188,420	56,040,936	—
Less Accumulated Depreciation.....	(76,545,048)	(7,239,816)	(83,784,864)	—
Total Noncurrent Assets.....	<u>302,831,393</u>	<u>37,949,932</u>	<u>340,781,325</u>	<u>—</u>
Total Assets.....	<u>334,063,647</u>	<u>39,033,716</u>	<u>373,097,363</u>	<u>2,130,648</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Amount on Bond Refundings.....	2,799,702	2,561,768	5,361,470	—
Deferred Pension Plan Items.....	145,543	—	145,543	—
Excess Consideration Provided for Acquisition.....	3,391,536	—	3,391,536	—
Total Deferred Outflows of Resources.....	<u>6,336,781</u>	<u>2,561,768</u>	<u>8,898,549</u>	<u>—</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable.....	1,312,859	22,224	1,335,083	—
Accrued Liabilities.....	711,808	69,045	780,853	—
Claims Payable.....	—	—	—	915,656
Deposits.....	1,041,755	—	1,041,755	—
Compensated Absences.....	85,509	—	85,509	—
Current Portion of Long-term Debt.....	7,942,313	1,365,000	9,307,313	—
Total Current Liabilities.....	<u>11,094,244</u>	<u>1,456,269</u>	<u>12,550,513</u>	<u>915,656</u>
Noncurrent Liabilities:				
Notes Payable.....	39,552,802	—	39,552,802	—
Bonds Payable, net.....	80,323,055	25,385,000	105,708,055	—
Net Pension Liability.....	1,594,062	—	1,594,062	—
Total Noncurrent Liabilities.....	<u>121,469,919</u>	<u>25,385,000</u>	<u>146,854,919</u>	<u>—</u>
Total Liabilities.....	<u>132,564,163</u>	<u>26,841,269</u>	<u>159,405,432</u>	<u>915,656</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Plan Items.....	40,973	—	40,973	—
NET POSITION				
Net Investment in Capital Assets.....	172,961,965	11,524,920	184,486,885	—
Restricted for Debt Service.....	4,850,960	2,236,780	7,087,740	—
Unrestricted.....	29,982,367	992,515	30,974,882	1,214,992
Total Net Position.....	<u>\$ 207,795,292</u>	<u>\$ 14,754,215</u>	<u>\$ 222,549,507</u>	<u>\$ 1,214,992</u>

The notes to the financial statements are an integral part of this statement.

CITY OF RIO RANCHO, NEW MEXICO

Statement of Revenues, Expenses, and Changes in Net Position Proprietary Funds For the Year Ended June 30, 2016

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Utilities Fund	Multi-Purpose Events Center Fund	Total	
OPERATING REVENUES				
Charges for Services.....	\$ 42,972,404	\$ 245,352	\$ 43,217,756	\$ 6,171,043
Total Revenues.....	<u>42,972,404</u>	<u>245,352</u>	<u>43,217,756</u>	<u>6,171,043</u>
OPERATING EXPENSES				
General and Administrative.....	3,142,685	930,082	4,072,767	437,744
Production Costs.....	19,922,165	—	19,922,165	—
Depreciation.....	7,318,740	889,932	8,208,672	—
Claims and Premiums.....	—	—	—	5,682,108
Total Expenses.....	<u>30,383,590</u>	<u>1,820,014</u>	<u>32,203,604</u>	<u>6,119,852</u>
Operating Income (Loss).....	<u>12,588,814</u>	<u>(1,574,662)</u>	<u>11,014,152</u>	<u>51,191</u>
NON-OPERATING REVENUES (EXPENSES)				
Intergovernmental Revenue - Federal.....	46,574	—	46,574	—
Intergovernmental Revenue - State.....	26,562	1,868,679	1,895,241	—
Intergovernmental Revenue - Local.....	3,000	—	3,000	—
Impact Fees.....	1,012,049	—	1,012,049	—
Other Revenues.....	279,944	16,751	296,695	—
Interest Expense.....	(4,134,044)	(1,116,190)	(5,250,234)	—
Amortization of Excess Consideration.....	(178,895)	—	(178,895)	—
Investment Income.....	40,316	5,428	45,744	3,235
Other Expenses.....	(7,409)	(19,221)	(26,630)	—
Total Non-Operating Revenues (Expenses).....	<u>(2,911,903)</u>	<u>755,447</u>	<u>(2,156,456)</u>	<u>3,235</u>
Income (Loss) Before				
Capital Contributions and Transfers.....	9,676,911	(819,215)	8,857,696	54,426
Capital Grants and Contributions.....				
Transfers In.....	3,685,168	—	3,685,168	—
Transfers Out.....	—	—	—	—
Change in Net Position.....	<u>13,362,079</u>	<u>169,530</u>	<u>13,531,609</u>	<u>54,426</u>
Net Position - Beginning.....	<u>194,433,213</u>	<u>14,584,685</u>	<u>209,017,898</u>	<u>1,160,566</u>
Net Position - Ending.....	<u>\$ 207,795,292</u>	<u>\$ 14,754,215</u>	<u>\$ 222,549,507</u>	<u>\$ 1,214,992</u>

The notes to the financial statements are an integral part of this statement.

CITY OF RIO RANCHO, NEW MEXICO

Statement of Cash Flows

Proprietary Funds

For the Year Ended June 30, 2016

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Utilities Fund	Multi-Purpose Events Center Fund	Total	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users.....	\$ 42,378,342	\$ 247,421	\$ 42,625,763	\$ 6,171,043
Payments to Suppliers and Contractors.....	(21,319,911)	(909,569)	(22,229,480)	(6,168,839)
Payments to Employees.....	(2,025,203)	—	(2,025,203)	—
Net Cash Provided (Used) by Operating Activities.....	19,033,228	(662,148)	18,371,080	2,204
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers (To) From Other Funds.....	—	988,745	988,745	—
Intergovernmental Revenues.....	135,327	2,028,926	2,164,253	—
Net Cash Provided (Used) by Non-Capital Financing Activities.....	135,327	3,017,671	3,152,998	—
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Development Impact Fees.....	1,012,049	—	1,012,049	—
Capital Grants.....	3,203,189	—	3,203,189	—
Acquisition of Capital Assets.....	(10,502,125)	(82,594)	(10,584,719)	—
Proceeds from Bonds and Notes.....	33,406,364	—	33,406,364	—
Principal Paid on Bonds and Notes.....	(38,257,957)	(1,350,000)	(39,607,957)	—
Interest and Other Charges Paid on Bonds and Notes....	(6,909,785)	(884,535)	(7,794,320)	—
Net Cash Provided (Used) by Capital and Related Financing Activities.....	(18,048,265)	(2,317,129)	(20,365,394)	—
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on Investments.....	40,316	5,428	45,744	3,235
Net Cash Provided (Used) by Investing Activities.....	40,316	5,428	45,744	3,235
Net Cash Provided (Used) - All Activities.....	1,160,606	43,822	1,204,428	5,439
Cash and Cash Equivalents - Beginning.....	28,358,668	3,025,509	31,384,177	2,125,209
Cash and Cash Equivalents - Ending.....	\$ 29,519,274	\$ 3,069,331	\$ 32,588,605	\$ 2,130,648
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss).....	\$ 12,588,814	\$ (1,574,662)	\$ 11,014,152	\$ 51,191
Adjustments to Reconcile Operating Income (Loss):				
Depreciation Expense.....	7,318,740	889,932	8,208,672	—
(Increase) Decrease in Accounts Receivable.....	(622,835)	2,069	(620,766)	—
Increase (Decrease) in Accounts Payable.....	(177,006)	20,513	(156,493)	(48,987)
Increase (Decrease) in Accrued Liabilities.....	2,269	—	2,269	—
Increase (Decrease) in Deposits.....	28,773	—	28,773	—
Increase (Decrease) in Compensated Absences.....	(33,183)	—	(33,183)	—
Increase (Decrease) in Net Pension Items.....	(72,344)	—	(72,344)	—
Net Cash Provided (Used) by Operating Activities.....	\$ 19,033,228	\$ (662,148)	\$ 18,371,080	\$ 2,204
NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Capital Contributions from Developers and Others.....	\$ 481,979	\$ —	\$ 481,979	\$ —
Total Non-Cash Investing, Capital and Financing Activities.....	\$ 481,979	\$ —	\$ 481,979	\$ —

The notes to the financial statements are an integral part of this statement.

CITY OF RIO RANCHO, NEW MEXICO

Statement of Fiduciary Assets and Liabilities Fiduciary Funds June 30, 2016

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 4,444,338
Total Assets.....	<u>\$ 4,444,338</u>
LIABILITIES	
Deposits Held for Others.....	\$ 4,444,338
Total Liabilities.....	<u>\$ 4,444,338</u>

The notes to the financial statement are an integral part of this statement.

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

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Year Ended June 30, 2016

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CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2016

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Rio Rancho (the City) conform in all material respects to generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). Preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. The following is a summary of the City's significant accounting policies.

A. Reporting Entity

The City of Rio Rancho was incorporated in 1981, and voters approved a home rule amendment to the charter in 1992. The City operates under a council-manager form of government with six council members who, along with an elected mayor, constitute the City's Governing Body. The Governing Body has budgetary authority over all City departments and is accountable for all fiscal matters. The City's major operations include police and fire protection, library, parks and recreation, community and social services, and general administrative services. In addition, the City owns and operates two enterprise funds, which include a utilities fund for water and wastewater operations and a multi-purpose event center.

The Comprehensive Annual Financial Report (CAFR) of Rio Rancho includes the financial statements for all departments and agencies of the City based on the criteria set forth in GASB Statement 14. The City is a primary government that has a separately elected Governing Body, is legally separate, and is fiscally independent of other state and local governments. Furthermore, no component units are combined with the City for financial statement presentation purposes, and the City is not included in the financial statements of any other governmental reporting entity. Consequently, the City's financial statements include only the financial activity of those organizational entities for which the elected Governing Body is financially accountable.

B. Government-wide and Fund Financial Statements

The City's basic financial statements consist of both government-wide statements and fund statements. The government-wide statements focus on the City as a whole, while the fund statements focus on individual funds.

Government-wide Financial Statements. The government-wide statements present information on all non-fiduciary activities of the primary government. Primary government activities are distinguished between *governmental* and *business-type* activities. Governmental activities generally are financed through taxes, grants, and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The *Statement of Net Position* presents the City's non-fiduciary assets, liabilities, and deferred outflows/inflows, with the difference reported as net position. Net position is restricted when constraints are either externally imposed or are imposed by constitutional provisions or enabling legislation.

The *Statement of Activities* demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. The City does not allocate general government (indirect) expenses to other functions. 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; 2) court fines; and 3) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other revenues not meeting the definition of program revenues are reported as general revenues.

Fund Financial Statements. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is used to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. Separate statements are provided for *governmental*, *proprietary*, and *fiduciary funds*. For governmental and proprietary funds, the emphasis is on *major funds*, with each displayed in a separate column.

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

The City reports only one major governmental fund:

- **General Fund.** This fund is the principal operating fund of the City. It is used to account for all financial resources not accounted for in another fund.

The City's nonmajor governmental funds account for specific revenue sources that are restricted, committed, or assigned for specific purposes. Fund types reported as nonmajor funds are special revenue, debt service, and capital project funds.

The City reports the following proprietary funds:

- **Utilities Enterprise Fund.** This fund accounts for the operations of the City's water and wastewater systems that are operated for residents and businesses of the City. This fund is reported as a major enterprise fund.
- **Multi-Purpose Events Center (MPEC) Enterprise Fund.** This fund accounts for the operations of the City's Santa Ana Star Center. This fund is reported as a major enterprise fund.
- **Internal Service Funds.** These funds account for the financing of health and dental services provided to City employees on a cost-recovery basis. Internal service funds are combined with governmental activities on the government-wide statements.

The City reports the following fiduciary funds:

- **Agency Funds.** These funds account for assets held by the City as a custodian for other governments or organizations and include the Special Assessment District Operations Fund; Special Assessment District VI, VII, and VIII Bond Funds; the Municipal Court Fund; the S&P Reimbursement Fund; the Rio Metro Fund; and the Rio Rancho Economic Development Fund. These funds account for monies temporarily held by the City as an agent.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the related liability is incurred, regardless of the timing of the cash flows. Property taxes are recognized as revenues in the year for which they are levied. Other revenues are recognized in the year in which the related sales or other activity has occurred. Grants and similar items are recognized as revenue when all eligibility requirements have been met.

The proprietary statements are prepared using the economic resources measurement focus and the accrual basis of accounting. Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues generally result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating items, such as interest expense and investment earnings, result from nonexchange transactions or ancillary activities. The fiduciary funds are prepared using the accrual basis of accounting.

The governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Expenditures are generally recorded when the related liability is incurred, except for debt service expenditures as explained below.

D. Assets, Liabilities, Deferred Outflows / Inflows of Resources, and Equity

Following are the City's significant policies regarding recognition and reporting of certain assets, liabilities, deferred outflows/inflows, and equity.

Cash and Investments. Cash and cash equivalents consist primarily of demand deposits with financial institutions and short-term investments with original maturities of three months or less from the purchase date. Investments may include pooled and non-pooled investments with original maturities greater than three months. All cash and

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

investments are stated at fair value. Restricted cash and investments include amounts held by the City or the City's trustees that are reserved for future debt service requirements or future project costs.

Receivables. Taxes receivable include accrued amounts for municipal taxes and delinquent property taxes. Receivables from other governments are reasonably assured. Accordingly, no allowance for uncollectible accounts has been established for taxes and intergovernmental revenues. Accounts receivable from customers in excess of 187 days comprise an allowance for uncollectibles in the Utilities Enterprise Fund.

Property Taxes. Property taxes are recognized net of estimated refunds and uncollectible amounts. Property taxes attach as a lien on property as of January 1. Taxes are levied each year on July 1 on the taxable valuation of property located within the City as of the preceding January 1. The taxable valuation for the various classes of property are determined by the Sandoval County Assessor and the State of New Mexico Department of Finance and Administration (DFA), Local Government Division at one-third of assessed valuation. The rate of taxes for operating purposes for all taxing jurisdictions is limited by the State Constitution to 20 mils (\$20 per \$1,000 assessed valuation), of which the City's portion, by state regulation, is limited to 5.151 mils.

Property taxes are payable in two equal installments due on November 10th of the current year and April 10th of the following year and become delinquent after 30 days. The City records a receivable and deferred inflow for delinquent taxes in governmental funds, but no allowance for doubtful accounts is made as uncollected property taxes are deemed to be substantially collectible through foreclosure.

Inventories and Prepaid Items. In all funds, inventories are recorded as expenditures or expenses when purchased, and amounts paid to vendors for goods and services applicable to future accounting periods are recorded as prepaid items.

Capital Assets. The City defines a capital asset as an asset with an initial cost of \$5,000 or more and an estimated useful life of more than two years. Such assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair value on the date of donation.

Buildings, equipment, infrastructure, and other depreciable assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Years</u>
Public Domain Infrastructure	15-65
System Infrastructure.....	30
Buildings	50
Building and Other Improvements	20
Vehicles	8
Furniture and Other Equipment.....	5

The account Excess Consideration Provided for Acquisition represents the excess of the cost of an acquisition over fair value of the City's share of the net identifiable assets of the controlled entity/associate at the date of the acquisition of the Utility. Software is capitalized when acquired while library books are not capitalized because the aggregated cost of books is considered immaterial.

General government infrastructure assets acquired prior to July 1, 2002 consist of the road network assets that were acquired or that received substantial improvements subsequent to July 1, 1981. These infrastructure assets are reported at estimated historical cost using deflated replacement cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

Capital assets purchased in governmental funds are recorded as expenditures in the governmental fund statements. Interest expense for capital asset construction related to governmental activities is not capitalized, while interest expense incurred during construction of capital assets related to business-type activities is capitalized.

Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

Deferred Outflows of Resources. A deferred outflow of resources is a consumption of net position that applies to a future reporting period and therefore will be reported as an outflow/expense in future years. All deferred amounts on bond refundings are reported as deferred outflows of resources and amortized over the life of the bonds in the government-wide and proprietary fund statements.

Compensated Absences. The City's employee vacation and sick leave policies generally provide for granting vacation and sick leave with pay. Vacation benefits vest immediately at the employee's current rate of pay. Sick leave benefits may be converted to vacation leave at specified rates upon retirement after 10 or more years of service; however, the sick leave benefits do not vest. The current and long-term liabilities for accumulated leave are reported on the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee leave, resignations, or retirements. Resources from the General Fund are used to pay for compensated absences.

Long-term Obligations. In the government-wide statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as the difference between the reacquisition price and the net carrying amount of old debt in refunding transactions, are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of unamortized premiums and discounts.

In the governmental fund statements, bond premiums, discounts, and issuance costs are recognized in the current period. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures. The face amount of debt issued is reported as other financing sources.

Deferred Inflows of Resources. A deferred inflow of resources is an acquisition of net position by the government that applies to a future reporting period and therefore will be recognized as an inflow/revenue in future years. Delinquent property taxes owed to the City but not yet collected are reported as deferred inflows of resources in the governmental fund statements and recognized as revenue as the taxes are collected in future years.

Net Position and Fund Balances. The difference between assets/deferred outflows and liabilities/deferred inflows is *net position* on the government-wide, proprietary fund, and fiduciary fund statements, and *fund balance* on the governmental fund statements. Note 11 provides more information on the City's policies and classifications related to net position and fund balances.

E. Revenues and Expenditures / Expenses

Revenue Availability. Under the modified accrual basis of accounting, revenues are recognized in governmental funds when they are both "measurable and available." Revenues are considered to be available when they are collected within the current period or expected to be collected soon enough thereafter to pay liabilities of the current period. The City considers property tax revenues to be "available" if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue when all eligibility requirements have been met. All other revenues, including gross receipts taxes, are considered to be available if they are collected within 60 days after year-end. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

Expenditure/Expense Recognition. In governmental funds, expenditures are generally recorded when the related liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Capital asset acquisition and construction are reported as expenditures in the period they are acquired or built. In proprietary funds and government-wide statements, expenses are recorded when the related liability is incurred.

When an expenditure or expense is incurred for purposes for which both restricted and unrestricted resources are available, the City's policy is to use restricted resources first, then unrestricted resources in order of committed then assigned as needed.

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

F. 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, which is 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.

G. Interfund Activity and Balances

Government-wide Statements. In general, eliminations have been made to minimize the double-counting of internal activity, including internal service fund activity. However, interfund services provided and used between different functional categories have not been eliminated when to do so would distort the direct costs and program revenues of the applicable functions. Interfund receivables and payables have been eliminated from the Statement of Net Position, except for the residual amounts due between governmental and business-type activities, if any, which are shown as "internal balances."

Governmental Fund Statements. Interfund transactions for goods and services provided and used are reported as revenues and expenditures in the funds involved. Cash transfers between funds of the City are reported as other financing sources and uses in the governmental fund statements.

H. Budgets

Budgets for the General Fund, special revenue funds, debt service funds, capital projects funds, and proprietary funds are subject to approval by the New Mexico Department of Finance and Administration (DFA), Local Government Division.

During the month of May, public hearings are conducted to obtain taxpayer comments on the budget. Prior to June 1, the City submits to DFA a proposed operating budget for the fiscal year commencing July 1. The budget is prepared by fund and function and includes proposed expenditures, including carryover encumbrances and accounts payable, and the means of financing them. Prior to July 1, DFA grants interim approval for the City to operate on the proposed budget subject to adjustments and/or revisions prior to final subsequent approval before the first Monday in September. Such approval is contingent upon the City Council adopting the proposed budget in accordance with applicable state statutes, and sufficient funds being available for anticipated fiscal year expenditures. Prior to July 31, the City Council adopts by resolution a formal budget and such budget is presented to DFA for final approval. Section 6-6-6, NMSA, 1978 prohibits municipalities from making expenditures in excess of the approved budget. Statute defines the legal level of budgetary control as a fund's total budgeted expenditures.

The adopted budget of the City is prepared on a cash basis, and reconciliations of cash budget-basis amounts to GAAP-based amounts are provided on the face of the budgetary statements and schedules.

NOTE 2. NEW GASB PRONOUNCEMENTS

During the year ended June 30, 2016, the City implemented the provisions of GASB Statement 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements and establishes a hierarchy of inputs to valuation techniques used to measure fair value. This Statement also enhances accountability and transparency through revised note disclosures. Note 3 related to deposits and investments has been revised to include the hierarchy required by Statement 72.

NOTE 3. DEPOSITS AND INVESTMENTS

At June 30, the carrying amount of the City's deposits was \$64,453,020 and the bank balance was \$65,403,790. The difference represents outstanding checks, deposits, and other reconciling items. The City also had \$7,197 of cash on hand at June 30. Following are discussions of the City's exposure to various risks related to its cash management activities.

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

A. Custodial Credit Risk

Deposits. Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be recovered. New Mexico law requires all deposits with financial institutions to be collateralized in an amount not less than 50% of the uninsured balance. Furthermore, the City's Investment Policy requires all deposits with financial institutions to be collateralized in an amount not less than 102% of the uninsured balance in each account. No security is required for the deposit of public money that is insured by the Federal Deposit Insurance Corporation (FDIC). As of June 30, \$64,903,790 of the City's bank balance was exposed to custodial credit risk as uninsured but collateralized with securities held by the pledging financial institution's trust department. Pledged collateral at June 30 consisted of the following:

Total amount on deposit.....	\$ 65,403,790
less FDIC insured amount.....	(500,000)
Total uninsured deposits.....	<u>64,903,790</u>
50% collateral requirement.....	32,451,895
Pledged securities, fair value.....	<u>71,871,820</u>
Pledged in excess of requirement.....	<u><u>\$ 39,419,925</u></u>

Fair Value Measurements. The City categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- Level 1 inputs are quoted prices in active markets for identical assets
- Level 2 inputs are significant other observable inputs
- Level 3 inputs are significant unobservable inputs

Investments. Custodial credit risk for investments is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments that are in the possession of an outside party. The City's Investment Policy requires all collateral to be held in the City's name by an independent party approved by the City. The custodian is required to provide original safekeeping receipts.

All investments in which the fair value hierarchy is applicable are measured at fair value on a recurring basis. Following are the City's investment balances at June 30:

Investment Type	Fair Value	Weighted Average Maturity	Category
State Treasurer's Investment Pool.....	\$ 6,594	44 days	N/A
Bank of New York Mellon Money Market...	2,058,807	n/a	Level 1
US Treasuries held by NMFA.....	614,524	.513 days	Level 1
BAQ Short-Term Cash Investments.....	9,431,425	n/a	Level 1
Total.....	<u><u>\$ 12,111,350</u></u>		

As a participant in the New Mexico State Treasurer's Local Government Investment Pool (LGIP), the City is not required to categorize the value of shares in accordance with the fair value hierarchy. The City's investment in the LGIP represents a proportionate interest in the Pool's portfolio. The City's portion is not identified with specific investments and is not subject to custodial risk; however, separately issued financial statements of the LGIP disclose the collateral pledged to secure the State Treasurer's cash and investments. The most recent report may be obtained by contacting the New Mexico State Treasurer's Office, P.O. Box 5135, Santa Fe, NM 87502-5135.

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

B. Credit Risk

Credit risk is the risk that the counterparty to an investment transaction will not fulfill its obligations. The City's adopted Investment Policy manages credit risk by requiring investment in only the following security types, consistent with state law:

- U.S. Treasury obligations
- Federal Agency securities
- repurchase agreements with institutions
- demand deposits of New Mexico banks
- savings and loan association deposits
- investment grade obligations of state and local governments
- money market mutual funds
- State Treasurer's LGIP

The City's Investment Policy and state law restrict certificates of deposit to only fully collateralized or insured CDs that are issued by eligible depositories in New Mexico. Such CDs are further collateralized to 102% with pledged US obligations held by an independent custodian. Securities of state and municipal entities within the United States must have a taxable valuation of real property for the preceding year of at least \$1 million and must have not defaulted on bond obligations within the preceding five years.

Money market mutual funds must be registered with the SEC and must have assets of at least \$100 million. The City's Investment Policy does not require that SEC-registered money market mutual funds be rated AAAM or its equivalent.

The State of New Mexico Local Government Investment Pool is authorized by state statute and is rated AAAM by Standard & Poors. The LGIP is not registered with the United States Securities Exchange Commission. Section 6-10-101, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held for short-term investment in securities that are issued by the United States government or by its departments or agencies and are either direct obligations of the United States or are backed by the full faith and credit of the United States government or are agencies sponsored by the United States government. The LGIP investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments. The pool does not have unit shares. Per section 6-10-10.1F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the fund amounts were invested. Participation in the pool is voluntary. The City's investment in the LGIP approximates the value of the City's pool share.

C. Concentration of Credit Risk

The City's Investment Policy manages concentration of credit risk by stressing diversification on all deposits and investments. Following are the ratio of the City's holdings at June 30:

State Treasurer LGIP	0.01%
Money market mutual funds	14.82%
US Treasuries	0.79%
Collateralized demand deposits	84.38%

D. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's Investment Policy manages interest rate risk by setting a maximum maturity of five years on any single investment and a maximum weighted average of two years for the overall portfolio, with the exception of bond or trust funds which should be matched to the planned expenditures of the funds. As of June 30, the City's portfolio had no investment that matured beyond 24 months, and the weighted average maturity of the total portfolio was 0.05 days.

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

NOTE 4. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

For fiscal year 2016, expenditures in two funds exceeded budgeted appropriations by the following amounts:

Governmental Funds:

General Obligation Bond Fund	\$69
Trails Impact Fees Fund.....	\$343

The overages occurred because expenditures exceeded original estimates but the City did not submit budget adjustments for the funds prior to the end of the fiscal year. The City will more closely monitor expenditures in these funds in future years.

NOTE 5. INTERFUND BALANCES

Interfund balances result from time lags between the dates of payment for goods and services and collection of revenues. Interfund balances at June 30 consisted of the following amounts:

	Due From Other Funds - General Fund
Due To Other Funds reported in:	
Nonmajor Special Revenue Funds:	
Keep Rio Rancho Beautiful Fund.....	\$ 7,907
Library Fund.....	114,044
NM Gang Task Force Grant Fund.....	21,554
Public Safety and Other Grants Fund.....	186,212
Regional Emergency Comm. Center.....	104,236
Crime Victim Assistance Fund.....	17,755
Nonmajor Capital Project Funds:	
Infrastructure Fund.....	1,450,347
State Appropriation Capital Projects Fund..	243,017
2016 GO Bond Construction Fund.....	230,127
Total.....	<u>\$ 2,375,199</u>

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

NOTE 6. INTERFUND TRANSFERS

Transfers between funds occur primarily to finance programs accounted for in one fund with resources collected in other funds in accordance with budgetary authorizations. Interfund transfers among governmental and enterprise funds for the year ended June 30 are as follows:

	Transfers Out reported in:			
	Nonmajor Governmental Funds			
	General Fund	Infrastructure Fund	PS Enforcement Aid (Federal) Fund	Total Transfers In
Transfers In reported in:				
General Fund.....	\$ —	\$ 2	\$ —	\$ 2
Nonmajor Special Revenue Funds:				
Promotion and Marketing Fund.....	158,993	—	—	158,993
RioVision Cable Fund.....	10,919	—	—	10,919
Regional Emergency Comm Center.....	1,644,561	—	—	1,644,561
Local Govt Corrections Fund.....	210,000	—	—	210,000
Local Economic Development Act.....	92,809	—	—	92,809
Public Safety and Other Grants Fund.....	—	—	846	846
Crime Victim Assistance Fund.....	23,326	—	—	23,326
Nonmajor Capital Project Funds:				
Infrastructure Fund.....	2,665,680	—	—	2,665,680
Recreation Development Fund.....	2,932	—	—	2,932
Total Transfers Out - Governmental Funds..	4,809,220	2	846	4,810,068
Enterprise Funds:				
MPEC Fund.....	988,745	—	—	988,745
Total.....	\$ 5,797,965	\$ 2	\$ 846	\$ 5,798,813

During the year ended June 30, 2016, transfers from the General Fund were primarily used for the following:

- 1) CVB special events including the City's annual Pork and Brew.
- 2) The City's share of costs related to the Regional Emergency Communication Center
- 3) The City's cost of prisoners at Sandoval County Detention Center that are not covered by correctional fees levied through the Municipal Court.
- 4) To set aside resources to fund future economic development projects.
- 5) To advocate for victims of crimes.
- 6) Improvements to City infrastructure and the City's required match to access federal funds for Southern Boulevard reconstruction.
- 7) Operating and capital subsidies to operate the Multi-Purpose Event Center.

NOTE 7. ACCOUNTS RECEIVABLE

Accounts Receivable are aggregated into a single line, net of allowance for uncollectible accounts, on the face of the financial statements. Following is the detail of receivables by fund as of June 30:

	Governmental Activities / Funds					Business-type Activities / Enterprise Funds		
	General Fund	Rio Vision Cable Fund	Public Safety Enforcement Aid Fund	Regional Emergency Comm Center	Total	Utility Fund	MPEC Fund	Total
Accounts Receivable.....	\$ 1,391,947	\$ 14,523	\$ 38,643	\$ 648,337	\$ 2,093,450	\$ 8,887,368	\$ 7,671	\$ 8,895,039
Allowance for uncollectible accounts.....	(298,365)	—	—	—	(298,365)	(2,650,985)	—	(2,650,985)
Net Accounts Receivable..	\$ 1,093,582	\$ 14,523	\$ 38,643	\$ 648,337	\$ 1,795,085	\$ 6,236,383	\$ 7,671	\$ 6,244,054

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

NOTE 8. LEASE COMMITMENTS

The City has entered into non-cancelable operating leases for various office equipment and software. Operating leases are leases for which the City will not gain title to the property being leased; therefore, the related assets and liabilities are not recorded on the City's books. Operating lease payments are recorded as expenditures or expenses when paid or incurred. Total operating lease payments for 2016 were \$371,917. Future minimum lease commitments for non-cancelable operating leases as of June 30 are as follows:

Future Commitments for Operating Leases			
Fiscal Year	Governmental Activities	Business-type Activities	Total
2017.....	241,903	17,637	259,540
2018.....	238,160	17,637	255,797
2019.....	216,330	17,637	233,967
2020.....	174,541	17,637	192,178
2021.....	156,546	7,967	164,513
Total.....	\$ 1,027,480	\$ 78,515	\$ 1,105,995

NOTE 9. CAPITAL ASSETS

A. Depreciation – Governmental Activities

Depreciation expense was charged to the functions of governmental activities as follows:

General Government.....	\$	418,042
Public Safety.....		1,261,376
Public Works.....		8,721,021
Parks, Recreation, and Culture		1,151,507
Community and Economic Development.....		6,467
Total.....	\$	11,558,413

B. Construction Commitments

The City has active construction projects as of June 30, including parks and recreation improvements, transportation improvements, and water and wastewater improvements. At year-end, the amount of outstanding construction commitments with contractors was \$16,035,655.

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

C. Changes in Capital Assets

Capital asset activity for the year ended June 30 was as follows:

Capital Assets - Governmental Activities				
	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
<i>Capital assets not being depreciated:</i>				
Land and Related Assets.....	\$ 64,018,477	\$ 1,068,598	\$ (262,250)	\$ 64,824,825
Construction-In-Progress.....	21,652,288	10,835,249	(1,030,829)	31,456,708
Total.....	85,670,765	11,903,847	(1,293,079)	96,281,533
<i>Capital assets being depreciated:</i>				
Infrastructure.....	284,154,737	1,832,704	—	285,987,441
Buildings and Improvements.....	53,649,129	1,439,533	(441,739)	54,646,923
Land Improvements.....	17,565,664	231,849	(334,976)	17,462,537
Equipment.....	26,974,522	1,859,325	(298,784)	28,535,063
Total.....	382,344,052	5,363,411	(1,075,499)	386,631,964
Less Accumulated Depreciation for:				
Infrastructure.....	(160,177,930)	(8,440,173)	—	(168,618,103)
Buildings and Improvements.....	(10,010,761)	(1,068,298)	17,301	(11,061,758)
Land Improvements.....	(6,440,829)	(682,795)	13	(7,123,611)
Equipment.....	(20,270,397)	(1,367,147)	259,028	(21,378,516)
Total.....	(196,899,917)	(11,558,413)	276,342	(208,181,988)
Capital assets being depreciated, net.....	185,444,135	(6,195,002)	(799,157)	178,449,976
Governmental Activities Capital Assets, Net....	\$ 271,114,900	\$ 5,708,845	\$ (2,092,235)	\$ 274,731,509

Capital Assets - Business-type Activities				
	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities:				
<i>Capital assets not being depreciated:</i>				
Land and Related Assets.....	\$ 45,399,266	\$ 4,988,963	\$ —	\$ 50,388,229
Construction-In-Progress.....	33,692,299	4,475,214	(2,236,881)	35,930,632
Total.....	79,091,565	9,464,177	(2,236,881)	86,318,861
<i>Capital assets being depreciated:</i>				
Infrastructure.....	158,531,679	986,656	—	159,518,335
Buildings and Improvements.....	100,033,439	—	—	100,033,439
Land Improvements.....	13,011,455	2,136,698	—	15,148,153
Equipment.....	55,364,782	716,050	(39,896)	56,040,936
Total.....	326,941,355	3,839,404	(39,896)	330,740,863
Less Accumulated Depreciation for:				
Infrastructure.....	(25,565,761)	(2,492,150)	—	(28,057,911)
Buildings and Improvements.....	(19,042,744)	(1,999,699)	—	(21,042,443)
Land Improvements.....	(2,935,566)	(606,328)	—	(3,541,894)
Equipment.....	(28,072,015)	(3,110,497)	39,896	(31,142,616)
Total.....	(75,616,086)	(8,208,674)	39,896	(83,784,864)
Capital assets being depreciated, net.....	251,325,269	(4,369,270)	—	246,955,999
Business-type Activities Capital Assets, Net....	\$ 330,416,834	\$ 5,094,907	\$ (2,236,881)	\$ 333,274,860

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2016

NOTE 10. LONG-TERM LIABILITIES

A. Changes in Long-term Liabilities

Changes in long-term liabilities for the year ended June 30 were as follows:

	Long-term Liabilities				
	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Bonds.....	\$ 17,760,000	\$ 11,310,000	\$ (5,465,000)	\$ 23,605,000	\$ 3,305,000
Gross Receipts Tax Revenue Bonds.....	13,420,000	—	(1,145,000)	12,275,000	1,180,000
Unamortized Premiums.....	1,442,252	604,340	(207,741)	1,838,851	—
Notes Payable.....	13,786,850	259,950	(1,271,081)	12,775,719	1,350,594
Compensated Absences.....	4,645,355	2,712,590	(2,795,822)	4,562,123	2,671,921
Net Pension Liability.....	41,125,556	14,607,194	—	55,732,750	—
Total Governmental Long-term Liabilities.....	\$ 92,180,013	\$ 29,494,074	\$ (10,884,644)	\$ 110,789,443	\$ 8,507,515
Business-type Activities:					
Utility Revenue Bonds.....	\$ 89,985,000	\$ 27,365,000	\$ (36,805,000)	\$ 80,545,000	\$ 6,445,000
MPEC Revenue Bonds.....	28,100,000	—	(1,350,000)	26,750,000	1,365,000
Unamortized Premiums.....	4,369,325	2,508,138	(601,308)	6,276,155	—
Unamortized Discounts.....	(56,050)	—	2,950	(53,100)	—
Notes Payable.....	38,969,846	3,533,226	(1,452,957)	41,050,115	1,497,313
Compensated Absences.....	118,692	107,546	(140,729)	85,509	85,509
Net Pension Liability.....	1,211,785	394,271	(11,994)	1,594,062	—
Total Business-type Long-term Liabilities.....	\$ 162,698,598	\$ 33,908,181	\$ (40,359,038)	\$ 156,247,741	\$ 9,392,822

B. Debt Service Requirements to Maturity – Summary

The following tables summarize the City's debt service requirements to maturity for all bonds and loans:

Fiscal Year	Governmental Activities						Total Governmental Activities
	General Obligation Bonds		Gross Receipts Tax Revenue Bonds		Notes Payable		
	Principal	Interest	Principal	Interest	Principal	Interest	
2017.....	3,305,000	599,022	1,180,000	400,238	1,350,594	526,735	7,361,589
2018.....	3,345,000	636,875	1,215,000	364,838	1,397,480	488,329	7,447,522
2019.....	3,705,000	500,625	1,260,000	316,238	1,081,788	445,516	7,309,167
2020.....	2,745,000	376,825	1,310,000	265,838	1,127,409	404,294	6,229,366
2021.....	2,745,000	274,475	1,365,000	213,438	1,125,386	359,679	6,082,978
2022 - 2026...	5,550,000	512,350	5,945,000	371,288	4,919,188	1,090,698	18,388,524
2027 - 2031...	2,210,000	70,300	—	—	1,673,232	150,996	4,104,528
2032 - 2036...	—	—	—	—	100,642	5,437	106,079
Total.....	\$ 23,605,000	\$ 2,970,472	\$ 12,275,000	\$ 1,931,878	\$ 12,775,719	\$ 3,471,684	\$ 57,029,753

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2016

Fiscal Year	Business-type Activities						Total Business-type Activities
	Utility Revenue Bonds		Multi-Purpose Events Center Revenue Bonds		Notes Payable (a)		
	Principal	Interest	Principal	Interest	Principal	Interest	
2017.....	6,445,000	3,621,549	1,365,000	869,010	1,497,313	671,494	14,469,366
2018.....	6,745,000	3,338,661	1,385,000	849,217	2,459,043	1,389,025	16,165,946
2019.....	7,030,000	3,031,411	1,410,000	824,980	2,525,169	1,325,545	16,147,105
2020.....	7,365,000	2,704,211	1,440,000	796,780	2,594,187	1,257,915	16,158,093
2021.....	7,725,000	2,357,911	1,470,000	764,812	2,666,200	1,186,023	16,169,946
2022 - 2026...	23,575,000	7,228,493	8,005,000	3,164,253	12,368,420	4,765,135	59,106,301
2027 - 2031...	16,345,000	3,212,038	9,530,000	1,635,233	12,411,995	2,800,100	45,934,366
2032 - 2036...	5,315,000	335,000	2,145,000	91,163	8,585,128	1,022,662	17,493,953
2036 - 2040...	—	—	—	—	1,631,449	48,943	1,680,392
Total.....	\$ 80,545,000	\$ 25,829,274	\$ 26,750,000	\$ 8,995,448	\$ 46,738,904	\$ 14,466,842	\$ 203,325,468

(a) Includes an estimate for one NMED loan based on an authorized loan amount of \$25 million. Once the project is complete, NMED will revise the debt service schedule to reflect the actual cost of the project plus capitalized interest. See Note 10.H.

C. General Obligation Bonds

During 2016, the City issued \$9,000,000 in new general obligation bonds for City road improvements and \$2,310,000 to refund outstanding Series 2006 bonds. General Obligation Bonds Payable at June 30 consisted of the following:

General Obligation Bonds Payable					
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2016
Series 2009 Project Bonds.....	5/27/2009	8/1/2021	2.50% to 4.00%	25,000,000	11,575,000
Series 2013 Refunding Bonds.....	3/27/2013	8/1/2016	0.30% to 0.77%	1,715,000	720,000
Series 2016 Imprv/Refund Bonds...	5/25/2016	8/1/2028	2.00% to 5.00%	11,310,000	11,310,000
Total General Obligation Bonds Outstanding.....					23,605,000
Add Unamortized Premium.....					989,126
Total General Obligation Bonds Payable.....					\$ 24,594,126

Debt Service Requirements to Maturity - General Obligation Bonds						
Fiscal Year	Series 2009			Series 2013 Refunding		
	Principal	Interest	Total	Principal	Interest	Total
2017.....	1,750,000	379,250	2,129,250	720,000	2,772	722,772
2018.....	2,000,000	323,000	2,323,000	—	—	—
2019.....	2,000,000	263,000	2,263,000	—	—	—
2020.....	2,000,000	193,000	2,193,000	—	—	—
2021.....	2,000,000	113,000	2,113,000	—	—	—
2022 - 2026...	1,825,000	36,500	1,861,500	—	—	—
2027 - 2031...	—	—	—	—	—	—
Total.....	\$ 11,575,000	\$ 1,307,750	\$ 12,882,750	\$ 720,000	\$ 2,772	\$ 722,772

Fiscal Year	Series 2016 Improvement & Refunding			Total General Obligation Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2017.....	835,000	217,000	1,052,000	3,305,000	599,022	3,904,022
2018.....	1,345,000	313,875	1,658,875	3,345,000	636,875	3,981,875
2019.....	1,705,000	237,625	1,942,625	3,705,000	500,625	4,205,625
2020.....	745,000	183,825	928,825	2,745,000	376,825	3,121,825
2021.....	745,000	161,475	906,475	2,745,000	274,475	3,019,475
2022 - 2026...	3,725,000	475,850	4,200,850	5,550,000	512,350	6,062,350
2027 - 2031...	2,210,000	70,300	2,280,300	2,210,000	70,300	2,280,300
Total.....	\$ 11,310,000	\$ 1,659,950	\$ 12,969,950	\$ 23,605,000	\$ 2,970,472	\$ 26,575,472

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

D. Gross Receipts Tax Revenue Bonds – Governmental Activities

During 2016, the City did not issue any new Gross Receipts Tax (GRT) Revenue Bonds. GRT Revenue Bonds Payable at June 30 consisted of the following:

Gross Receipts Tax Revenues Bonds Payable - Governmental Activities					
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2016
Series 2013 Refunding Bonds.....	5/15/2013	6/1/2025	2.00% to 4.00%	13,420,000	12,275,000
Total Gross Receipts Tax Revenue Bonds Outstanding, Governmental Activities.....					12,275,000
Add Unamortized Premium.....					849,725
Total Gross Receipts Tax Revenue Bonds Payable, Governmental Activities.....					<u>\$ 13,124,725</u>

Debt Service Requirements to Maturity
Gross Receipts Tax Revenue Bonds, Governmental Activities

Fiscal Year	Series 2013 Refunding			Total Gross Receipts Tax Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2017.....	1,180,000	400,238	1,580,238	1,180,000	400,238	1,580,238
2018.....	1,215,000	364,838	1,579,838	1,215,000	364,838	1,579,838
2019.....	1,260,000	316,238	1,576,238	1,260,000	316,238	1,576,238
2020.....	1,310,000	265,838	1,575,838	1,310,000	265,838	1,575,838
2021.....	1,365,000	213,438	1,578,438	1,365,000	213,438	1,578,438
2022 - 2026...	5,945,000	371,288	6,316,288	5,945,000	371,288	6,316,288
Total.....	<u>\$ 12,275,000</u>	<u>\$ 1,931,878</u>	<u>\$ 14,206,878</u>	<u>\$ 12,275,000</u>	<u>\$ 1,931,878</u>	<u>\$ 14,206,878</u>

E. Notes Payable – Governmental Activities

During 2016, the City obtained a new loan through the New Mexico Finance Authority to fund acquisition of six new police sedans. Notes Payable for governmental activities at June 30 consisted of the following:

Notes Payable - Governmental Activities					
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2016
2007 NMFA Fire Apparatus.....	3/9/2007	5/1/2022	3.32% to 3.91%	\$ 1,649,286	\$ 797,833
2008 NMFA HP Project.....	12/19/2008	6/1/2028	4.00% to 5.15%	5,217,100	3,695,000
2008 NMFA High School Project.....	12/19/2008	6/1/2028	1.58% to 5.30%	4,669,000	3,574,000
2010 NMFA Fire Pumper & Equipment.....	1/15/2010	5/1/2020	0.98% to 3.22%	337,259	144,771
2010 NMFA Infrastructure Improvements..	8/12/2010	5/1/2025	3.460%	3,942,260	2,544,826
2013 NMFA Fire Admin Building.....	5/17/2013	5/1/2033	0.32% to 3.50%	795,925	695,339
2013 NMFA Fire Truck.....	12/20/2013	6/1/2023	0.18% to 2.75%	495,000	370,000
2013 NMFA Public Works Equipment.....	12/20/2013	5/1/2018	0.18% to 1.22%	684,000	319,000
2013 NMFA Police Vehicles.....	12/20/2013	6/1/2018	0.18% to 1.22%	855,000	375,000
2016 NMFA Police Vehicles.....	5/20/2016	5/1/2021	0.69% to 1.16%	259,950	259,950
Total Notes Payable, Governmental Activities.....					<u>\$ 12,775,719</u>

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2016

Debt Service Requirements to Maturity - Notes Payable, Governmental Activities

Fiscal Year	2007 Fire Apparatus			2008 HP Project			2008 High School Project		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2017.....	120,293	32,545	152,838	230,000	185,238	415,238	240,000	176,810	416,810
2018.....	125,081	27,757	152,838	245,000	173,738	418,738	250,000	166,754	416,754
2019.....	130,109	22,729	152,838	255,000	161,488	416,488	260,000	155,779	415,779
2020.....	135,392	17,446	152,838	270,000	148,738	418,738	270,000	143,793	413,793
2021.....	140,943	11,895	152,838	280,000	135,238	415,238	280,000	130,752	410,752
2022 - 2026..	146,015	6,074	152,089	1,635,000	449,963	2,084,963	1,605,000	429,255	2,034,255
2027 - 2031..	—	—	—	780,000	59,000	839,000	669,000	51,034	720,034
2032 - 2036..	—	—	—	—	—	—	—	—	—
Total.....	\$ 797,833	\$ 118,446	\$ 916,279	\$ 3,695,000	\$ 1,313,403	\$ 5,008,403	\$ 3,574,000	\$ 1,254,177	\$ 4,828,177

Fiscal Year	2010 Fire Pumper and Equipment			2010 Infrastructure Improvements			2013 Fire Admin Building		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2017.....	34,735	4,211	38,946	248,144	91,552	339,696	34,441	18,598	53,039
2018.....	35,652	3,294	38,946	254,944	84,752	339,696	34,755	18,285	53,040
2019.....	36,653	2,293	38,946	262,414	77,283	339,697	35,147	17,892	53,039
2020.....	37,731	1,215	38,946	270,680	69,017	339,697	35,653	17,386	53,039
2021.....	—	—	—	279,666	60,030	339,696	36,274	16,765	53,039
2022 - 2026..	—	—	—	1,228,978	129,807	1,358,785	194,195	71,001	265,196
2027 - 2031..	—	—	—	—	—	—	224,232	40,962	265,194
2032 - 2036..	—	—	—	—	—	—	100,642	5,437	106,079
Total.....	\$ 144,771	\$ 11,013	\$ 155,784	\$ 2,544,826	\$ 512,441	\$ 3,057,267	\$ 695,339	\$ 206,326	\$ 901,665

Debt Service Requirements to Maturity - Notes Payable, Governmental Activities

Fiscal Year	2013 Fire Truck			2013 Public Works Equipment			2013 Police Vehicles		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2017.....	50,000	7,538	57,538	159,000	3,654	162,654	185,000	4,303	189,303
2018.....	50,000	7,053	57,053	160,000	2,112	162,112	190,000	2,508	192,508
2019.....	50,000	6,393	56,393	—	—	—	—	—	—
2020.....	55,000	5,528	60,528	—	—	—	—	—	—
2021.....	55,000	4,378	59,378	—	—	—	—	—	—
2022 - 2026..	110,000	4,598	114,598	—	—	—	—	—	—
2027 - 2031..	—	—	—	—	—	—	—	—	—
2032 - 2036..	—	—	—	—	—	—	—	—	—
Total.....	\$ 370,000	\$ 35,488	\$ 405,488	\$ 319,000	\$ 5,766	\$ 324,766	\$ 375,000	\$ 6,811	\$ 381,811

Fiscal Year	2016 Police Vehicles			Total Notes Payable		
	Principal	Interest	Total	Principal	Interest	Total
2017.....	48,981	2,286	51,267	1,350,594	526,735	1,877,329
2018.....	52,048	2,076	54,124	1,397,480	488,329	1,885,809
2019.....	52,465	1,659	54,124	1,081,788	445,516	1,527,304
2020.....	52,953	1,171	54,124	1,127,409	404,294	1,531,703
2021.....	53,503	621	54,124	1,125,386	359,679	1,485,065
2022 - 2026..	—	—	—	4,919,188	1,090,698	6,009,886
2027 - 2031..	—	—	—	1,673,232	150,996	1,824,228
2032 - 2036..	—	—	—	100,642	5,437	106,079
Total.....	\$ 259,950	\$ 7,813	\$ 267,763	\$ 12,775,719	\$ 3,471,684	\$ 16,247,403

CITY OF RIO RANCHO, NEW MEXICO
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Year Ended June 30, 2016

F. Utility Revenue Bonds

During 2016, the City issued a new Series 2015 refunding bond to refund outstanding Series 2007 bonds. Utility Revenue Bonds Payable at June 30 consisted of the following:

Utility Revenue Bonds Payable					
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2016
Series 2008 Project Bonds.....	7/16/2008	5/15/2034	3.00% to 4.75%	13,240,000	10,540,000
Series 2009 Refunding Bonds.....	6/17/2009	5/15/2022	2.50% to 5.00%	57,990,000	30,450,000
Series 2013 Refunding Bonds.....	5/30/2013	5/15/2025	2.00% to 5.00%	16,600,000	12,995,000
Series 2015 Refunding Bonds.....	9/22/2015	5/15/2032	2.00% to 5.00%	27,365,000	26,560,000
Total Utility Bonds Outstanding.....					80,545,000
Add Unamortized Premium.....					6,276,155
Less Unamortized Discount.....					(53,100)
Total Utility Bonds Payable.....					\$ 86,768,055

Debt Service Requirements to Maturity - Utility Revenue Bonds

Fiscal Year	Series 2008			Series 2009 Refunding			Series 2013 Refunding		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2017.....	405,000	463,199	868,199	4,480,000	1,503,950	5,983,950	1,250,000	537,900	1,787,900
2018.....	420,000	448,011	868,011	4,725,000	1,279,950	6,004,950	1,290,000	500,400	1,790,400
2019.....	435,000	432,261	867,261	4,920,000	1,062,250	5,982,250	1,355,000	435,900	1,790,900
2020.....	450,000	414,861	864,861	5,170,000	816,250	5,986,250	1,410,000	381,700	1,791,700
2021.....	470,000	396,861	866,861	5,445,000	557,750	6,002,750	1,465,000	325,300	1,790,300
2022 - 2026...	2,665,000	1,670,693	4,335,693	5,710,000	285,500	5,995,500	6,225,000	643,050	6,868,050
2027 - 2031...	3,310,000	1,021,038	4,331,038	—	—	—	—	—	—
2032 - 2036...	2,385,000	217,800	2,602,800	—	—	—	—	—	—
Total.....	\$ 10,540,000	\$ 5,064,724	\$ 15,604,724	\$ 30,450,000	\$ 5,505,650	\$ 35,955,650	\$ 12,995,000	\$ 2,824,250	\$ 15,819,250

Fiscal Year	Series 2015 Refunding			Total Utility Revenue Bonds		
	Principal	Interest	Total	Principal	Interest	Total
2017.....	310,000	1,116,500	1,426,500	6,445,000	3,621,549	10,066,549
2018.....	310,000	1,110,300	1,420,300	6,745,000	3,338,661	10,083,661
2019.....	320,000	1,101,000	1,421,000	7,030,000	3,031,411	10,061,411
2020.....	335,000	1,091,400	1,426,400	7,365,000	2,704,211	10,069,211
2021.....	345,000	1,078,000	1,423,000	7,725,000	2,357,911	10,082,911
2022 - 2026...	8,975,000	4,629,250	13,604,250	23,575,000	7,228,493	30,803,493
2027 - 2031...	13,035,000	2,191,000	15,226,000	16,345,000	3,212,038	19,557,038
2032 - 2036...	2,930,000	117,200	3,047,200	5,315,000	335,000	5,650,000
Total.....	\$ 26,560,000	\$ 12,434,650	\$ 38,994,650	\$ 80,545,000	\$ 25,829,274	\$ 106,374,274

G. Multi-Purpose Events Center Revenue Bonds

During 2016, the City did not issue any new bonds for the Multi-Purpose Events Center (MPEC). MPEC Revenue Bonds Payable at June 30 consisted of the following:

Multi-Purpose Events Center Revenue Bonds Payable - Business-type Activities					
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2016
Series 2013 Taxable Subordinate Lien					
GRT Revenue Refunding Bonds...	5/30/2013	6/1/2032	1.15% to 4.25%	28,100,000	26,750,000
Total MPEC Revenue Bonds Payable.....					\$ 26,750,000

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

Debt Service Requirements to Maturity - MPEC Bonds, Business-type Activities

Fiscal Year	Series 2013 Taxable Subordinate			Total MPEC Revenue Bonds		
	Lien GRT Refunding			Principal	Interest	Total
	Principal	Interest	Total			
2017.....	1,365,000	869,010	2,234,010	1,365,000	869,010	2,234,010
2018.....	1,385,000	849,217	2,234,217	1,385,000	849,217	2,234,217
2019.....	1,410,000	824,980	2,234,980	1,410,000	824,980	2,234,980
2020.....	1,440,000	796,780	2,236,780	1,440,000	796,780	2,236,780
2021.....	1,470,000	764,812	2,234,812	1,470,000	764,812	2,234,812
2022 - 2026...	8,005,000	3,164,253	11,169,253	8,005,000	3,164,253	11,169,253
2027 - 2031...	9,530,000	1,635,233	11,165,233	9,530,000	1,635,233	11,165,233
2032 - 2036...	2,145,000	91,163	2,236,163	2,145,000	91,163	2,236,163
Total.....	\$ 26,750,000	\$ 8,995,448	\$ 35,745,448	\$ 26,750,000	\$ 8,995,448	\$ 35,745,448

H. Notes Payable – Business-type Activities

During 2016, the City obtained a new loan through the New Mexico Finance Authority to fund the construction, equipping and project oversight for the advanced water treatment facility and injection well. Notes Payable for business-type activities at June 30 consisted of the following:

Notes Payable - Business-type Activities					
	Issue Date	Maturity Date	Interest Rate	Original Amount	Balance June 30, 2016
2003 NMED Wastewater Project.....	4/29/2003	12/2/2022	3.00%	\$ 10,486,627	\$ 4,391,515
2009 NMED Wastewater Project.....	9/4/2009	12/1/2034	3.00%	25,000,000	19,311,211 (a)
2011 NMFA Water Rights.....	1/21/2011	5/1/2030	4.028%	7,000,000	5,310,773
2011 NMFA Water Rights Acquisition..	12/23/2011	5/1/2031	3.197%	9,335,000	7,550,000
2015 NMFA Water Rights Acquisition..	4/17/2015	5/1/2035	2.777%	4,292,192	4,110,300
2016 NMFA Water Conserv/Treatmt.....	1/15/2016	6/1/2035	0.25%	384,000	376,316
Total Notes Payable, Business-type Activities.....					\$ 41,050,115

(a) Represents the actual amount drawn down by the City as of 6/30/2016. Once the project is complete, NMED will revise the debt service schedule to reflect the actual cost of the project plus capitalized interest.

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2016

Debt Service Requirements to Maturity - Notes Payable, Business-type Activities

Fiscal Year	2003 Wastewater Project			2009 Wastewater Project (a)			2011 Water Rights		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2017.....	573,121	131,745	704,866	—	—	—	298,638	212,846	511,484
2018.....	590,314	114,552	704,866	930,393	750,000	1,680,393	306,672	204,812	511,484
2019.....	608,024	96,842	704,866	958,304	722,088	1,680,392	315,780	195,704	511,484
2020.....	626,264	78,602	704,866	987,054	693,339	1,680,393	326,043	185,441	511,484
2021.....	645,052	59,814	704,866	1,016,665	663,727	1,680,392	337,553	173,932	511,485
2022 - 2026...	1,348,740	60,992	1,409,732	5,559,542	2,842,421	8,401,963	1,894,895	662,529	2,557,424
2027 - 2031...	—	—	—	6,445,033	1,956,930	8,401,963	1,831,192	214,747	2,045,939
2032 - 2036...	—	—	—	7,471,560	930,404	8,401,964	—	—	—
2037 - 2041...	—	—	—	1,631,449	48,943	1,680,392	—	—	—
Total.....	\$ 4,391,515	\$ 542,547	\$ 4,934,062	\$ 25,000,000	\$ 8,607,852	\$ 33,607,852	\$ 5,310,773	\$ 1,850,011	\$ 7,160,784

Fiscal Year	2011 Water Rights Acquisition			2015 Water Rights			2016 Water Conservation/Treatment		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2017.....	420,000	230,505	650,505	186,190	95,457	281,647	19,364	941	20,305
2018.....	425,000	224,373	649,373	187,251	94,396	281,647	19,413	892	20,305
2019.....	435,000	217,020	652,020	188,600	93,047	281,647	19,461	844	20,305
2020.....	445,000	208,407	653,407	190,316	91,331	281,647	19,510	795	20,305
2021.....	455,000	198,528	653,528	192,371	89,276	281,647	19,559	746	20,305
2022 - 2026...	2,460,000	794,675	3,254,675	1,006,714	401,522	1,408,236	98,529	2,996	101,525
2027 - 2031...	2,910,000	344,434	3,254,434	1,126,004	282,231	1,408,235	99,766	1,758	101,524
2032 - 2036...	—	—	—	1,032,854	91,753	1,124,607	80,714	505	81,219
2037 - 2041...	—	—	—	—	—	—	—	—	—
Total.....	\$ 7,550,000	\$ 2,217,942	\$ 9,767,942	\$ 4,110,300	\$ 1,239,013	\$ 5,349,313	\$ 376,316	\$ 9,477	\$ 385,793

Total Notes Payable			
Fiscal Year	Principal	Interest	Total
2017.....	\$ 1,497,313	\$ 671,494	\$ 2,168,807
2018.....	2,459,043	1,389,025	3,848,068
2019.....	2,525,169	1,325,545	3,850,714
2020.....	2,594,187	1,257,915	3,852,102
2021.....	2,666,200	1,186,023	3,852,223
2022 - 2026...	12,368,420	4,765,135	17,133,555
2027 - 2031...	12,411,995	2,800,100	15,212,095
2032 - 2036...	8,585,128	1,022,662	9,607,790
2037 - 2041...	1,631,449	48,943	1,680,392
Total.....	\$ 46,738,904	\$ 14,466,842	\$ 61,205,746

(a) Estimated based on an authorized loan amount of \$25 million. Once the project is complete, NMED will revise the debt service schedule to reflect the actual cost of the project plus capitalized interest. As of 6/30/2016, the City has drawn down \$19,311,211 in loan proceeds for the project.

I. Pledged Revenue

Governmental Activities:

State Shared Gross Receipt Tax. The City has pledged future gross receipt tax revenues to repay an outstanding GRT refunding revenue bond of \$14.2 million and outstanding NMFA loans of \$5.6 million as of June 30, 2016. Proceeds from the original bond issuance including the subsequent refunding and the loans provided financing for facility construction, infrastructure, police vehicles and a fire truck and are payable through 2028.

Total annual principal and interest payments for all the bonds and loans are expected to require less than 12 percent of gross revenues. The current total state shared gross receipt tax revenues were \$14.8 million and the total principal and interest paid on the bonds and loans was \$2.2 million, or 15 percent of gross revenues.

Fire Protection Revenue. The City has pledged future fire protection revenues to repay outstanding NMFA loans of \$2.0 million as of June 30, 2016. Proceeds from the loans provided financing for fire equipment and a fire administration building and are payable through 2033.

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

Total annual principal and interest payments for all the loans are expected to require less than 18 percent of gross revenues. The current total fire protection revenues were \$660,469 and the total principal and interest paid on the loans was \$245,000 or 37 percent of gross revenues.

Law Enforcement Protection Revenue. The City has pledged future law enforcement protection revenues to repay an outstanding NMFA loan of \$268,000 as of June 30, 2016. Proceeds from the loan provided financing for six new police vehicles and is payable through 2021.

Total annual principal and interest payments for the loan is expected to require less than 53 percent of gross revenues. The current total law enforcement protection revenues were \$101,000. No principal and interest payments were due on the loan as of June 30, 2016, but will begin in 2017.

Environmental Gross Receipt Tax. The City has pledged future environmental gross receipt taxes to repay an outstanding NMFA loan of \$3.0 million as of June 30, 2016. Proceeds from the loan provided financing for infrastructure improvements and is payable through 2025.

Total annual principal and interest payments for the loan is expected to require less than 47 percent of gross revenues. The current total environmental gross receipt tax revenues were \$726,051 and the total principal and interest paid on the loan was \$340,000 or 47 percent of gross revenues.

Municipal Gross Receipt Tax. The City has pledged future municipal gross receipt taxes to repay an outstanding NMFA loan of \$5.0 million as of June 30, 2016. Proceeds from the loan provided financing for infrastructure improvements and is payable through 2028.

Total annual principal and interest payments for the loan is expected to require less than 2 percent of gross revenues. The current total municipal gross receipt tax revenues were \$21.7 million and the total principal and interest paid on the loan was \$416,000 or 2 percent of gross revenues.

Municipal Gas Tax. The City has pledged future municipal gas taxes to repay an outstanding NMFA loan of \$325,000 as of June 30, 2016. Proceeds from the loan provided financing for public works equipment and is payable through 2018.

Total annual principal and interest payments for the loan is expected to require less than 24 percent of gross revenues. The current total municipal gas tax revenues were \$676,080 and the total principal and interest paid on the loan was \$160,000 or 24 percent of gross revenues.

Business-Type Activities:

State Shared Gross Receipt Tax. The City has pledged future gross receipt tax revenues to repay outstanding event center refunding bonds of \$35.7 million as of June 30, 2016. Proceeds from the original bond issuance, including the subsequent refunding, provided financing for the construction of the Santa Ana Star Center and are payable through 2032.

Total annual principal and interest payments for all the bonds and loans are expected to require less than 15 percent of gross revenues. The current total state shared gross receipt tax revenues were \$14.8 million and the total principal and interest paid on the bonds and loans was \$2.2 million or 15 percent of gross revenues.

Utilities Net Revenue. The City has pledged future utilities net revenues to repay outstanding revenue bonds, refunding revenue bonds and NMED loans of \$145.3 million as of June 30, 2016. Proceeds from the original bond issuances, including those subsequently refunded, and the loans provided financing for the construction and improvements to the City's water systems and infrastructure and are payable through 2035.

Total annual principal and interest payments for all the bonds and loans (senior and subordinate obligations) are expected to require less than 37 percent of utility net revenues. The current total utility net revenues were \$20.6 million and the total principal and interest paid on the bonds and loans was \$10.9 million or 53 percent of gross revenues.

CITY OF RIO RANCHO, NEW MEXICO
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Water Rights Acquisition Fees. The City has pledged future water rights acquisition fees to repay outstanding NMFA loans of \$22.3 million as of June 30, 2016. Proceeds from the loans provided financing for water rights acquisition purchases and are payable through 2035.

Total annual principal and interest payments for all the bonds and loans are expected to require less than 43 percent of gross revenues. The current total water rights acquisition fees were \$2.7 million and the total principal and interest paid on the bonds and loans was \$1.4 million or 53 percent of gross revenues.

J. Bond Refundings and Defeased Debt

During the year ended June 30, 2016, the City issued \$2,310,000 in refunding bonds, with an effective interest rate of 1.60% to currently refund \$2,350,000 of outstanding general obligation bonds, with an average interest rate of 4.5%. The net proceeds of \$2,390,736 which includes \$102,065 of bond premium and a payment of \$18,827 in underwriting fees, insurance and other issuance costs, were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent, to provide for the refunded general obligation bonds. As a result, the refunded general obligation bonds are considered to be defeased, and the liability for those bonds has been removed from the government-wide financial statements. The reacquisition price exceeded the net carrying amount by \$10,441. This refunding was undertaken to reduce total debt service payments over the next 3 years by \$73,542 and resulted in an economic gain of \$71,720.

During the year ended June 30, 2016, the City also issued \$27,365,000 in refunding bonds to advance refund \$30,090,000 of outstanding water and wastewater revenue bonds, with an average interest rate of 3.4%. The net proceeds of \$32,413,252 which includes \$2,508,138 of bond premium and underwriting fees, insurance and other issuance costs of \$454,232 were used to purchase U.S. Government Securities. Those securities were deposited in an irrevocable trust with an escrow agent, to provide for the refunded water and wastewater revenue bonds. At June 30, \$29,670,000 of bonds outstanding are considered defeased and the liability for those bonds has been removed from the financial statements. The reacquisition price exceeded the net carrying amount by \$2,225,728. This amount is reported as deferred charges and amortized over the new debt's life. This advance refunding was undertaken to reduce total debt service payments over the next 17 years by \$5.6 million. This also allowed the City to replace a \$3.0 million debt service reserve fund with a surety reserve policy, reducing the amount of cash required to be held in reserve for Utility revenue bonds. This resulted in a net savings of \$1.3 million.

In the current year, the City has defeased utility revenue bonds by placing the proceeds of new bonds and other monies into irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements.

K. Special Assessment Bonds

Special Assessment Bonds are used to construct improvements within special assessment districts created by the City after property owners within these districts agree to be assessed for the costs of debt service on the bonds. Payments made by the assessed property owners within the districts are pledged to pay the debt service on the bonds. In the event of default by a property owner, the lien created by the assessment is sold at public auction and the proceeds are used to offset the defaulted assessment.

As trustee for improvement districts, the City is solely responsible for collection of assessments levied against the owners of property within the improvement districts and for disbursement of these amounts for retirement of the respective bonds issued to finance the improvements. The City is not obligated in any manner to pay the debt service on Special Assessment Bonds with any general or other funds of the City. Special assessment bonds outstanding at June 30 were \$9,013,818.

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2016

L. Statutory Debt Limitation

The Constitution of the State of New Mexico limits the amount of general purpose government obligation bonds that may be issued by a municipality to four percent of the taxable valuation of property located within the City. At June 30, based on the most recent valuation, the City's debt limitation and additional bonding capacity are as follows:

Calculation of Legal Debt Margin	
Assessed Value.....	\$ 2,063,324,229
Debt Limit (4% of assessed value).....	82,532,969
<hr/>	
Debt Applicable to Limit:	
General Obligation Bonds Payable.....	23,605,000
Less amount restricted for repayment of General Obligation Bonds.....	(3,937,721)
Net Debt Applicable to Limit.....	19,667,279
Additional Bonding Capacity.....	\$ 62,865,690

M. Conduit Debt Obligations

As allowed by federal and state laws and IRS regulations, the City has acted as a conduit for tax-exempt financing for various private entities located within the City. In all such cases, the debts are secured by the facilities and equipment that were acquired with the debt proceeds, and the debts are payable solely from the revenues of the companies for whom the debts were issued. The City is not obligated in any manner for repayment of the debt and therefore the obligations are not reported as liabilities in the City's financial statements. As of June 30, there were three Rio Rancho conduit debt obligations outstanding. The current remaining principal amounts of these obligations could not be determined; however the aggregate original issue amounts totaled \$96.5 million.

NOTE 11. NET POSITION AND FUND BALANCES

A. Net Position

Net position is the difference between assets/deferred outflows and liabilities/deferred inflows on the government-wide, proprietary fund, and fiduciary fund statements.

At June 30, the City reported a deficit unrestricted net position of \$36.0 million for governmental activities on the Statement of Net Position. The deficit was a result of recognizing the City's proportionate share of the New Mexico Public Employees Retirement Association net pension liability.

The various purposes of restricted net position are noted on the face of the statements. Net position restricted by enabling legislation represents resources which a party external to the City (such as citizens, public interest groups, or the courts) can compel the City to use only for the purpose specified by the legislation. The Statement of Net Position reports \$9,901,293 of net position of governmental activities that is restricted by enabling legislation.

B. Governmental Fund Balances – Restricted, Committed, and Assigned

The City's spendable fund balances are classified into three categories: 1) *Restricted Purposes*, which include balances that are legally restricted for specific purposes due to constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; 2) *Committed Purposes*, which include balances that can only be used for specific purposes pursuant to constraints imposed by formal resolution of the Governing Body in a public meeting; 3) *Assigned Purposes*, which include balances that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Per City policy, assigned fund balance amounts are determined by the Financial Services Department at year-end in consultation with other departments that directly manage those specific resources.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the City's policy is to first apply restricted balances, then committed balances, then assigned balances.

CITY OF RIO RANCHO, NEW MEXICO
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The table below summarizes the purposes of the City's restricted fund balances.

	Nonmajor Governmental Funds			Total
	Special Revenue	Debt Service	Capital Projects	
Fund Balances restricted for:				
Roads and Public Improvements	\$ 7,664,739	\$ —	\$ 11,526,568	\$ 19,191,307
Community Programs	390,823	—	—	390,823
Parks and Recreation Programs	276,192	—	—	276,192
Library Materials	—	—	—	—
Public Safety Programs	1,254,440	—	—	1,254,440
Insurance Premiums and Claims	1,039,563	—	—	1,039,563
Debt Service	858,459	4,428,625	—	5,287,084
Total	\$ 11,484,216	\$ 4,428,625	\$ 11,526,568	\$ 27,439,409

C. Unassigned Fund Balance

Unassigned fund balance is the residual classification for the General Fund. This amount represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. In other governmental funds, a negative residual balance is reported as unassigned.

D. Deficit Fund Balances

The following funds reported deficit fund balances at June 30:

Nonmajor Governmental Funds:

Keep Rio Rancho Beautiful Fund	\$(1,138)
Library Fund	(77,021)
NM Gang Task Force	(10,497)
Public Safety and Other Grants Fund	(133,372)
HUD CDBG Grant Fund	(7,380)
Crime Victim Assistance Fund	(12,381)
Infrastructure Fund	(104,540)
State Appropriation Capital Projects Fund	(140,627)
Deficit Fund Balances	<u>\$(486,956)</u>

The deficits arose because of the timing of receipts and expenditures in these funds under reimbursement-based grant agreements and the modified accrual basis of accounting. The City expects to eliminate the deficits through receipts of grant revenues in the next fiscal year.

NOTE 12. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

A. Plan Description

The Public Employees Retirement Association (PERA) Fund is a cost-sharing, multiple employer defined benefit pension plan. The 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 plans. 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 the plan. Certain coverage plans are only applicable to a specific division.

The City of Rio Rancho participates in three PERA plans: Municipal General Plan 2, Municipal Police Plan 5, and Municipal Fire Plan 5.

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),

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2016

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 an audited comprehensive annual financial report that can be obtained at the following web address: <http://www.nmpera.org/financial-overview>.

B. Benefits Provided

For a complete description of the benefits provided to eligible retirees, see Note 1 in the PERA audited financial statements available at the above website. Following is a general summary of eligibility criteria, benefits, and contribution rates as of June 30, 2015:

Public Employees Retirement Association Plans
Summary of Eligibility, Benefits, and Contribution Rates

	Municipal General Plan 2		Municipal Police Plan 5		Municipal Fire Plan 5	
	Tier I	Tier II	Tier I	Tier II	Tier I	Tier II
Highest Average Salary	3 Years	5 Years	3 Years	5 Years	3 Years	5 Years
Years of Service and Age of Eligibility	25 years any age 20 years age 60 Various ages 61-64 5 years age 65	Rule of 85 8 years age 65	20 years any age Various ages 61-64 5 years age 65	25 years any age 6 years age 60	20 years any age Various ages 61-64 5 years age 65	25 years any age 6 years age 60
Vesting Period	5 years	8 years	5 years	8 years	5 years	8 years
Benefit Percent per Year of Service	2.5%	2.0%	3.5%	3.0%	3.5%	3.0%
Maximum Benefit as Percent of Final Average Salary	90%	90%	90%	90%	90%	90%
Annual Cost of Living Adjustment	2.0% with graduated eligibility period	2.0% with 7-year eligibility period	2.0% with graduated eligibility period	2.0% with 7-year eligibility period	2.0% with graduated eligibility period	2.0% with 7-year eligibility period
Required Contribution Rates						
Employer	9.55%	9.55%	18.90%	18.90%	21.65%	21.65%
Employee < \$20,000	9.15%	9.15%	16.30%	16.30%	16.20%	16.20%
Employee > \$20,000	10.65%	10.65%	17.80%	17.80%	17.70%	17.70%

C. Contributions

The contribution requirements of PERA Fund members are established in state statute under Chapter 10, Article 11, NMSA 1978. The contribution requirements may be amended by acts of the legislature.

The Combined active member and employer contribution rates are expected to finance the costs of benefits employees earn during the year, with an additional amount to finance any unfunded accrued liability.

Employer contributions for the fiscal year ended June 30, 2016 are shown in the table on the following page.

D. Pension Liabilities, Pension Expense, Deferred Outflows, and Deferred Inflows of Resources Related to Pensions

The PERA pension liability amounts, net pension liability amounts, and sensitivity information were based on an actuarial valuation performed as of June 30, 2014. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's proportionate share was established as of the measurement date of June 30, 2015.

CITY OF RIO RANCHO, NEW MEXICO
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Year Ended June 30, 2016

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 of resources were performed separately for each of the membership groups.

The City's proportionate share of the net pension liability for each of the City's three membership groups is based on the share of the City's employer contributions relative to each membership group's total employer contributions for the fiscal year ended June 30, 2015. Only employer contributions for the pay period end dates that fell within the period of July 1, 2014 to June 30, 2015 were included in the total contributions for a specific employer. Employer contributions on behalf of the employee were excluded from the calculation. In the event that a participating employer is behind in its required contributions, an estimate (receivable) was used to project the unremitted employer contributions. This allowed for fair and consistent measurement of the contributions for 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.

The City's proportionate share of each PERA plan's net pension liability, and each plan's annual pension expense, as of and for the year ended June 30, 2016 are shown in the table below.

PERA Plan	<u>Current Year Pension Expense and Net Pension Liability</u>				
	Employer Contributions	Pension Expense	Proportionate Share of Net Pension Liability	Percent of Net Pension Liability	Prior Year Percent of Net Pension Liability
Municipal General Plan 2..	\$ 1,518,029	\$ 910,855	\$ 19,098,897	1.8732%	1.8353%
Municipal Police Plan 5.....	1,226,056	1,275,340	15,686,967	3.2623%	3.1557%
Municipal Fire Plan 5.....	1,075,638	2,330,323	22,540,946	4.3674%	4.2484%
Total.....	<u>\$ 3,819,723</u>	<u>\$ 4,516,518</u>	<u>\$ 57,326,810</u>		

At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for each of the City's three PERA Fund divisions:

	<u>Municipal General Plan 2</u>		<u>Municipal Police Plan 5</u>		<u>Municipal Fire Plan 5</u>	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience.....	\$ —	\$ 423,049	\$ 1,096,140	\$ —	\$ 887,709	\$ —
Changes of assumptions.....	—	7,440	—	649,002	475,410	—
Net difference between projected and actual earnings on pension plan investments.....	—	60,416	—	43,514	—	27,114
Changes in proportion and differences between City contributions and proportionate share of contributions...	225,765	—	265,352	—	379,281	—
City contributions subsequent to the measurement date.....	1,518,029	—	1,226,056	—	1,075,638	—
Total.....	<u>\$ 1,743,794</u>	<u>\$ 490,905</u>	<u>\$ 2,587,548</u>	<u>\$ 692,516</u>	<u>\$ 2,818,038</u>	<u>\$ 27,114</u>

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

Following is additional information about the City's deferred outflows of resources and deferred inflows of resources related to pensions:

	Municipal General Plan 2	Municipal Police Plan 5	Municipal Fire Plan 5
Amount reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date of June 30, 2015 that will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2017.....	\$ 1,518,029	\$ 1,226,056	\$ 1,075,638
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:			
2017.....	\$ (452,482)	\$ (70,841)	\$ 1,001,833
2018.....	(452,482)	(70,841)	1,001,833
2019.....	(452,482)	(70,841)	1,001,833
2020.....	1,080,028	867,070	1,267,166
2021.....	12,278	14,429	(2,557,379)

E. Actuarial Assumptions

As described above, the PERA Fund member group pension liabilities and net pension liabilities are based on actuarial valuations performed as of June 30, 2014 for each of the membership groups. The actuarial assumptions used in the valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2013.

Using the information from the June 30, 2014 valuation, each PERA Fund member group pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015 using generally accepted actuarial principles. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2015. The following actuarial methods and assumptions were adopted by the Board for use in the June 30, 2014 actuarial valuation:

Actuarial valuation date..... June 30, 2014
 Actuarial cost method..... Entry-age normal
 Amortization method..... Level percentage of pay
 Amortization period..... Solved for based on statutory rates
 Asset valuation method..... Fair value
 Actuarial assumptions:
 Investment rate
 of return7.75%, net of investment expense
 Payroll growth 3.5% annual rate
 Projected salary increases 3.5% to 14.25% annual rate
 Includes inflation at 3.0% annual rate
 Mortality rates.....RP-2000, Scale AA

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 on the following page:

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2016

ALL FUNDS - Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Equity.....	21.10 %	5.00 %
International Equity.....	24.80	5.20
Private Equity.....	7.00	8.20
Core and Global Fixed Income.....	26.10	1.85
Fixed Income Plus Sectors.....	5.00	4.80
Real Estate.....	5.00	5.30
Real Assets.....	7.00	5.70
Absolute Return.....	4.00	4.15
Total.....	<u>100.0 %</u>	

F. Discount Rate

The discount rate used to measure the total pension liability was 7.75%. 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 GASB Statement 67. Therefore, the 7.75% assumed long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.

The following table shows the sensitivity of the net pension liability to changes in the discount rate. In particular, the table presents the net pension liability in each of the City's PERA Fund divisions calculated using the current discount rate of 7.75%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75%) or one percentage point higher (8.75%) than the current discount rate.

Proportionate Share of Net Pension Liability:	Assumed Discount Rate		
	1% Decrease 6.75%	Current Rate 7.75%	1% Increase 8.75%
Municipal General Plan 2..	\$ 32,517,843	\$ 19,098,897	\$ 7,941,955
Municipal Police Plan 5....	25,906,080	15,686,967	7,303,833
Municipal Fire Plan 5.....	30,571,106	22,540,946	15,923,006
Total.....	<u>\$ 88,995,029</u>	<u>\$ 57,326,810</u>	<u>\$ 31,168,794</u>

G. Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in PERA'S audited comprehensive annual financial report and can be obtained at the following web address: <http://www.nmpera.org/financial-overview>

H. Payables to the Pension Plan

The City reported \$352,116 as payable to PERA at June 30, 2016. The liability is included in the City's accrued payroll adjustment for wages and benefits earned but not yet paid at year-end.

NOTE 13. POST-EMPLOYMENT BENEFITS, RETIREE HEALTHCARE PLAN

A. Plan Description

The City contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS

Year Ended June 30, 2016

establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

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

The RHCA issues a publicly available financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained at the following website: www.nmrhca.state.nm.us/Pages/audit-reports.aspx

B. Funding Policy

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

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2016, the statutes required each participating employer to contribute 2.5% of each participating employee's annual salary, and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2016, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary, and each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The City's contributions to the RHCA for the years ended June 30, 2016, 2015 and 2014 were \$604,964, \$609,006, and \$591,498, respectively, which equal the required contributions for each year.

NOTE 14. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In 1985, the City joined the New Mexico Self-Insurers' Fund Risk Pool (the Pool), together with other cities and towns in the state. The Pool is a public-entity risk pool currently operating as a common risk management and insurance program for member cities and towns. The City paid an annual premium of \$1,155,748 into the Pool for general insurance coverage during the fiscal year. The agreement provides that the Pool will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of the annual aggregate for general liability, property, and workers' compensation claims. The City carries commercial insurance for all other risks of loss including accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
Year Ended June 30, 2016

Health and Dental coverage are provided through a self-insurance program administered by outside carriers (Lovelace/Blue Cross Blue Shield and Presbyterian for medical, Express Scripts for prescriptions, and Delta Dental for dental). The City reports its self-insurance programs in the internal service funds. Amounts are charged to the General Fund and Utility Fund to provide sufficient resources to cover claims incurred and to pay the insurance service agent's administrative fee.

The following schedules represent the changes in claims liability for the past three fiscal years for the City's Health and Dental Self-Insurance Programs:

Self-Insured Claims Liability			
	2016	2015	2014
Beginning Liability	\$ 964,643	\$ 899,804	\$ 900,631
Claims Incurred and			
Changes in Estimates..	5,083,814	5,572,626	4,443,431
Claims Paid.....	(5,132,801)	(5,507,787)	(4,444,258)
Ending Liability.....	<u>\$ 915,656</u>	<u>\$ 964,643</u>	<u>\$ 899,804</u>

NOTE 15. LITIGATION AND CONTINGENCIES

The City records liabilities resulting from claims and legal actions when they become fixed or determinable in amount. The City is currently the defendant in several pending lawsuits. Legal counsel is of the opinion that potential claims against the City resulting from such litigation not covered by insurance will not impose a significant liability on the City.

The City has received several federal and state grants for specific purposes that are subject to audit by the grantor agencies. Such audits could lead to requests for reimbursements for expenditures disallowed under the terms of the grants. Based upon prior experience, the City believes such disallowances, if any, will be immaterial.

NOTE 16. SUBSEQUENT EVENTS

A. Refunding of Utility Bonds

On July 13, 2016, the City advance refunded its outstanding Series 2008 Joint Utility Revenue Bonds and its outstanding 2003 NMED Clean Water State Revolving Fund (CWSRF) Loan as well as refunding and restructuring its outstanding 2009 NMED CWSRF Loan by issuing \$53.805 million of Series 2016 Utility Refunding and Improvement Revenue Bonds. The advance refunding will save the City approximately \$2.5 million in cash-flow savings, or 7.31 percent.

B. New GASB Pronouncement on Other Post-Employment Benefits

In June 2015, the Governmental Accounting Standards Board issued Statement 75, *Accounting and Financial Reporting for Post-Employment Benefits Other Than Pensions*. The new pronouncement changes standards for measuring and recognizing liabilities and expense/expenditures for post-employment benefits (OPEB) other than pensions. It also changes the methods and assumptions that should be used to project and discount benefit payments and attribute costs to periods of employee service. The new standard changes note disclosures and required supplementary information about OPEB. As a participant in the New Mexico Retiree Health Care Authority (NMRHCA), the City must rely on information provided by NMRHCA to properly implement the new standard. Although such information is not yet available, the City anticipates reporting a material expense and liability on the government-wide and proprietary fund statements beginning in fiscal year 2018.

Required Supplementary Information

CITY OF RIO RANCHO, NEW MEXICO

Required Supplementary Information

Schedule of the City's Proportionate Share of PERA's Net Pension Liability

All City PERA Plans

Last 10 Fiscal Years *

	<u>2015</u>	<u>2016</u>
MUNICIPAL GENERAL PLAN 2		
City's proportion of the net pension liability.....	1.84%	1.87%
City's proportionate share of the net pension liability.....	\$ 14,317,308	\$ 19,098,897
City's covered payroll.....	\$ 14,891,796	\$ 15,446,492
City's proportionate share of the net pension liability as a percentage of covered payroll.....	96.14%	123.65%
Plan fiduciary net position as a percentage of the total pension liability.	81.29%	76.99%
MUNICIPAL POLICE PLAN 5		
City's proportion of the net pension liability.....	3.16%	3.26%
City's proportionate share of the net pension liability.....	\$ 10,287,239	\$ 15,686,967
City's covered payroll.....	\$ 6,071,232	\$ 6,378,370
City's proportionate share of the net pension liability as a percentage of covered payroll.....	169.44%	245.94%
Plan fiduciary net position as a percentage of the total pension liability.	81.29%	76.99%
MUNICIPAL FIRE PLAN 5		
City's proportion of the net pension liability.....	4.25%	4.37%
City's proportionate share of the net pension liability.....	\$ 17,732,794	\$ 22,540,946
City's covered payroll.....	\$ 4,714,718	\$ 4,979,095
City's proportionate share of the net pension liability as a percentage of covered payroll.....	376.12%	452.71%
Plan fiduciary net position as a percentage of the total pension liability.	81.29%	76.99%

See accompanying notes to the schedule.

* Until a full 10-year trend is compiled, the City will present information for those years for which information is available.

CITY OF RIO RANCHO, NEW MEXICO

Required Supplementary Information
Schedule of the City's Pension Contributions
All City PERA Plans
Last 10 Fiscal Years *

	<u>2015</u>	<u>2016</u>
MUNICIPAL GENERAL PLAN 2		
Contractually required contribution.....	\$ 1,475,140	\$ 1,518,029
Contributions in relation to the contractually required contribution.....	<u>(1,475,140)</u>	<u>(1,518,029)</u>
Contribution deficiency (excess).....	<u>\$ —</u>	<u>\$ —</u>
City's covered payroll.....	\$ 15,446,492	\$ 15,895,592
Contributions as a percentage of covered payroll.....	9.55%	9.55%
MUNICIPAL POLICE PLAN 5		
Contractually required contribution.....	\$ 1,205,512	\$ 1,226,056
Contributions in relation to the contractually required contribution.....	<u>(1,205,512)</u>	<u>(1,226,056)</u>
Contribution deficiency (excess).....	<u>\$ —</u>	<u>\$ —</u>
City's covered payroll.....	\$ 6,378,370	\$ 6,487,069
Contributions as a percentage of covered payroll.....	18.90%	18.90%
MUNICIPAL FIRE PLAN 5		
Contractually required contribution.....	\$ 1,077,974	\$ 1,075,638
Contributions in relation to the contractually required contribution.....	<u>(1,077,974)</u>	<u>(1,075,638)</u>
Contribution deficiency (excess).....	<u>\$ —</u>	<u>\$ —</u>
City's covered payroll.....	\$ 4,979,095	\$ 4,968,305
Contributions as a percentage of covered payroll.....	21.65%	21.65%

See accompanying notes to the schedule.

* Until a full 10-year trend is compiled, the City will present information for those years for which information is available.

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
Year Ended June 30, 2016

**Required Supplementary Information –
Pension Plan**

Change in Accounting Principle. For the year ended June 30, 2016, the City implemented the provisions of GASB Statement No. 82, *Pension Issues*. The statement changed the measure of payroll that is required to be presented in required supplementary information from covered-employee payroll to covered payroll. Accordingly, payroll amounts presented in the pension plan schedules and related ratios for prior periods have been restated.

Actuarial Assumptions for Valuations Performed. The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated, which is the most recent actuarial valuation. The actuarial assumptions used are disclosed in the notes to the financial statements.

Changes of Benefit Terms. The PERA Fund cost-of-living (COLA) and retirement eligibility benefit changes in recent years are described in Note 1 of the PERA audited comprehensive annual financial report available at the following web address:

<http://www.nmpera.org/financial-overview>

Changes of Assumptions. The PERA Annual Actuarial Valuation as of June 30, 2014 is available at the web address listed above.

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 53 of the PERA Annual Actuarial Valuation referenced above.

Supplementary Information



CITY OF RIO RANCHO, NEW MEXICO

Combining Balance Sheet

Nonmajor Governmental Funds - By Fund Type

June 30, 2016

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
ASSETS				
Cash and Cash Equivalents.....	\$ 10,281,257	\$ 3,614,554	\$ 3,004,776	\$ 16,900,587
Receivables:				
Accounts, net.....	701,503	—	—	701,503
Property Taxes.....	—	128,830	—	128,830
Gross Receipt Taxes.....	534,033	75,498	—	609,531
Due From Federal Government.....	211,988	—	3,859,287	4,071,275
Due From State Government.....	141,961	408,022	245,935	795,918
Due From Local Governments.....	47,746	—	—	47,746
Restricted Investments.....	858,459	290,425	9,141,000	10,289,884
Total Assets	<u>\$ 12,776,947</u>	<u>\$ 4,517,329</u>	<u>\$ 16,250,998</u>	<u>\$ 33,545,274</u>
LIABILITIES				
Accounts Payable.....	\$ 749,412	\$ —	\$ 1,457,434	\$ 2,206,846
Accrued Liabilities.....	213,251	—	—	213,251
Due To Other Funds.....	451,708	—	1,923,491	2,375,199
Total Liabilities.....	<u>1,414,371</u>	<u>—</u>	<u>3,380,925</u>	<u>4,795,296</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes.....	—	88,704	—	88,704
Unavailable Revenue - Intergovernmental	120,149	—	1,588,672	1,708,821
Total Deferred Inflows of Resources.....	<u>120,149</u>	<u>88,704</u>	<u>1,588,672</u>	<u>1,797,525</u>
FUND BALANCES				
Restricted.....	11,484,216	4,428,625	11,526,568	27,439,409
Unassigned.....	(241,789)	—	(245,167)	(486,956)
Total Fund Balances.....	<u>11,242,427</u>	<u>4,428,625</u>	<u>11,281,401</u>	<u>26,952,453</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances.....	<u>\$ 12,776,947</u>	<u>\$ 4,517,329</u>	<u>\$ 16,250,998</u>	<u>\$ 33,545,274</u>

CITY OF RIO RANCHO, NEW MEXICO

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Nonmajor Governmental Funds - By Fund Type For the Year Ended June 30, 2016

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
REVENUES				
Property Taxes.....	\$ —	\$ 3,708,329	\$ —	\$ 3,708,329
Municipal Taxes.....	3,403,049	378,210	—	3,781,259
Franchise Taxes.....	60,315	—	—	60,315
Intergovernmental - Federal.....	1,251,995	—	4,326,449	5,578,444
Intergovernmental - State.....	3,197,174	2,187,155	1,887,263	7,271,592
Intergovernmental - Local.....	415,228	—	163,109	578,337
Impact Fees.....	—	—	1,032,838	1,032,838
Charges for Services.....	1,009,650	—	—	1,009,650
Fines and Forfeitures.....	108,246	—	—	108,246
Miscellaneous.....	2,483,802	2,552	4,907	2,491,261
Total Revenues.....	<u>11,929,459</u>	<u>6,276,246</u>	<u>7,414,566</u>	<u>25,620,271</u>
EXPENDITURES				
Current:				
General Government.....	2,898,283	—	209,188	3,107,471
Public Safety.....	5,243,858	—	—	5,243,858
Public Works.....	686,067	—	99,970	786,037
Parks, Recreation, and Culture.....	1,376,113	—	2,917	1,379,030
Community and Economic Development.....	614,601	—	—	614,601
Capital Outlay.....	1,786,291	—	12,196,875	13,983,166
Debt Service:				
Principal.....	581,081	4,950,000	—	5,531,081
Interest and Other Charges.....	180,136	1,415,402	146,829	1,742,367
Total Expenditures.....	<u>13,366,430</u>	<u>6,365,402</u>	<u>12,655,779</u>	<u>32,387,611</u>
Revenues Over (Under) Expenditures.....	(1,436,971)	(89,156)	(5,241,213)	(6,767,340)
OTHER FINANCING SOURCES (USES)				
Loan Proceeds.....	259,950	—	—	259,950
Issuance of General Obligation Bonds.....	—	—	9,000,000	9,000,000
Issuance of Refunding Bonds.....	—	2,310,000	—	2,310,000
Payment to Refunding Escrow.....	—	(2,390,736)	—	(2,390,736)
Premium on Bonds Issued.....	—	392,490	211,850	604,340
Transfers In.....	2,141,454	—	2,668,612	4,810,066
Transfers Out.....	(846)	—	(2)	(848)
Total Other Financing Sources (Uses).....	<u>2,400,558</u>	<u>311,754</u>	<u>11,880,460</u>	<u>14,592,772</u>
Net Change in Fund Balances.....	963,587	222,598	6,639,247	7,825,432
Fund Balances - Beginning.....	10,278,840	4,206,027	4,642,154	19,127,021
Fund Balances - Ending.....	<u>\$ 11,242,427</u>	<u>\$ 4,428,625</u>	<u>\$ 11,281,401</u>	<u>\$ 26,952,453</u>

NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Animal Shelter Fund - To account for animal fees as well as funds donated to the City of Rio Rancho. Expenditures from this fund will be used for the purposes specified by the fee ordinance and the donor. (Provided for by City Budget Resolution.)

Recreation Activities Fund – To account for revenues received for recreation fees and vending machines placed in City facilities. Expenditures may be used for programs and activities, such as, classes and softball programs and various community projects. (Provided for by City Budget Resolution.)

Keep Rio Rancho Beautiful Fund – To account for New Mexico Clean & Beautiful Litter Control & Beautification grant funds. Expenditures may be used for equipment, landscaping, program promotion, recycling, education, and anti-graffiti programs. (Pursuant to NMSA, Section 67-16-1 to 67-16-14.)

Community Response Program Fund – To account for Community Emergency Response Team federal grant funds. Expenditures from this fund may be used to find, train, equip and maintain citizen volunteer teams to respond to and support emergency operations. (Pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended 42 U.S.C. 5121 et seq.)

Workers Compensation Fund – To account for revenues from other funds for the purpose of self funding workers compensation insurance administered by the New Mexico Self Insurance Fund. (Provided for by City Budget Resolution)

Senior Services Fund – To account for funds donated to the City of Rio Rancho. Expenditures from this fund will be used for the purpose specified by the donor. (Provided for by City Budget Resolution.)

Library Fund – To account for grants, gifts, donations, devises or bequests made to the City, pursuant to NMSA 3-18-4, for the purpose of establishing, increasing or improving the library.

Local Economic Development Act Fund – To account for funds received from claw-back payments and homebuilder contributions. Expenditures from this fund may be used for future economic development projects. In the recruitment of economic based employers and site selection process, these companies often look to State and Local Governments for financial assistance to off-set the cost of expansion/relocation. This financial support, or economic incentive, is extended through a Project Participation Agreement that is approved by the Governing Body and contains corresponding claw-back provisions.

Promotion and Marketing Fund – To account for promotional activities. Expenditures from this fund may be used for special events; promoting convention, exposition or entertainment facilities; or advertising and marketing facilities. (Provided for by City Budget Resolution.)

NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS

SPECIAL REVENUE FUNDS (Continued)

Convention & Visitors Bureau Fund – To account for revenues collected from occupancy taxes (3%) levied within City boundaries pursuant to NMSA 3-38-15. Expenditures from this fund may be used for acquiring, constructing, improving, establishing, and operating convention, exposition or entertainment facilities; acquiring or obtaining an interest in such facilities; or advertising, publicizing, and promoting such facilities.

Rio Vision Cable Fund - To account for cable franchise fees (2%) received to operate and promote a public access television channel. (Provided for by City Budget Resolution.)

Local Government Corrections Fund – To account for revenues collected from the assessment for correction fees and court costs, pursuant to NMSA 35-14-11. Expenditures from this fund may be used for municipal jailer or juvenile detention officer training; for planning, construction, operating and maintaining a municipal jail for juveniles in a detention facility; or for complying with match or contribution requirements for the receipt of Federal funds relating to jailing or juvenile detention facilities.

Law Enforcement Fund – To account for State revenues received pursuant to the Law Enforcement Corrections Act, NMSA 29-13-3. Expenditures from this fund may be used for the repair and purchase of law enforcement apparatus and equipment, expenditures associated with advanced law enforcement planning and training, and complying with match or contribution requirements for receipt of Federal funds, and salaries for law enforcement personnel under certain conditions.

Public Safety Enforcement Aid Fund – To account for revenue generated from asset forfeitures obtained through narcotics investigations. These revenues can be utilized for officer overtime, police equipment, undercover vehicles, purchase of evidence, training and other narcotic investigation related expenses. (Pursuant to the Attorney General’s Guidelines on Seized and Forfeited Property, July 1990.)

Traffic Education and Enforcement Aid Fund – To account for revenues received from the New Mexico Traffic Bureau for DWI checkpoint enforcement and safety belt enforcement. (Pursuant to NMSA 66-7-501 to 511)

DWI Seized Vehicle Fund – To account for revenues received from DWI Seizure Vehicles. Expenditures from this fund may be used for the operation of the program.

NM Gang Task Force Fund – To account for revenue received from the U.S. Department of Justice, Justice Assistance Grant (JAG), the American Recovery and Reinvestment Act (ARRA), contributions and conference revenue to provide training for police agencies throughout the state. (Pursuant to the Omnibus Crime Control and Safe Streets Act of 1968 and the American Recovery and Reinvestment Act of 2009, Public Law 111-5, (the “Recovery Act”))

Fire Protection Fund – To account for State revenues received pursuant to the Fire Protection Fund Law, NMSA 59A-53-1-19. Expenditures from this fund may be used for the purchase, construction, operating, and maintenance of fire stations, except for the station’s water supply system; fire apparatus and equipment; the payment of insurance premiums on the above; and for insurance premiums for injuries or death of firefighters.

NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS

SPECIAL REVENUE FUNDS (Continued)

Emergency Medical Services (EMS) Fund – To account for State revenues received to the Emergency Medical Services Fund Act, 24-10A-1-10. Expenditures from this fund may be used for the establishment of emergency medical services; to acquire emergency medical services vehicles, equipment and supplies; and for training and licensing of local emergency management services personnel.

DWI Program Fund – To account for State revenues received pursuant to NMSA 7-1-6.1. Expenditures from this fund may be used for only alcohol treatment and rehabilitation services for street inebriates.

Summer Lunch Program Fund – To account for the US Department of Agriculture's Summer Food Service Program (SFSP) administered through the Children Youth and Families Department of the State of New Mexico. The New Mexico SFSP is the single largest federal resource available for local organizations that want to combine a lunch program with a summer activity program for children. The SFSP provides free, nutritious meals and snacks to help children in low-income areas get the nutrition throughout the summer months when they are out of school. (Richard B. Russell National School Lunch Act, Section 9, 13, and 14, as amended, 42 U.S.C. 1758, 1761 and 1762a)

Public Safety and Other Grants Fund – To account for the following state intergovernmental and federal grants: Operation DWI, Operation Buckle Down, Community DWI, Selective Traffic Enforcement Project (STEP), NM Gang Task Force (NMGTF) (Pursuant to Traffic Safety Act, NMSA 1978 Sections 66-7-501 to 511, as amended and the Anti-Drug Abuse Act 1998, PL 100-690, Title VI, Subtitle C.), and Enhanced 911 Grant (Pursuant to NMSA 1978 Section 63-9D-1).

Environmental Gross Receipts Tax Fund – To account for municipal gross receipts tax revenues received to be used for the acquisition, construction, operation, and maintenance of solid waste facilities, water facilities, sewer systems, and related facilities. (Pursuant to NMSA, 1978 section 7-19D-17.)

Higher Education Gross Receipts Tax Fund – To account for municipal gross receipts tax revenues received to be used for the acquisition, construction, renovation or improvement of facilities of a four-year post-secondary public education institution located in the municipality and acquisition of or improvements to land for those facilities or payment of municipal higher education facilities gross receipts tax revenue bonds issued. (Pursuant to Chapter 3, Article 31 NMSA 1978)

Municipal Road Fund – To account for revenues received from the levy of a tax per gallon of gasoline purchased within City boundaries, pursuant to the County and Municipal Gasoline Tax Act, NMSA 7-1-6.9. Expenditures from this fund may be used for the construction of a street, ally, curb, gutter or sidewalk projects.

Regional Emergency Comm. Center Fund – To account for revenue from the Joint Powers Agreement to establish the Sandoval County Regional Emergency Communications Center. Expenditures from this fund may be used for the operation of the Communication Center.

NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS

SPECIAL REVENUE FUNDS (Continued)

HUD – CDBG Fund – To account for CDBG grant funds received to prepare an action plan to address issues of low to moderate-income residents. (Title I, Housing & Comm. Dev. Act, PL 92-383.)

Crime Victims Assistance Fund – To account for Federal funds used towards the advocacy for victims of all crimes. (Pursuant to the Victims of Crime Act of 1984.)



CITY OF RIO RANCHO, NEW MEXICO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2016**

	Animal Shelter Fund	Recreation Activities Fund	Keep Rio Rancho Beautiful Fund	Community Response Program Fund	Workers Compensation Fund	Senior Services Fund
ASSETS						
Cash and Cash Equivalents.....	\$ 44,929	\$ 173,284	\$ —	\$ 1	\$ 1,115,157	\$ 41,150
Receivables:						
Accounts, net.....	—	—	—	—	—	—
Gross receipt tax.....	—	—	—	—	—	—
Due From Federal Government.....	—	—	—	—	—	—
Due From State Government.....	—	—	8,985	—	—	—
Due From Local Governments.....	—	—	—	—	—	—
Restricted Investments.....	—	—	—	—	—	—
Total Assets.....	<u>\$ 44,929</u>	<u>\$ 173,284</u>	<u>\$ 8,985</u>	<u>\$ 1</u>	<u>\$ 1,115,157</u>	<u>\$ 41,150</u>
LIABILITIES						
Liabilities:						
Accounts Payable.....	\$ 5,545	\$ 9,725	\$ —	\$ —	\$ 75,594	\$ 112
Accrued Liabilities.....	—	3,433	2,216	—	—	—
Due To Other Funds.....	—	—	7,907	—	—	—
Total Liabilities.....	<u>5,545</u>	<u>13,158</u>	<u>10,123</u>	<u>—</u>	<u>75,594</u>	<u>112</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue-Intergovernmental...	—	—	—	—	—	—
Total Deferred Inflows of Resources.....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
FUND BALANCES						
Restricted.....	39,384	160,126	—	1	1,039,563	41,038
Unassigned.....	—	—	(1,138)	—	—	—
Total Fund Balances.....	<u>39,384</u>	<u>160,126</u>	<u>(1,138)</u>	<u>1</u>	<u>1,039,563</u>	<u>41,038</u>
Total Liabilities and Fund Balances.....	<u>\$ 44,929</u>	<u>\$ 173,284</u>	<u>\$ 8,985</u>	<u>\$ 1</u>	<u>\$ 1,115,157</u>	<u>\$ 41,150</u>

Library Fund	Local Economic Development Act Fund	Promotion and Marketing Fund	Convention and Visitors Bureau Fund	Rio Vision Cable Fund	Local Government Corrections Fund	Law Enforcement Fund	Public Safety Enforcement Aid Fund	Traffic Education and Enforcement Aid Fund
\$ —	\$ 227,667	\$ 54,757	\$ 110,270	\$ 11,811	\$ 42,960	\$ 65,392	\$ 283,192	\$ 71,367
—	—	—	—	14,523	—	—	38,643	—
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
47,746	—	—	—	—	—	—	—	—
—	—	—	—	—	—	258,152	—	—
<u>\$ 47,746</u>	<u>\$ 227,667</u>	<u>\$ 54,757</u>	<u>\$ 110,270</u>	<u>\$ 26,334</u>	<u>\$ 42,960</u>	<u>\$ 323,544</u>	<u>\$ 321,835</u>	<u>\$ 71,367</u>
\$ 10,723	\$ —	\$ 3,564	\$ —	\$ 5,334	\$ —	\$ 35,841	\$ 66,718	\$ 3,772
—	—	6,279	13,028	—	—	—	—	466
114,044	—	—	—	—	—	—	—	—
<u>124,767</u>	<u>—</u>	<u>9,843</u>	<u>13,028</u>	<u>5,334</u>	<u>—</u>	<u>35,841</u>	<u>66,718</u>	<u>4,238</u>
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—
—	227,667	44,914	97,242	21,000	42,960	287,703	255,117	67,129
(77,021)	—	—	—	—	—	—	—	—
<u>(77,021)</u>	<u>227,667</u>	<u>44,914</u>	<u>97,242</u>	<u>21,000</u>	<u>42,960</u>	<u>287,703</u>	<u>255,117</u>	<u>67,129</u>
<u>\$ 47,746</u>	<u>\$ 227,667</u>	<u>\$ 54,757</u>	<u>\$ 110,270</u>	<u>\$ 26,334</u>	<u>\$ 42,960</u>	<u>\$ 323,544</u>	<u>\$ 321,835</u>	<u>\$ 71,367</u>

CITY OF RIO RANCHO, NEW MEXICO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2016 (Continued)**

	DWI Seized Vehicle Fund	NM Gang Task Force Fund	Fire Protection Fund	Emergency Medical Services Fund	DWI Program Fund	Summer Lunch Program Fund
ASSETS						
Cash and Cash Equivalents.....	\$ 78,363	\$ —	\$ 118,560	\$ 266	\$ 228,534	\$ 119,045
Receivables:						
Accounts, net.....	—	—	—	—	—	—
Gross receipt tax.....	—	—	—	—	—	—
Due From Federal Government.....	—	24,372	—	—	—	—
Due From State Government.....	—	—	—	—	—	—
Due From Local Governments.....	—	—	—	—	—	—
Restricted Investments.....	—	—	157,030	—	—	—
Total Assets	<u>\$ 78,363</u>	<u>\$ 24,372</u>	<u>\$ 275,590</u>	<u>\$ 266</u>	<u>\$ 228,534</u>	<u>\$ 119,045</u>
LIABILITIES						
Accounts Payable.....	\$ 1,561	\$ 4,038	\$ 7,983	\$ —	\$ —	\$ 36,355
Accrued Liabilities.....	6,923	3,596	—	—	—	7,662
Due To Other Funds.....	—	21,554	—	—	—	—
Total Liabilities.....	<u>8,484</u>	<u>29,188</u>	<u>7,983</u>	<u>—</u>	<u>—</u>	<u>44,017</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue-Intergovernmental...	—	5,681	—	—	—	—
Total Deferred Inflows of Resources.....	—	<u>5,681</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
FUND BALANCES						
Restricted.....	69,879	—	267,607	266	228,534	75,028
Unassigned.....	—	(10,497)	—	—	—	—
Total Fund Balances.....	<u>69,879</u>	<u>(10,497)</u>	<u>267,607</u>	<u>266</u>	<u>228,534</u>	<u>75,028</u>
Total Liabilities and Fund Balances.....	<u>\$ 78,363</u>	<u>\$ 24,372</u>	<u>\$ 275,590</u>	<u>\$ 266</u>	<u>\$ 228,534</u>	<u>\$ 119,045</u>

Public Safety and Other Grants Fund	Environmental Gross Receipts Tax Fund	Higher Education Gross Receipts Tax Fund	Municipal Road Fund	Regional Emergency Comm Center Fund	HUD CDBG Grant Fund	Crime Victim Assistance Fund	Total Nonmajor Special Revenue Funds
\$ 4,326	\$ 950,908	\$ 6,004,465	\$ 531,920	\$ —	\$ 2,933	\$ —	\$ 10,281,257
—	—	—	—	648,337	—	—	701,503
—	126,523	407,510	—	—	—	—	534,033
174,956	—	—	—	—	3	12,657	211,988
13,157	—	—	119,819	—	—	—	141,961
—	—	—	—	—	—	—	47,746
—	341,838	—	101,439	—	—	—	858,459
<u>\$ 192,439</u>	<u>\$ 1,419,269</u>	<u>\$ 6,411,975</u>	<u>\$ 753,178</u>	<u>\$ 648,337</u>	<u>\$ 2,936</u>	<u>\$ 12,657</u>	<u>\$ 12,776,947</u>
\$ 388	\$ 382,656	\$ 82,936	\$ 8,434	\$ 1,441	\$ 6,664	\$ 28	\$ 749,412
24,743	2,380	—	—	131,618	3,652	7,255	213,251
186,212	—	—	—	104,236	—	17,755	451,708
<u>211,343</u>	<u>385,036</u>	<u>82,936</u>	<u>8,434</u>	<u>237,295</u>	<u>10,316</u>	<u>25,038</u>	<u>1,414,371</u>
114,468	—	—	—	—	—	—	120,149
<u>114,468</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>120,149</u>
—	1,034,233	6,329,039	744,744	411,042	—	—	11,484,216
(133,372)	—	—	—	—	(7,380)	(12,381)	(241,789)
<u>(133,372)</u>	<u>1,034,233</u>	<u>6,329,039</u>	<u>744,744</u>	<u>411,042</u>	<u>(7,380)</u>	<u>(12,381)</u>	<u>11,242,427</u>
<u>\$ 192,439</u>	<u>\$ 1,419,269</u>	<u>\$ 6,411,975</u>	<u>\$ 753,178</u>	<u>\$ 648,337</u>	<u>\$ 2,936</u>	<u>\$ 12,657</u>	<u>\$ 12,776,947</u>

CITY OF RIO RANCHO, NEW MEXICO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2016**

	Animal Shelter Fund	Recreation Activities Fund	Keep Rio Rancho Beautiful Fund	Community Response Program Fund	Workers Compensation Fund	Senior Services Fund
REVENUES						
Municipal Taxes.....	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Franchise Taxes.....	—	—	—	—	—	—
Intergovernmental - Federal.....	—	—	—	1,738	—	—
Intergovernmental - State.....	—	—	68,114	—	—	—
Intergovernmental - Local.....	—	—	—	—	—	—
Charges for Services.....	51,797	199,119	—	—	—	17,713
Fines and Forfeitures.....	460	—	—	—	—	—
Miscellaneous.....	7,729	—	—	—	736,443	2,208
Total Revenues.....	<u>59,986</u>	<u>199,119</u>	<u>68,114</u>	<u>1,738</u>	<u>736,443</u>	<u>19,921</u>
EXPENDITURES						
Current:						
General Government.....	—	—	—	—	704,486	—
Public Safety.....	46,915	—	—	12,782	—	—
Public Works.....	—	—	—	—	—	—
Parks, Recreation, and Culture.....	3,906	181,225	68,371	—	—	16,502
Community and Economic Development...	—	—	—	—	—	—
Capital Outlay.....	—	—	—	—	—	—
Debt Service:						
Principal.....	—	—	—	—	—	—
Interest and Other Charges.....	—	—	—	—	—	—
Total Expenditures.....	<u>50,821</u>	<u>181,225</u>	<u>68,371</u>	<u>12,782</u>	<u>704,486</u>	<u>16,502</u>
Revenues Over (Under) Expenditures.....	9,165	17,894	(257)	(11,044)	31,957	3,419
OTHER FINANCING SOURCES (USES)						
Loan Proceeds.....	—	—	—	—	—	—
Transfers In.....	—	—	—	—	—	—
Transfers Out.....	—	—	—	—	—	—
Total Other Financing Sources (Uses).....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net Change in Fund Balances.....	9,165	17,894	(257)	(11,044)	31,957	3,419
Fund Balances - Beginning.....	30,219	142,232	(881)	11,045	1,007,606	37,619
Fund Balances - Ending.....	<u>\$ 39,384</u>	<u>\$ 160,126</u>	<u>\$ (1,138)</u>	<u>\$ 1</u>	<u>\$ 1,039,563</u>	<u>\$ 41,038</u>

Library Fund	Local Economic Development Act Fund	Promotion and Marketing Fund	Convention and Visitors Bureau Fund	Rio Vision Cable Fund	Local Government Corrections Fund	Law Enforcement Fund	Public Safety Enforcement Aid Fund	Traffic Education and Enforcement Aid Fund
\$ —	\$ —	\$ —	\$ 333,017	\$ —	\$ —	\$ —	\$ —	\$ —
—	—	—	—	60,315	—	—	—	—
—	—	—	—	—	—	—	40,000	—
276,856	—	—	—	—	—	100,800	—	—
415,228	—	—	—	—	—	—	—	—
—	—	107,454	—	—	244,953	—	226,446	—
—	—	—	—	—	—	—	38,643	69,143
—	134,858	—	1,496	—	—	152	1,073	—
<u>692,084</u>	<u>134,858</u>	<u>107,454</u>	<u>334,513</u>	<u>60,315</u>	<u>244,953</u>	<u>100,952</u>	<u>306,162</u>	<u>69,143</u>
—	—	—	—	—	—	—	—	—
—	—	—	—	—	398,370	56,968	71,656	33,725
—	—	—	—	—	—	—	—	—
798,246	—	—	—	72,273	—	—	—	—
—	—	276,383	338,218	—	—	—	—	—
—	—	—	—	—	—	26,235	—	20,786
—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	17,005	—	—
<u>798,246</u>	<u>—</u>	<u>276,383</u>	<u>338,218</u>	<u>72,273</u>	<u>398,370</u>	<u>100,208</u>	<u>71,656</u>	<u>54,511</u>
(106,162)	134,858	(168,929)	(3,705)	(11,958)	(153,417)	744	234,506	14,632
—	—	—	—	—	—	259,950	—	—
—	92,809	158,993	—	10,919	210,000	—	—	—
—	—	—	—	—	—	—	(846)	—
—	<u>92,809</u>	<u>158,993</u>	<u>—</u>	<u>10,919</u>	<u>210,000</u>	<u>259,950</u>	<u>(846)</u>	<u>—</u>
(106,162)	227,667	(9,936)	(3,705)	(1,039)	56,583	260,694	233,660	14,632
29,141	—	54,850	100,947	22,039	(13,623)	27,009	21,457	52,497
<u>\$ (77,021)</u>	<u>\$ 227,667</u>	<u>\$ 44,914</u>	<u>\$ 97,242</u>	<u>\$ 21,000</u>	<u>\$ 42,960</u>	<u>\$ 287,703</u>	<u>\$ 255,117</u>	<u>\$ 67,129</u>

CITY OF RIO RANCHO, NEW MEXICO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2016 (Continued)**

	DWI Seized Vehicle Fund	NM Gang Task Force Fund	Fire Protection Fund	Emergency Medical Services Fund	DWI Program Fund	Summer Lunch Program Fund
REVENUES						
Municipal Taxes.....	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Franchise Taxes.....	—	—	—	—	—	—
Intergovernmental - Federal.....	—	78,360	—	—	—	181,645
Intergovernmental - State.....	—	—	758,709	20,000	—	—
Intergovernmental - Local.....	—	—	—	—	—	—
Charges for Services.....	144,704	—	—	—	—	—
Fines and Forfeitures.....	—	—	—	—	—	—
Miscellaneous.....	—	4,745	2,066	—	—	—
Total Revenues.....	<u>144,704</u>	<u>83,105</u>	<u>760,775</u>	<u>20,000</u>	<u>—</u>	<u>181,645</u>
EXPENDITURES						
Current:						
General Government.....	—	—	—	—	—	—
Public Safety.....	319,573	117,873	336,105	7,462	—	—
Public Works.....	—	—	—	—	—	—
Parks, Recreation, and Culture.....	—	—	—	—	—	118,626
Community and Economic Development...	—	—	—	—	—	—
Capital Outlay.....	—	—	212,268	14,328	—	—
Debt Service:						
Principal.....	—	—	183,871	—	—	—
Interest and Other Charges.....	—	—	60,952	—	—	—
Total Expenditures.....	<u>319,573</u>	<u>117,873</u>	<u>793,196</u>	<u>21,790</u>	<u>—</u>	<u>118,626</u>
Revenues Over (Under) Expenditures.....	(174,869)	(34,768)	(32,421)	(1,790)	—	63,019
OTHER FINANCING SOURCES (USES)						
Loan Proceeds.....	—	—	—	—	—	—
Transfers In.....	—	—	—	—	—	—
Transfers Out.....	—	—	—	—	—	—
Total Other Financing Sources (Uses).....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net Change in Fund Balances.....	(174,869)	(34,768)	(32,421)	(1,790)	—	63,019
Fund Balances - Beginning.....	244,748	24,271	300,028	2,056	228,534	12,009
Fund Balances - Ending.....	<u>\$ 69,879</u>	<u>\$ (10,497)</u>	<u>\$ 267,607</u>	<u>\$ 266</u>	<u>\$ 228,534</u>	<u>\$ 75,028</u>

Public Safety and Other Grants Fund	Environmental Gross Receipts Tax Fund	Higher Education Gross Receipts Tax Fund	Municipal Road Fund	Regional Emergency Comm Center	HUD CDBG Grant Fund	Crime Victim Assistance Fund	Total Nonmajor Special Revenue Funds
\$ —	\$ 726,051	\$ 2,343,981	\$ —	\$ —	\$ —	\$ —	\$ 3,403,049
—	—	—	—	—	—	—	60,315
572,873	—	—	—	—	286,924	90,455	1,251,995
1,296,615	—	—	676,080	—	—	—	3,197,174
—	—	—	—	—	—	—	415,228
—	—	—	17,464	—	—	—	1,009,650
—	—	—	—	—	—	—	108,246
—	38,420	8,735	27,666	1,518,211	—	—	2,483,802
<u>1,869,488</u>	<u>764,471</u>	<u>2,352,716</u>	<u>721,210</u>	<u>1,518,211</u>	<u>286,924</u>	<u>90,455</u>	<u>11,929,459</u>
—	—	2,000,000	—	—	193,797	—	2,898,283
993,317	—	—	—	2,729,450	—	119,662	5,243,858
—	140,024	—	546,043	—	—	—	686,067
72,673	44,291	—	—	—	—	—	1,376,113
—	—	—	—	—	—	—	614,601
716,204	395,437	181,048	143,445	22,280	54,260	—	1,786,291
—	242,210	—	155,000	—	—	—	581,081
—	97,486	—	4,693	—	—	—	180,136
<u>1,782,194</u>	<u>919,448</u>	<u>2,181,048</u>	<u>849,181</u>	<u>2,751,730</u>	<u>248,057</u>	<u>119,662</u>	<u>13,366,430</u>
87,294	(154,977)	171,668	(127,971)	(1,233,519)	38,867	(29,207)	(1,436,971)
—	—	—	—	—	—	—	259,950
846	—	—	—	1,644,561	—	23,326	2,141,454
—	—	—	—	—	—	—	(846)
<u>846</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,644,561</u>	<u>—</u>	<u>23,326</u>	<u>2,400,558</u>
88,140	(154,977)	171,668	(127,971)	411,042	38,867	(5,881)	963,587
(221,512)	1,189,210	6,157,371	872,715	—	(46,247)	(6,500)	10,278,840
<u>\$ (133,372)</u>	<u>\$ 1,034,233</u>	<u>\$ 6,329,039</u>	<u>\$ 744,744</u>	<u>\$ 411,042</u>	<u>\$ (7,380)</u>	<u>\$ (12,381)</u>	<u>\$ 11,242,427</u>



NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS

DEBT SERVICE FUNDS

General Obligation Bond Fund – To account for the debt service of Library Series 2004, Aquatics Series 2006, Roads Series 2009 and Refunding Series 2013.

Gross Receipts Tax Revenue Bond Fund – To account for the debt service of the New Mexico Gross Receipts Tax Revenue Bonds, Series 2005 and Refunding Series 2013.

HP Loan Fund – To account for the debt service resulting from Gross Receipts Tax Revenue Loan, Series 2009.

HS Loan Fund – To account for the debt service resulting from Gross Receipts Tax Revenue Loan, Series 2009.

Public Safety Vehicle Loan Fund – To account for the debt service resulting from Gross Receipts Tax Revenue Loan, Series 2013.

CITY OF RIO RANCHO, NEW MEXICO

**Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2016**

	General Obligation Bond Fund	GRT Revenue Bond Fund	HP Loan Fund	HS Loan Fund	Public Safety Vehicle Loan Fund	Total Nonmajor Debt Service Funds
ASSETS						
Cash and Cash Equivalents.....	\$ 3,607,170	\$ 273	\$ 7,111	\$ —	\$ —	\$ 3,614,554
Receivables:						
Property Taxes.....	128,830	—	—	—	—	128,830
Gross Receipt Taxes.....	—	—	75,498	—	—	75,498
Due From State Government.....	—	287,360	—	75,782	44,880	408,022
Restricted Investments.....	290,425	—	—	—	—	290,425
Total Assets.....	\$ 4,026,425	\$ 287,633	\$ 82,609	\$ 75,782	\$ 44,880	\$ 4,517,329
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue-Property Taxes.....	88,704	—	—	—	—	88,704
Total Deferred Inflows of Resources.....	88,704	—	—	—	—	88,704
FUND BALANCES						
Restricted.....	3,937,721	287,633	82,609	75,782	44,880	4,428,625
Total Fund Balances.....	3,937,721	287,633	82,609	75,782	44,880	4,428,625
Total Liabilities, Deferred Inflows of Resources, and Fund Balances.....	\$ 4,026,425	\$ 287,633	\$ 82,609	\$ 75,782	\$ 44,880	\$ 4,517,329

CITY OF RIO RANCHO, NEW MEXICO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Year Ended June 30, 2016**

	General Obligation Bond Fund	GRT Revenue Bond Fund	HP Loan Fund	HS Loan Fund	Public Safety Vehicle Loan Fund	Total Nonmajor Debt Service Funds
REVENUES						
Property Taxes.....	\$ 3,708,329	\$ —	\$ —	\$ —	\$ —	\$ 3,708,329
Municipal Taxes.....	—	—	378,210	—	—	378,210
Intergovernmental - State.....	—	1,540,839	—	402,970	243,346	2,187,155
Miscellaneous.....	2,280	272	—	—	—	2,552
Total Revenues.....	<u>3,710,609</u>	<u>1,541,111</u>	<u>378,210</u>	<u>402,970</u>	<u>243,346</u>	<u>6,276,246</u>
EXPENDITURES						
Debt Service:						
Principal.....	3,115,000	1,145,000	220,000	235,000	235,000	4,950,000
Interest and Other Charges.....	584,875	434,829	196,237	186,046	13,415	1,415,402
Total Expenditures.....	<u>3,699,875</u>	<u>1,579,829</u>	<u>416,237</u>	<u>421,046</u>	<u>248,415</u>	<u>6,365,402</u>
Revenues Over (Under) Expenditures.....	10,734	(38,718)	(38,027)	(18,076)	(5,069)	(89,156)
OTHER FINANCING SOURCES (USES)						
Issuance of Refunding Bonds	2,310,000	—	—	—	—	2,310,000
Payment to Refunding Escrow.....	(2,390,736)	—	—	—	—	(2,390,736)
Premium on Bonds Issued.....	392,490	—	—	—	—	392,490
Total Other Financing Sources (Uses).....	<u>311,754</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>311,754</u>
Net Change in Fund Balances.....	322,488	(38,718)	(38,027)	(18,076)	(5,069)	222,598
Fund Balances - Beginning.....	3,615,233	326,351	120,636	93,858	49,949	4,206,027
Fund Balances - Ending.....	<u>\$ 3,937,721</u>	<u>\$ 287,633</u>	<u>\$ 82,609</u>	<u>\$ 75,782</u>	<u>\$ 44,880</u>	<u>\$ 4,428,625</u>



NON-MAJOR GOVERNMENTAL FUND DESCRIPTIONS

CAPITAL PROJECT FUNDS

Infrastructure Fund – To account for capital (primarily infrastructure) acquisition, construction and repair from General Fund transfers and intergovernmental grants.

Recreation Development Fund – To account for revenues received for the construction of park facilities. This fund is also used to account for transfers from the General Fund, grants and donations for the development and construction of park facilities. (Provided for by City Budget Resolution.)

State Appropriation Capital Projects Fund – To account for state appropriation capital expenditures approved by the State of New Mexico.

2009 Bond Road Construction Fund – To account for proceeds received for construction various road projects.

2016 GO Bond Construction Fund – To account for proceeds received for construction various road projects.

Road Impact Fees Fund – To account for impact fees under Sections 5-8-1 through 5-8-42 NMSA 1978 (The Development Fees Act) for the purpose of providing new or enlarged roads, equipment and capital improvements which substantially benefit those developments which pay the impact fees.

Trails Impact Fees Fund – To account for impact fees under Sections 5-8-1 through 5-8-42 NMSA 1978 (The Development Fees Act) for the purpose of providing new or enlarged bikeways, capital improvements, trails, and equipment which substantially benefit those developments which pay the impact fees.

Parks Impact Fees Fund – To account for impact fees under Sections 5-8-1 through 5-8-42 NMSA 1978 (The Development Fees Act) for the purpose of providing new or enlarged parks, equipment and capital improvements, which substantially benefit those developments which pay the impact fees.

Public Safety Impact Fees Fund – To account for impact fees under Sections 5-8-1 through 5-8-42 NMSA 1978 (The Development Fees Act) for the purpose of providing public safety, capital improvements and equipment.

Drainage Impact Fees Fund – To account for impact fees under Sections 5-8-1 through 5-8-42 NMSA 1978 (The Development Fees Act) for the purpose of providing a conveyance system adequate to accommodate the design storm from the farthest upstream property or City boundary to the receiving waters of the Rio Grande river.

CITY OF RIO RANCHO, NEW MEXICO

**Combining Balance Sheet
Nonmajor Capital Project Funds
June 30, 2016**

	Infrastructure Fund	Recreation Development Fund	State Appropriation Capital Projects Fund	2009 Bond Road Construction Fund	2016 GO Bond Construction Fund	Road Impact Fees Fund
ASSETS						
Cash and Cash Equivalents.....	\$ —	\$ 1,872	\$ —	\$ 1,185,388	\$ —	\$ 804,944
Receivables:	—	—	—	—	—	—
Due From Federal Government.....	3,859,287	—	—	—	—	—
Due From State Government.....	—	2,917	243,018	—	—	—
Restricted Investments.....	—	—	—	—	9,141,000	—
Total Assets.....	\$ 3,859,287	\$ 4,789	\$ 243,018	\$ 1,185,388	\$ 9,141,000	\$ 804,944
LIABILITIES						
Accounts Payable.....	\$ 1,065,436	\$ 9	\$ —	\$ 176,875	\$ 93,633	\$ 101,471
Due To Other Funds.....	1,450,347	—	243,017	—	230,127	—
Total Liabilities.....	2,515,783	9	243,017	176,875	323,760	101,471
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue-Intergovernmental.	1,448,044	—	140,628	—	—	—
Total Deferred Inflows of Resources....	1,448,044	—	140,628	—	—	—
FUND BALANCES						
Restricted.....	—	4,780	—	1,008,513	8,817,240	703,473
Unassigned.....	(104,540)	—	(140,627)	—	—	—
Total Fund Balances.....	(104,540)	4,780	(140,627)	1,008,513	8,817,240	703,473
Total Liabilities and Fund Balances.....	\$ 3,859,287	\$ 4,789	\$ 243,018	\$ 1,185,388	\$ 9,141,000	\$ 804,944

Trails Impact Fees Fund	Parks Impact Fees Fund	Public Safety Impact Fees Fund	Drainage Impact Fees Fund	Total Nonmajor Capital Project Funds
\$ 195,841	\$ 286,307	\$ 192,798	\$ 337,626	\$ 3,004,776
—	—	—	—	3,859,287
—	—	—	—	245,935
—	—	—	—	9,141,000
<u>\$ 195,841</u>	<u>\$ 286,307</u>	<u>\$ 192,798</u>	<u>\$ 337,626</u>	<u>\$ 16,250,998</u>
\$ —	\$ 4,306	\$ —	\$ 15,704	\$ 1,457,434
—	—	—	—	1,923,491
—	4,306	—	15,704	3,380,925
—	—	—	—	1,588,672
—	—	—	—	1,588,672
195,841	282,001	192,798	321,922	11,526,568
—	—	—	—	(245,167)
<u>195,841</u>	<u>282,001</u>	<u>192,798</u>	<u>321,922</u>	<u>11,281,401</u>
<u>\$ 195,841</u>	<u>\$ 286,307</u>	<u>\$ 192,798</u>	<u>\$ 337,626</u>	<u>\$ 16,250,998</u>

CITY OF RIO RANCHO, NEW MEXICO

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Capital Project Funds For the Year Ended June 30, 2016

	Infrastructure Fund	Recreation Development Fund	State Appropriation Capital Projects Fund	2009 Bond Road Construction Fund	2016 GO Bond Construction
REVENUES					
Intergovernmental - Federal.....	\$ 4,326,449	\$ —	\$ —	\$ —	\$ —
Intergovernmental - State.....	100,000	7,917	1,779,346	—	—
Intergovernmental - Local.....	—	163,109	—	—	—
Impact Fees.....	—	—	—	—	—
Miscellaneous.....	—	—	—	3,504	—
Total Revenues.....	<u>4,426,449</u>	<u>171,026</u>	<u>1,779,346</u>	<u>3,504</u>	<u>—</u>
EXPENDITURES					
Current:					
General Government.....	—	—	173,738	—	—
Public Works.....	99,970	—	—	—	—
Parks, Recreation, and Culture.....	—	2,917	—	—	—
Capital Outlay.....	7,426,415	294,166	1,560,580	1,273,073	247,781
Debt Service:					
Interest and Other Charges.....	—	—	—	—	146,829
Total Expenditures.....	<u>7,526,385</u>	<u>297,083</u>	<u>1,734,318</u>	<u>1,273,073</u>	<u>394,610</u>
Revenues Over (Under) Expenditures.....	(3,099,936)	(126,057)	45,028	(1,269,569)	(394,610)
OTHER FINANCING SOURCES (USES)					
Issuance of General Obligation Bonds.....	—	—	—	—	9,000,000
Premium on Bonds Issued.....	—	—	—	—	211,850
Transfers In.....	2,665,680	2,932	—	—	—
Transfers Out.....	(2)	—	—	—	—
Total Other Financing Sources (Uses)....	<u>2,665,678</u>	<u>2,932</u>	<u>—</u>	<u>—</u>	<u>9,211,850</u>
Net Change in Fund Balances.....	(434,258)	(123,125)	45,028	(1,269,569)	8,817,240
Fund Balances - Beginning	<u>329,718</u>	<u>127,905</u>	<u>(185,655)</u>	<u>2,278,082</u>	<u>—</u>
Fund Balances - Ending.....	<u>\$ (104,540)</u>	<u>\$ 4,780</u>	<u>\$ (140,627)</u>	<u>\$ 1,008,513</u>	<u>\$ 8,817,240</u>

Road Impact Fees Fund	Trails Impact Fees Fund	Park Impact Fees Fund	Public Safety Impact Fees Fund	Drainage Impact Fees Fund	Total Nonmajor Capital Project Funds
\$ —	\$ —	\$ —	\$ —	—	\$ 4,326,449
—	—	—	—	—	1,887,263
—	—	—	—	—	163,109
436,274	18,489	145,826	165,696	266,553	1,032,838
515	—	391	—	497	4,907
<u>436,789</u>	<u>18,489</u>	<u>146,217</u>	<u>165,696</u>	<u>267,050</u>	<u>7,414,566</u>
13,088	555	4,375	4,971	12,461	209,188
—	—	—	—	—	99,970
—	—	—	—	—	2,917
242,846	—	355,882	205,769	590,363	12,196,875
—	—	—	—	—	146,829
<u>255,934</u>	<u>555</u>	<u>360,257</u>	<u>210,740</u>	<u>602,824</u>	<u>12,655,779</u>
180,855	17,934	(214,040)	(45,044)	(335,774)	(5,241,213)
—	—	—	—	—	9,000,000
—	—	—	—	—	211,850
—	—	—	—	—	2,668,612
—	—	—	—	—	(2)
<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>11,880,460</u>
180,855	17,934	(214,040)	(45,044)	(335,774)	6,639,247
<u>522,618</u>	<u>177,907</u>	<u>496,041</u>	<u>237,842</u>	<u>657,696</u>	<u>4,642,154</u>
<u>\$ 703,473</u>	<u>\$ 195,841</u>	<u>\$ 282,001</u>	<u>\$ 192,798</u>	<u>\$ 321,922</u>	<u>\$ 11,281,401</u>



INTERNAL SERVICE FUND DESCRIPTIONS

Health Self-Insurance Fund – To account for revenues collected from employee/employer contributions for the purpose of self funding health insurance administered by Presbyterian and Lovelace Health.

Dental Self-Insurance Fund – To account for revenues collected from employee/employer contributions for the purpose of self funding dental insurance administered by Delta Dental.

CITY OF RIO RANCHO, NEW MEXICO

Combining Statement of Net Position Internal Service Funds June 30, 2016

	Health Self-Insurance Fund	Dental Self-Insurance Fund	Total
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Current Assets:			
Cash and Investments	\$ 1,957,378	\$ 173,270	\$ 2,130,648
Total Assets.....	<u>1,957,378</u>	<u>173,270</u>	<u>2,130,648</u>
LIABILITIES			
Current Liabilities:			
Claims Payable.....	834,729	80,927	915,656
Total Liabilities.....	<u>834,729</u>	<u>80,927</u>	<u>915,656</u>
NET POSITION			
Unrestricted.....	1,122,649	92,343	1,214,992
Total Net Position.....	<u>\$ 1,122,649</u>	<u>\$ 92,343</u>	<u>\$ 1,214,992</u>

CITY OF RIO RANCHO, NEW MEXICO

Combining Statement of Revenues, Expenses, and Changes in Net Position Internal Service Funds For the Year Ended June 30, 2016

	Health Self-Insurance Fund	Dental Self-Insurance Fund	Total
OPERATING REVENUES			
Charges for Services.....	\$ 5,648,771	\$ 522,272	\$ 6,171,043
Total Revenues.....	<u>5,648,771</u>	<u>522,272</u>	<u>6,171,043</u>
OPERATING EXPENSES			
General and Administrative.....	405,408	32,336	437,744
Claims and Premiums.....	5,259,868	422,240	5,682,108
Total Expenses.....	<u>5,665,276</u>	<u>454,576</u>	<u>6,119,852</u>
Operating Income (Loss).....	<u>(16,505)</u>	<u>67,696</u>	<u>51,191</u>
NON OPERATING REVENUES (EXPENSES)			
Investment Income.....	3,235	—	3,235
Total Non-Operating Revenues (Expenses)....	<u>3,235</u>	<u>—</u>	<u>3,235</u>
Income (Loss) Before Transfers.....	(13,270)	67,696	54,426
Transfers In.....	—	—	—
Transfers Out.....	—	—	—
Change in Net Position.....	<u>(13,270)</u>	<u>67,696</u>	<u>54,426</u>
Net Position - Beginning	1,135,919	24,647	1,160,566
Net Position - Ending.....	<u>\$ 1,122,649</u>	<u>\$ 92,343</u>	<u>\$ 1,214,992</u>

CITY OF RIO RANCHO, NEW MEXICO

Combining Statement of Cash Flows Internal Service Funds For the Year Ended June 30, 2016

	Health Self-Insurance Fund	Dental Self-Insurance Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users.....	\$ 5,648,771	\$ 522,272	\$ 6,171,043
Payments to Suppliers and Contractors.....	(5,719,258)	(449,581)	(6,168,839)
Net Cash Provided (Used) by Operating Activities.....	<u>(70,487)</u>	<u>72,691</u>	<u>2,204</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments.....	3,235	—	3,235
Net Cash Provided (Used) by Investing Activities.....	<u>3,235</u>	<u>—</u>	<u>3,235</u>
Net Cash Provided (Used) - All Activities.....	(67,252)	72,691	5,439
Cash and Cash Equivalents - Beginning.....	2,024,630	100,579	2,125,209
Cash and Cash Equivalents - Ending.....	<u>\$ 1,957,378</u>	<u>\$ 173,270</u>	<u>\$ 2,130,648</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss).....	\$ (16,505)	\$ 67,696	\$ 51,191
Adjustments to Reconcile Operating Income (Loss):			
Increase (Decrease) in Accounts Payable.....	(53,982)	4,995	(48,987)
Net Cash Provided (Used) by Operating Activities.....	<u>\$ (70,487)</u>	<u>\$ 72,691</u>	<u>\$ 2,204</u>

AGENCY FUND DESCRIPTIONS

Rio Metro Fund – To account for Para-transit fees collected on behalf of Rio Metro and the reimbursement of bus maintenance costs associated with Rio Metro.

Special Assessment District Operations Fund – To account for Special Assessment District administrative fees which may be used for collection or other expenditures related to the administration of Special Assessment Districts.

Special Assessment District VI Bonds Fund – To account for funds held by the City as a paying agent of the special assessment district six projects debt service.

Special Assessment District VII Bonds Fund – To account for funds held by the City as a paying agent of the special assessment district seven projects debt service.

Special Assessment District VIII Bonds Fund – To account for funds held by the City as a paying agent of the special assessment district eight projects debt service.

Rio Rancho Economic Development Fund – To account for contributions from builders for the Rio Rancho Economic Development Corporation. The fund is a pass-through fund; all revenues collected are remitted to RREDC.

S & P Reimbursement Fund – To account for revenues from the State of New Mexico that are offered to a local company as an economic development incentive. This fund is a pass-through fund and all revenues are paid to S&P Data per a local economic development agreement.

Municipal Court Fund – To account for collections and payments of court fines, criminal bonds and other fees from and on behalf of the public.

CITY OF RIO RANCHO, NEW MEXICO

Combining Statement of Fiduciary Assets and Liabilities Agency Funds June 30, 2016

	<u>Rio Metro Fund</u>	<u>Special Assessment District Operations Fund</u>	<u>Special Assessment District VI Bond Fund</u>	<u>Special Assessment District VII Bond Fund</u>
ASSETS				
Cash	\$ 9,411	\$ 35,637	\$ 1,030,616	\$ 2,731,815
Total Assets.....	<u>\$ 9,411</u>	<u>\$ 35,637</u>	<u>\$ 1,030,616</u>	<u>\$ 2,731,815</u>
LIABILITIES				
Deposits Held for Others.....	<u>\$ 9,411</u>	<u>\$ 35,637</u>	<u>\$ 1,030,616</u>	<u>\$ 2,731,815</u>
Total Liabilities.....	<u>\$ 9,411</u>	<u>\$ 35,637</u>	<u>\$ 1,030,616</u>	<u>\$ 2,731,815</u>

Special Assessment District VIII Bond Fund	Rio Rancho Economic Development Fund	S&P Reimbursement Fund	Municipal Court Fund	Total
\$ 377,609	\$ —	\$ 200,000	\$ 59,250	\$ 4,444,338
<u>\$ 377,609</u>	<u>\$ —</u>	<u>\$ 200,000</u>	<u>\$ 59,250</u>	<u>\$ 4,444,338</u>
\$ 377,609	\$ —	\$ 200,000	\$ 59,250	\$ 4,444,338
<u>\$ 377,609</u>	<u>\$ —</u>	<u>\$ 200,000</u>	<u>\$ 59,250</u>	<u>\$ 4,444,338</u>

CITY OF RIO RANCHO, NEW MEXICO

Combining Statement of Changes in Assets and Liabilities Agency Funds For the Year Ended June 30, 2016

	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016
RIO METRO FUND				
ASSETS				
Cash	\$ 10,055	\$ 96,397	(97,041)	\$ 9,411
Total Assets.....	<u>\$ 10,055</u>	<u>\$ 96,397</u>	<u>\$ (97,041)</u>	<u>\$ 9,411</u>
LIABILITIES				
Deposits Held for Others.....	\$ 10,055	\$ 96,397	(97,041)	\$ 9,411
Total Liabilities.....	<u>\$ 10,055</u>	<u>\$ 96,397</u>	<u>\$ (97,041)</u>	<u>\$ 9,411</u>
SPECIAL ASSESSMENT DISTRICT OPERATIONS FUND				
ASSETS				
Cash	\$ 27,821	\$ 67,978	(60,162)	\$ 35,637
Total Assets.....	<u>\$ 27,821</u>	<u>\$ 67,978</u>	<u>\$ (60,162)</u>	<u>\$ 35,637</u>
LIABILITIES				
Deposits Held for Others.....	\$ 27,821	\$ 67,978	(60,162)	\$ 35,637
Total Liabilities.....	<u>\$ 27,821</u>	<u>\$ 67,978</u>	<u>\$ (60,162)</u>	<u>\$ 35,637</u>
SPECIAL ASSESSMENT DISTRICT VI BOND FUND				
ASSETS				
Cash	\$ 1,125,386	\$ 1,397,192	(1,491,962)	\$ 1,030,616
Total Assets.....	<u>\$ 1,125,386</u>	<u>\$ 1,397,192</u>	<u>\$ (1,491,962)</u>	<u>\$ 1,030,616</u>
LIABILITIES				
Deposits Held for Others.....	\$ 1,125,386	\$ 1,397,192	(1,491,962)	\$ 1,030,616
Total Liabilities.....	<u>\$ 1,125,386</u>	<u>\$ 1,397,192</u>	<u>\$ (1,491,962)</u>	<u>\$ 1,030,616</u>
SPECIAL ASSESSMENT DISTRICT VII BOND FUND				
ASSETS				
Cash	\$ 1,946,229	\$ 2,790,911	(2,005,325)	\$ 2,731,815
Total Assets.....	<u>\$ 1,946,229</u>	<u>\$ 1,039,118</u>	<u>\$ (2,005,325)</u>	<u>\$ 2,731,815</u>
LIABILITIES				
Deposits Held for Others.....	\$ 1,946,229	\$ 2,790,911	(2,005,325)	\$ 2,731,815
Total Liabilities.....	<u>\$ 1,946,229</u>	<u>\$ 2,790,911</u>	<u>\$ (2,005,325)</u>	<u>\$ 2,731,815</u>
SPECIAL ASSESSMENT DISTRICT VIII BOND FUND				
ASSETS				
Cash	\$ 363,007	\$ 119,013	(104,411)	\$ 377,609
Total Assets.....	<u>\$ 363,007</u>	<u>\$ 119,013</u>	<u>\$ (104,411)</u>	<u>\$ 377,609</u>
LIABILITIES				
Deposits Held for Others.....	\$ 363,007	\$ 119,013	(104,411)	\$ 377,609
Total Liabilities.....	<u>\$ 363,007</u>	<u>\$ 119,013</u>	<u>\$ (104,411)</u>	<u>\$ 377,609</u>

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2016</u>
RIO RANCHO ECONOMIC DEVELOPMENT FUND				
ASSETS				
Cash	\$ 8,025	\$ 9,450	(17,475)	\$ —
Total Assets.....	<u>\$ 8,025</u>	<u>\$ 9,450</u>	<u>\$ (17,475)</u>	<u>\$ —</u>
LIABILITIES				
Deposits Held for Others.....	\$ 8,025	\$ 9,450	(17,475)	\$ —
Total Liabilities.....	<u>\$ 8,025</u>	<u>\$ 9,450</u>	<u>\$ (17,475)</u>	<u>\$ —</u>
S&P REIMBURSEMENT FUND				
ASSETS				
Cash	\$ 211,232	\$ 150,000	(161,232)	\$ 200,000
Total Assets.....	<u>\$ 211,232</u>	<u>\$ 150,000</u>	<u>\$ (161,232)</u>	<u>\$ 200,000</u>
LIABILITIES				
Deposits Held for Others.....	\$ 211,232	\$ 150,000	(161,232)	\$ 200,000
Total Liabilities.....	<u>\$ 211,232</u>	<u>\$ 150,000</u>	<u>\$ (161,232)</u>	<u>\$ 200,000</u>
MUNICIPAL COURT FUND				
ASSETS				
Cash	\$ 20,445	\$ 38,805	—	\$ 59,250
Total Assets.....	<u>\$ 20,445</u>	<u>\$ 38,805</u>	<u>\$ —</u>	<u>\$ 59,250</u>
LIABILITIES				
Deposits Held for Others.....	\$ 20,445	\$ 38,805	—	\$ 59,250
Total Liabilities.....	<u>\$ 20,445</u>	<u>\$ 38,805</u>	<u>\$ —</u>	<u>\$ 59,250</u>
TOTAL AGENCY FUNDS				
ASSETS				
Cash	\$ 3,712,200	\$ 4,669,746	\$ (3,937,608)	\$ 4,444,338
Total Assets.....	<u>\$ 3,712,200</u>	<u>\$ 4,669,746</u>	<u>\$ (3,937,608)</u>	<u>\$ 4,444,338</u>
LIABILITIES				
Deposits Held for Others.....	\$ 3,712,200	\$ 4,669,746	\$ (3,937,608)	\$ 4,444,338
Total Liabilities.....	<u>\$ 3,712,200</u>	<u>\$ 4,669,746</u>	<u>\$ (3,937,608)</u>	<u>\$ 4,444,338</u>



BUDGETARY COMPARISON SCHEDULES

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Animal Shelter Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Charges for Services.....	\$ 25,488	\$ 25,488	\$ 51,797	\$ 26,309
Fines and Forfeitures.....	235	235	460	225
Miscellaneous.....	7,100	9,200	7,729	(1,471)
Total Revenues.....	<u>32,823</u>	<u>34,923</u>	<u>59,986</u>	<u>25,063</u>
EXPENDITURES				
Current:				
Public Safety.....	50,782	54,145	45,183	8,962
Parks, Recreation, and Culture.....	6,264	8,364	3,906	4,458
Total Expenditures.....	<u>57,046</u>	<u>62,509</u>	<u>49,089</u>	<u>13,420</u>
Revenues Over (Under) Expenditures.....	(24,223)	(27,586)	10,897	38,483
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net Change in Fund Balances.....	(24,223)	(27,586)	10,897	38,483
Fund Balances - Beginning, Budgetary Basis...	27,023	34,032	34,032	—
Fund Balances - Ending, Budgetary Basis.....	<u>\$ 2,800</u>	<u>\$ 6,446</u>	<u>\$ 44,929</u>	<u>\$ 38,483</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 59,986
(no differences)	—
Total Actual Revenues - GAAP Basis.....	<u>\$ 59,986</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 49,089
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	5,544
Prior year accrued expenditures.....	(3,812)
Total Actual Expenditures - GAAP Basis.....	<u>\$ 50,821</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Recreation Activities Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Charges for Services.....	\$ 289,675	\$ 289,675	\$ 199,119	\$ (90,556)
Miscellaneous.....	—	—	—	—
Total Revenues.....	<u>289,675</u>	<u>289,675</u>	<u>199,119</u>	<u>(90,556)</u>
EXPENDITURES				
Current:				
Public Safety.....	—	—	—	—
Parks, Recreation, and Culture.....	<u>317,573</u>	<u>331,112</u>	<u>183,476</u>	<u>147,636</u>
Total Expenditures.....	<u>317,573</u>	<u>331,112</u>	<u>183,476</u>	<u>147,636</u>
Revenues Over (Under) Expenditures.....	(27,898)	(41,437)	15,643	57,080
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	—	—	—
Net Change in Fund Balances.....	(27,898)	(41,437)	15,643	57,080
Fund Balances - Beginning, Budgetary Basis...	<u>107,781</u>	<u>157,641</u>	<u>157,641</u>	<u>—</u>
Fund Balances - Ending, Budgetary Basis.....	<u>\$ 79,883</u>	<u>\$ 116,204</u>	<u>\$ 173,284</u>	<u>\$ 57,080</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 199,119
(no differences)	—
Total Actual Revenues - GAAP Basis.....	<u>\$ 199,119</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 183,476
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	13,158
Prior year accrued expenditures.....	(15,409)
Total Actual Expenditures - GAAP Basis.....	<u>\$ 181,225</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Keep Rio Rancho Beautiful Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - State.....	\$ 73,000	\$ 84,610	\$ 70,820	\$ (13,790)
Total Revenues.....	<u>73,000</u>	<u>84,610</u>	<u>70,820</u>	<u>(13,790)</u>
EXPENDITURES				
Current:				
Parks, Recreation, and Culture.....	<u>73,000</u>	<u>74,299</u>	<u>68,416</u>	<u>5,883</u>
Total Expenditures.....	<u>73,000</u>	<u>74,299</u>	<u>68,416</u>	<u>5,883</u>
Revenues Over (Under) Expenditures.....	—	10,311	2,404	(7,907)
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	—	—	—
Net Change in Fund Balances.....	—	10,311	2,404	(7,907)
Fund Balances - Beginning, Budgetary Basis...	—	(10,311)	(10,311)	—
Fund Balances - Ending, Budgetary Basis.....	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (7,907)</u>	<u>\$ (7,907)</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 70,820
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	8,985
Prior year accrued revenue.....	(11,691)
Total Actual Revenues - GAAP Basis.....	<u>\$ 68,114</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 68,416
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	2,216
Prior year accrued expenditures.....	(2,261)
Total Actual Expenditures - GAAP Basis.....	<u>\$ 68,371</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Community Response Program Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - Federal.....	\$ —	\$ 11,911	\$ 11,126	\$ (785)
Total Revenues.....	—	11,911	11,126	(785)
EXPENDITURES				
Current:				
Public Safety.....	—	14,327	13,541	786
Capital Outlay.....	—	—	—	—
Total Expenditures.....	—	14,327	13,541	786
Revenues Over (Under) Expenditures.....	—	(2,416)	(2,415)	1
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	—	—	—
Net Change in Fund Balances.....	—	(2,416)	(2,415)	1
Fund Balances - Beginning, Budgetary Basis...	—	2,416	2,416	—
Fund Balances - Ending, Budgetary Basis.....	\$ —	\$ —	\$ 1	\$ 1

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 11,126
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	—
Prior year accrued revenue.....	(9,388)
Total Actual Revenues - GAAP Basis.....	\$ 1,738

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 13,541
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	—
Prior year accrued expenditures.....	(759)
Total Actual Expenditures - GAAP Basis.....	\$ 12,782

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Workers Compensation Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Miscellaneous.....	\$ 762,298	\$ 762,298	\$ 736,443	\$ (25,855)
Total Revenues.....	<u>762,298</u>	<u>762,298</u>	<u>736,443</u>	<u>(25,855)</u>
EXPENDITURES				
Current:				
General Government.....	<u>525,645</u>	<u>860,461</u>	<u>764,786</u>	<u>95,675</u>
Total Expenditures.....	<u>525,645</u>	<u>860,461</u>	<u>764,786</u>	<u>95,675</u>
Revenues Over (Under) Expenditures.....	236,653	(98,163)	(28,343)	69,820
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	—	—	—
Net Change in Fund Balances.....	236,653	(98,163)	(28,343)	69,820
Fund Balances - Beginning, Budgetary Basis...	<u>1,143,500</u>	<u>1,143,500</u>	<u>1,143,500</u>	<u>—</u>
Fund Balances - Ending, Budgetary Basis.....	<u>\$ 1,380,153</u>	<u>\$ 1,045,337</u>	<u>\$ 1,115,157</u>	<u>\$ 69,820</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 736,443
(no differences)	<u>—</u>
Total Actual Revenues - GAAP Basis.....	<u>\$ 736,443</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 764,786
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	75,594
Prior year accrued expenditures.....	<u>(135,894)</u>
Total Actual Expenditures - GAAP Basis.....	<u>\$ 704,486</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Senior Services Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Charges for Services.....	\$ 22,368	\$ 22,368	\$ 17,713	\$ (4,655)
Miscellaneous.....	2,000	2,000	2,208	208
Total Revenues.....	24,368	24,368	19,921	(4,447)
EXPENDITURES				
Current:				
Parks, Recreation, and Culture.....	45,871	47,279	16,571	30,708
Total Expenditures.....	45,871	47,279	16,571	30,708
Revenues Over (Under) Expenditures.....	(21,503)	(22,911)	3,350	26,261
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses)....	—	—	—	—
Net Change in Fund Balances.....	(21,503)	(22,911)	3,350	26,261
Fund Balances - Beginning, Budgetary Basis	37,650	37,650	37,800	150
Fund Balances - Ending, Budgetary Basis....	\$ 16,147	\$ 14,739	\$ 41,150	\$ 26,411

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 19,921
(no differences)	—
Total Actual Revenues - GAAP Basis.....	\$ 19,921

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 16,571
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	112
Prior year accrued expenditures.....	(181)
Total Actual Expenditures - GAAP Basis.....	\$ 16,502

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Library Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - State.....	\$ —	\$ 372,810	\$ 276,856	\$ (95,954)
Intergovernmental - Local.....	—	1,937,017	497,998	(1,439,019)
Total Revenues.....	—	2,309,827	774,854	(1,534,973)
EXPENDITURES				
Current:				
Parks, Recreation, and Culture.....	—	2,220,227	799,298	1,420,929
Total Expenditures.....	—	2,220,227	799,298	1,420,929
Revenues Over (Under) Expenditures.....	—	89,600	(24,444)	(114,044)
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	—	—	—
Net Change in Fund Balances.....	—	89,600	(24,444)	(114,044)
Fund Balances - Beginning, Budgetary Basis...	—	(89,600)	(89,600)	—
Fund Balances - Ending, Budgetary Basis.....	\$ —	\$ —	\$ (114,044)	\$ (114,044)

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 774,854
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	47,746
Prior year accrued revenue.....	(130,516)
Total Actual Revenues - GAAP Basis.....	\$ 692,084

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 799,298
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	10,723
Prior year accrued expenditures.....	(11,775)
Total Actual Expenditures - GAAP Basis.....	\$ 798,246

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Local Economic Development Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Miscellaneous.....	\$ —	\$ —	\$ 134,858	\$ 134,858
Total Revenues.....	—	—	134,858	134,858
EXPENDITURES				
Current:				
Parks, Recreation, and Culture.....	—	—	—	—
Total Expenditures.....	—	—	—	—
Revenues Over (Under) Expenditures.....	—	—	134,858	134,858
OTHER FINANCING SOURCES (USES)				
Transfers In.....	100,834	100,834	92,809	(8,025)
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	100,834	100,834	92,809	(8,025)
Net Change in Fund Balances.....	100,834	100,834	227,667	126,833
Fund Balances - Beginning, Budgetary Basis...	—	—	8,025	8,025
Fund Balances - Ending, Budgetary Basis.....	\$ 100,834	\$ 100,834	\$ 235,692	\$ 134,858

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 134,858
(no differences)	—
Total Actual Revenues - GAAP Basis.....	\$ 134,858

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ —
(no differences)	—
Total Actual Expenditures - GAAP Basis.....	\$ —

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Promotion and Marketing Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Charges for Services.....	\$ 114,000	\$ 207,080	\$ 107,454	\$ (99,626)
Total Revenues.....	114,000	207,080	107,454	(99,626)
EXPENDITURES				
Current:				
Community and Economic Development.....	296,573	410,950	271,598	139,352
Total Expenditures.....	296,573	410,950	271,598	139,352
Revenues Over (Under) Expenditures.....	(182,573)	(203,870)	(164,144)	39,726
OTHER FINANCING SOURCES (USES)				
Transfers In.....	158,993	158,993	158,993	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	158,993	158,993	158,993	—
Net Change in Fund Balances.....	(23,580)	(44,877)	(5,151)	39,726
Fund Balances - Beginning, Budgetary Basis...	23,580	59,908	59,908	—
Fund Balances - Ending, Budgetary Basis.....	\$ —	\$ 15,031	\$ 54,757	\$ 39,726

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 107,454
(no differences)	—
Total Actual Revenues - GAAP Basis.....	\$ 107,454

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 271,598
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	9,843
Prior year accrued expenditures.....	(5,058)
Total Actual Expenditures - GAAP Basis.....	\$ 276,383

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Convention and Visitors Bureau Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Municipal and State-Shared Taxes.....	\$ 312,500	\$ 312,500	\$ 333,017	\$ 20,517
Miscellaneous.....	1,505	1,505	1,496	(9)
Total Revenues.....	<u>314,005</u>	<u>314,005</u>	<u>334,513</u>	<u>20,508</u>
EXPENDITURES				
Current:				
Community and Economic Development....	<u>366,211</u>	<u>371,458</u>	<u>335,799</u>	<u>35,659</u>
Total Expenditures.....	<u>366,211</u>	<u>371,458</u>	<u>335,799</u>	<u>35,659</u>
Revenues Over (Under) Expenditures.....	(52,206)	(57,453)	(1,286)	56,167
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	—	—	—
Net Change in Fund Balances.....	(52,206)	(57,453)	(1,286)	56,167
Fund Balances - Beginning, Budgetary Basis...	<u>106,056</u>	<u>111,556</u>	<u>111,556</u>	<u>—</u>
Fund Balances - Ending, Budgetary Basis.....	<u>\$ 53,850</u>	<u>\$ 54,103</u>	<u>\$ 110,270</u>	<u>\$ 56,167</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 334,513
(no differences)	—
Total Actual Revenues - GAAP Basis.....	<u>\$ 334,513</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 335,799
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	13,028
Prior year accrued expenditures.....	<u>(10,609)</u>
Total Actual Expenditures - GAAP Basis.....	<u>\$ 338,218</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Rio Vision Cable Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Franchise Fees.....	\$ 71,000	\$ 63,000	\$ 62,419	\$ (581)
Total Revenues.....	71,000	63,000	62,419	(581)
EXPENDITURES				
Current:				
Parks, Recreation, and Culture.....	65,333	79,331	66,939	12,392
Total Expenditures.....	65,333	79,331	66,939	12,392
Revenues Over (Under) Expenditures.....	5,667	(16,331)	(4,520)	11,811
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	10,919	10,919	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	10,919	10,919	—
Net Change in Fund Balances.....	5,667	(5,412)	6,399	11,811
Fund Balances - Beginning, Budgetary Basis...	(5,667)	5,412	5,412	—
Fund Balances - Ending, Budgetary Basis.....	\$ —	\$ —	\$ 11,811	\$ 11,811

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 62,419
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	14,523
Prior year accrued revenue.....	(16,627)
Total Actual Revenues - GAAP Basis.....	\$ 60,315

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 66,939
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	5,334
Prior year accrued expenditures.....	—
Total Actual Expenditures - GAAP Basis.....	\$ 72,273

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Local Government Corrections Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Charges for Services.....	250,000	\$ 250,000	\$ 244,953	\$ (5,047)
Total Revenues.....	250,000	250,000	244,953	(5,047)
EXPENDITURES				
Current:				
Public Safety.....	469,483	484,667	436,660	48,007
Total Expenditures.....	469,483	484,667	436,660	48,007
Revenues Over (Under) Expenditures.....	(219,483)	(234,667)	(191,707)	42,960
OTHER FINANCING SOURCES (USES)				
Transfers In.....	210,000	210,000	210,000	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	210,000	210,000	210,000	—
Net Change in Fund Balances.....	(9,483)	(24,667)	18,293	42,960
Fund Balances - Beginning, Budgetary Basis...	9,483	24,667	24,667	—
Fund Balances - Ending, Budgetary Basis.....	\$ —	\$ —	\$ 42,960	\$ 42,960

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 244,953
(no differences)	—
Total Actual Revenues - GAAP Basis.....	\$ 244,953

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 436,660
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	—
Prior year accrued expenditures.....	(38,290)
Total Actual Expenditures - GAAP Basis.....	\$ 398,370

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Law Enforcement Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - State.....	\$ 100,800	\$ 100,800	\$ 100,800	\$ —
Total Revenues.....	<u>100,800</u>	<u>100,800</u>	<u>100,800</u>	<u>—</u>
EXPENDITURES				
Current:				
Public Safety.....	73,919	166,869	47,362	119,507
Capital Outlay.....	—	150,000	—	150,000
Debt Service:				
Principal.....	52,947	52,947	—	52,947
Interest and Other Charges.....	943	17,943	17,005	938
Total Expenditures.....	<u>127,809</u>	<u>387,759</u>	<u>64,367</u>	<u>323,392</u>
Revenues Over (Under) Expenditures.....	(27,009)	(286,959)	36,433	323,392
OTHER FINANCING SOURCES (USES)				
Loan Proceeds.....	—	259,950	259,950	—
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses)....	<u>—</u>	<u>259,950</u>	<u>259,950</u>	<u>—</u>
Net Change in Fund Balances.....	(27,009)	(27,009)	296,383	323,392
Fund Balances - Beginning, Budgetary Basis	27,009	27,009	27,009	—
Fund Balances - Ending, Budgetary Basis....	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 323,392</u>	<u>\$ 323,392</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 100,800
Current year accrued revenue.....	152
Prior year accrued revenue.....	—
Total Actual Revenues - GAAP Basis.....	<u>\$ 100,952</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 64,367
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	35,841
Prior year accrued expenditures.....	—
Total Actual Expenditures - GAAP Basis.....	<u>\$ 100,208</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Public Safety Enforcement Aid Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Charges for Services.....	\$ 190,000	190,000	226,446	36,446
Miscellaneous.....	3,500	3,500	1,073	(2,427)
Total Revenues.....	193,500	193,500	227,519	34,019
EXPENDITURES				
Current:				
Public Safety.....	14,133	99,126	70,220	28,906
Capital Outlay.....	190,000	154,985	—	154,985
Total Expenditures.....	204,133	254,111	70,220	183,891
Revenues Over (Under) Expenditures.....	(10,633)	(60,611)	157,299	217,910
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	846	846	—
Total Other Financing Sources (Uses)....	—	846	846	—
Net Change in Fund Balances.....	(10,633)	(59,765)	158,145	217,910
Fund Balances - Beginning, Budgetary Basis	10,633	61,457	61,457	—
Fund Balances - Ending, Budgetary Basis....	\$ —	\$ 1,692	\$ 219,602	\$ 217,910

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 227,519
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year unearned revenue.....	38,643
Prior year unearned revenue.....	40,000
Total Actual Revenues - GAAP Basis.....	\$ 306,162

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 70,220
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	1,436
Prior year accrued expenditures.....	—
Total Actual Expenditures - GAAP Basis.....	\$ 71,656

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Traffic Education and Enforcement Aid Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Fines and Forfeitures.....	\$ 90,000	\$ 70,000	\$ 69,143	\$ (857)
Total Revenues.....	90,000	70,000	69,143	(857)
EXPENDITURES				
Current:				
Public Safety.....	91,951	81,951	29,944	52,007
Capital Outlay.....	41,003	31,003	20,786	10,217
Total Expenditures.....	132,954	112,954	50,730	62,224
Revenues Over (Under) Expenditures.....	(42,954)	(42,954)	18,413	61,367
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	—	—	—
Net Change in Fund Balances.....	(42,954)	(42,954)	18,413	61,367
Fund Balances - Beginning, Budgetary Basis...	52,954	52,954	52,954	—
Fund Balances - Ending, Budgetary Basis.....	\$ 10,000	\$ 10,000	\$ 71,367	\$ 61,367

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 69,143
(no differences)	—
Total Actual Revenues - GAAP Basis.....	\$ 69,143

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 50,730
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	4,238
Prior year accrued expenditures.....	(457)
Total Actual Expenditures - GAAP Basis.....	\$ 54,511

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule DWI Seized Vehicle Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Charges for Services.....	\$ 377,275	\$ 377,275	\$ 144,704	\$ (232,571)
Total Revenues.....	<u>377,275</u>	<u>377,275</u>	<u>144,704</u>	<u>(232,571)</u>
EXPENDITURES				
Current:				
Public Safety.....	<u>360,104</u>	<u>362,743</u>	<u>316,729</u>	<u>46,014</u>
Total Expenditures.....	<u>360,104</u>	<u>362,743</u>	<u>316,729</u>	<u>46,014</u>
Revenues Over (Under) Expenditures.....	17,171	14,532	(172,025)	(186,557)
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	—	—	—
Net Change in Fund Balances.....	17,171	14,532	(172,025)	(186,557)
Fund Balances - Beginning, Budgetary Basis...	<u>241,774</u>	<u>250,388</u>	<u>250,388</u>	<u>—</u>
Fund Balances - Ending, Budgetary Basis.....	<u>\$ 258,945</u>	<u>\$ 264,920</u>	<u>\$ 78,363</u>	<u>\$ (186,557)</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 144,704
(no differences)	<u>—</u>
Total Actual Revenues - GAAP Basis.....	<u>\$ 144,704</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 316,729
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	8,484
Prior year accrued expenditures.....	<u>(5,640)</u>
Total Actual Expenditures - GAAP Basis.....	<u>\$ 319,573</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule NM Gang Task Force Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - Federal.....	\$ —	\$ 333,140	\$ 106,507	\$ (226,633)
Miscellaneous.....	—	26,229	4,745	(21,484)
Total Revenues.....	—	359,369	111,252	(248,117)
EXPENDITURES				
Current:				
Public Safety.....	—	340,212	113,649	226,563
Total Expenditures.....	—	340,212	113,649	226,563
Revenues Over (Under) Expenditures.....	—	19,157	(2,397)	(21,554)
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	—	—	—
Net Change in Fund Balances.....	—	19,157	(2,397)	(21,554)
Fund Balances - Beginning, Budgetary Basis...	—	(19,157)	(19,157)	—
Fund Balances - Ending, Budgetary Basis.....	\$ —	\$ —	\$ (21,554)	\$ (21,554)

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 111,252
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	18,691
Prior year accrued revenue.....	(46,838)
Total Actual Revenues - GAAP Basis.....	\$ 83,105

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 113,649
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	7,634
Prior year accrued expenditures.....	(3,410)
Total Actual Expenditures - GAAP Basis.....	\$ 117,873

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Fire Protection Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - State.....	\$ 660,668	\$ 758,709	\$ 758,709	\$ —
Miscellaneous.....	—	89	1,833	1,744
Total Revenues.....	<u>660,668</u>	<u>758,798</u>	<u>760,542</u>	<u>1,744</u>
EXPENDITURES				
Current:				
Public Safety.....	419,929	436,710	330,504	106,206
Capital Outlay.....	66,356	255,562	243,432	12,130
Debt Service:				
Principal.....	183,871	183,871	183,871	—
Interest and Other Charges.....	60,952	60,952	60,952	—
Total Expenditures.....	<u>731,108</u>	<u>937,095</u>	<u>818,759</u>	<u>118,336</u>
Revenues Over (Under) Expenditures.....	(70,440)	(178,297)	(58,217)	120,080
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses)....	—	—	—	—
Net Change in Fund Balances.....	(70,440)	(178,297)	(58,217)	120,080
Fund Balances - Beginning, Budgetary Basis	222,561	330,418	330,305	(113)
Fund Balances - Ending, Budgetary Basis....	<u>\$ 152,121</u>	<u>\$ 152,121</u>	<u>\$ 272,088</u>	<u>\$ 119,967</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 760,542
Certain year-end adjustments related to the fair market value of the city's investments are considered revenue for financial reporting but not for budgetary reporting.....	233
Total Actual Revenues - GAAP Basis.....	<u>\$ 760,775</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 818,759
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	7,983
Prior year accrued expenditures.....	(33,546)
Total Actual Expenditures - GAAP Basis.....	<u>\$ 793,196</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Emergency Medical Services Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - State.....	\$ 20,000	\$ 20,000	\$ 20,000	\$ —
Total Revenues.....	20,000	20,000	20,000	—
EXPENDITURES				
Current:				
Public Safety.....	7,710	7,728	7,462	266
Capital Outlay.....	14,346	14,328	14,328	—
Total Expenditures.....	22,056	22,056	21,790	266
Revenues Over (Under) Expenditures.....	(2,056)	(2,056)	(1,790)	266
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	—	—	—
Net Change in Fund Balances.....	(2,056)	(2,056)	(1,790)	266
Fund Balances - Beginning, Budgetary Basis...	2,056	2,056	2,056	—
Fund Balances - Ending, Budgetary Basis.....	\$ —	\$ —	\$ 266	\$ 266

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 20,000
(no differences)	—
Total Actual Revenues - GAAP Basis.....	\$ 20,000

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 21,790
(no differences)	—
Total Actual Expenditures - GAAP Basis.....	\$ 21,790

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule DWI Program Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Miscellaneous.....	\$ —	\$ —	\$ —	\$ —
Total Revenues.....	—	—	—	—
EXPENDITURES				
Current:				
Public Safety.....	228,534	228,534	—	228,534
Parks, Recreation, and Culture.....	—	—	—	—
Total Expenditures.....	228,534	228,534	—	228,534
Revenues Over (Under) Expenditures.....	(228,534)	(228,534)	—	228,534
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses)....	—	—	—	—
Net Change in Fund Balances.....	(228,534)	(228,534)	—	228,534
Fund Balances - Beginning, Budgetary Basis	228,534	228,534	228,534	—
Fund Balances - Ending, Budgetary Basis....	\$ —	\$ —	\$ 228,534	\$ 228,534

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ —
(no differences)	—
Total Actual Revenues - GAAP Basis.....	\$ —

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ —
(no differences)	—
Total Actual Expenditures - GAAP Basis.....	\$ —

CITY OF RIO RANCHO, NEW MEXICO

**Budgetary Comparison Schedule
Summer Lunch Program Fund
For the Year Ended June 30, 2016**

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - Federal.....	\$ 125,000	\$ 138,000	\$ 107,349	\$ (30,651)
Total Revenues.....	125,000	138,000	107,349	(30,651)
EXPENDITURES				
Current:				
Parks, Recreation, and Culture.....	197,895	275,651	125,955	149,696
Total Expenditures.....	197,895	275,651	125,955	149,696
Revenues Over (Under) Expenditures.....	(72,895)	(137,651)	(18,606)	119,045
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	—	—	—
Net Change in Fund Balances.....	(72,895)	(137,651)	(18,606)	119,045
Fund Balances - Beginning, Budgetary Basis...	72,895	137,651	137,651	—
Fund Balances - Ending, Budgetary Basis.....	\$ —	\$ —	\$ 119,045	\$ 119,045

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 107,349
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year unearned revenue.....	—
Prior year unearned revenue.....	74,296
Total Actual Revenues - GAAP Basis.....	\$ 181,645

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 125,955
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	44,017
Prior year accrued expenditures.....	(51,346)
Total Actual Expenditures - GAAP Basis.....	\$ 118,626

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Public Safety and Other Grants Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - Federal.....	\$ 4,344	\$ 1,335,644	\$ 745,587	\$ (590,057)
Intergovernmental - State.....	—	1,404,972	1,328,315	(76,657)
Total Revenues.....	4,344	2,740,616	2,073,902	(666,714)
EXPENDITURES				
Current:				
Public Safety.....	4,344	1,442,182	1,009,595	432,587
Parks, Recreation, and Culture.....	—	97,194	79,954	17,240
Capital Outlay.....	—	760,467	725,465	35,002
Total Expenditures.....	4,344	2,299,843	1,815,014	484,829
Revenues Over (Under) Expenditures.....	—	440,773	258,888	(181,885)
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	846	846	—
Total Other Financing Sources (Uses).....	—	846	846	—
Net Change in Fund Balances.....	—	441,619	259,734	(181,885)
Fund Balances - Beginning, Budgetary Basis...	—	(441,619)	(441,620)	(1)
Fund Balances - Ending, Budgetary Basis.....	\$ —	\$ —	\$ (181,886)	\$ (181,886)

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 2,073,902
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	73,645
Prior year accrued revenue.....	(278,059)
Total Actual Revenues - GAAP Basis.....	\$ 1,869,488

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 1,815,014
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	25,131
Prior year accrued expenditures.....	(57,951)
Total Actual Expenditures - GAAP Basis.....	\$ 1,782,194

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Environmental Gross Receipts Tax Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Municipal and State-Shared Taxes.....	\$ 690,391	\$ 690,391	\$ 731,287	\$ 40,896
Miscellaneous.....	44,161	44,161	42,563	(1,598)
Total Revenues.....	<u>734,552</u>	<u>734,552</u>	<u>773,850</u>	<u>39,298</u>
EXPENDITURES				
Current:				
Public Works.....	327,441	372,352	128,999	243,353
Parks, Recreation, and Culture.....	53,069	52,380	44,532	7,848
Capital Outlay.....	—	395,438	35,723	359,715
Debt Service:				
Principal.....	242,210	242,210	242,210	—
Interest and Other Charges.....	97,486	97,486	97,486	—
Total Expenditures.....	<u>720,206</u>	<u>1,159,866</u>	<u>548,950</u>	<u>610,916</u>
Revenues Over (Under) Expenditures.....	14,346	(425,314)	224,900	650,214
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net Change in Fund Balances.....	14,346	(425,314)	224,900	650,214
Fund Balances - Beginning, Budgetary Basis...	994,169	1,067,846	1,068,746	900
Fund Balances - Ending, Budgetary Basis.....	<u>\$ 1,008,515</u>	<u>\$ 642,532</u>	<u>\$ 1,293,646</u>	<u>\$ 651,114</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 773,850
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	126,523
Prior year accrued revenue.....	(131,759)
Certain year-end adjustments related to the fair market value of the city's investments are considered revenue for financial reporting but not for budgetary reporting.....	(4,143)
Total Actual Revenues - GAAP Basis.....	<u>\$ 764,471</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 548,950
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	385,036
Prior year accrued expenditures.....	(14,538)
Total Actual Expenditures - GAAP Basis.....	<u>\$ 919,448</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Higher Education Gross Receipts Tax Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Municipal and State-Shared Taxes.....	\$ 2,209,253	\$ 2,209,253	\$ 2,375,593	\$ 166,340
Miscellaneous.....	—	—	8,735	8,735
Total Revenues.....	<u>2,209,253</u>	<u>2,209,253</u>	<u>2,384,328</u>	<u>175,075</u>
EXPENDITURES				
Current:				
General Government.....	—	2,000,000	2,000,000	—
Capital Outlay.....	—	3,425,745	116,757	3,308,988
Total Expenditures.....	<u>—</u>	<u>5,425,745</u>	<u>2,116,757</u>	<u>3,308,988</u>
Revenues Over (Under) Expenditures.....	2,209,253	(3,216,492)	267,571	3,484,063
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net Change in Fund Balances.....	2,209,253	(3,216,492)	267,571	3,484,063
Fund Balances - Beginning, Budgetary Basis...	<u>2,311,149</u>	<u>5,736,894</u>	<u>5,736,894</u>	<u>—</u>
Fund Balances - Ending, Budgetary Basis.....	<u>\$ 4,520,402</u>	<u>\$ 2,520,402</u>	<u>\$ 6,004,465</u>	<u>\$ 3,484,063</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 2,384,328
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	407,510
Prior year accrued revenue.....	(439,122)
Total Actual Revenues - GAAP Basis.....	<u>\$ 2,352,716</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 2,116,757
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	82,936
Prior year accrued expenditures.....	(18,645)
Total Actual Expenditures - GAAP Basis.....	<u>\$ 2,181,048</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Municipal Road Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Municipal and State-Shared Taxes.....	\$ 578,000	\$ 578,000	\$ 660,909	\$ 82,909
Charges for Services.....	3,000	3,000	17,464	14,464
Miscellaneous.....	200	200	29,517	29,317
Total Revenues.....	<u>581,200</u>	<u>581,200</u>	<u>707,890</u>	<u>126,690</u>
EXPENDITURES				
Current:				
Public Works.....	588,500	642,388	540,755	101,633
Capital Outlay.....	87,000	191,994	156,384	35,610
Debt Service:				
Principal.....	155,000	155,000	155,667	(667)
Interest and Other Charges.....	4,693	4,693	4,520	173
Total Expenditures.....	<u>835,193</u>	<u>994,075</u>	<u>857,326</u>	<u>136,749</u>
Revenues Over (Under) Expenditures.....	(253,993)	(412,875)	(149,436)	263,439
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses)....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net Change in Fund Balances.....	(253,993)	(412,875)	(149,436)	263,439
Fund Balances - Beginning, Budgetary Basis	<u>589,124</u>	<u>752,225</u>	<u>752,226</u>	<u>1</u>
Fund Balances - Ending, Budgetary Basis....	<u>\$ 335,131</u>	<u>\$ 339,350</u>	<u>\$ 602,790</u>	<u>\$ 263,440</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 707,890
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	119,819
Prior year accrued revenue.....	(109,203)
Certain year-end adjustments related to the fair market value of the city's investments are considered revenue for financial reporting but not for budgetary reporting.....	2,704
Total Actual Revenues - GAAP Basis.....	<u>\$ 721,210</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 857,326
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	7,940
Prior year accrued expenditures.....	(16,085)
Total Actual Expenditures - GAAP Basis.....	<u>\$ 849,181</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Regional Emergency Comm Center For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Miscellaneous.....	1,612,936	1,612,936	1,518,211	(94,725)
Total Revenues.....	1,612,936	1,612,936	1,518,211	(94,725)
EXPENDITURES				
Current:				
Public Safety.....	3,235,217	3,235,217	2,596,391	638,826
Capital Outlay.....	22,280	22,280	22,280	—
Total Expenditures.....	3,257,497	3,257,497	2,618,671	638,826
Revenues Over (Under) Expenditures.....	(1,644,561)	(1,644,561)	(1,100,460)	544,101
OTHER FINANCING SOURCES (USES)				
Transfers In.....	1,644,561	1,644,561	1,644,561	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	1,644,561	1,644,561	1,644,561	—
Net Change in Fund Balances.....	—	—	544,101	544,101
Fund Balances - Beginning, Budgetary Basis...	—	—	—	—
Fund Balances - Ending, Budgetary Basis.....	\$ —	\$ —	\$ 544,101	\$ 544,101

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 1,518,211
(no differences)	—
Total Actual Revenues - GAAP Basis.....	\$ 1,518,211

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 2,618,671
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	133,059
Prior year accrued expenditures.....	—
Total Actual Expenditures - GAAP Basis.....	\$ 2,751,730

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule HUD CDBG Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - Federal.....	\$ 427,329	\$ 805,604	\$ 435,720	\$ (369,884)
Total Revenues.....	427,329	805,604	435,720	(369,884)
EXPENDITURES				
Current:				
General Government.....	375,729	563,855	191,038	372,817
Capital Outlay.....	51,600	54,260	54,260	—
Total Expenditures.....	427,329	618,115	245,298	372,817
Revenues Over (Under) Expenditures.....	—	187,489	190,422	2,933
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	—	—	—
Net Change in Fund Balances.....	—	187,489	190,422	2,933
Fund Balances - Beginning, Budgetary Basis...	—	(187,489)	(187,489)	—
Fund Balances - Ending, Budgetary Basis.....	\$ —	\$ —	\$ 2,933	\$ 2,933

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 435,720
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	3
Prior year accrued revenue.....	(148,799)
Total Actual Revenues - GAAP Basis.....	\$ 286,924

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 245,298
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	10,316
Prior year accrued expenditures.....	(7,557)
Total Actual Expenditures - GAAP Basis.....	\$ 248,057

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Crime Victim Assistance Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - Federal.....	\$ 21,423	\$ 165,464	\$ 83,757	\$ (81,707)
Total Revenues.....	<u>21,423</u>	<u>165,464</u>	<u>83,757</u>	<u>(81,707)</u>
EXPENDITURES				
Current:				
Public Safety.....	21,423	189,546	114,818	74,728
Total Expenditures.....	<u>21,423</u>	<u>189,546</u>	<u>114,818</u>	<u>74,728</u>
Revenues Over (Under) Expenditures.....	—	(24,082)	(31,061)	(6,979)
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	34,102	23,326	(10,776)
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	<u>—</u>	<u>34,102</u>	<u>23,326</u>	<u>(10,776)</u>
Net Change in Fund Balances.....	—	10,020	(7,735)	(17,755)
Fund Balances - Beginning, Budgetary Basis...	—	(10,020)	(10,020)	—
Fund Balances - Ending, Budgetary Basis.....	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (17,755)</u>	<u>\$ (17,755)</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 83,757
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	12,657
Prior year accrued revenue.....	(5,959)
Total Actual Revenues - GAAP Basis.....	<u>\$ 90,455</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 114,818
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	7,283
Prior year accrued expenditures.....	(2,439)
Total Actual Expenditures - GAAP Basis.....	<u>\$ 119,662</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule General Obligation Bond Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Property Taxes.....	\$ 3,588,130	\$ 3,588,130	\$ 3,707,954	\$ 119,824
Miscellaneous.....	—	—	2,280	2,280
Total Revenues.....	<u>3,588,130</u>	<u>3,588,130</u>	<u>3,710,234</u>	<u>122,104</u>
EXPENDITURES				
Debt Service:				
Principal.....	3,115,000	3,115,000	3,115,000	—
Interest and Other Charges.....	563,477	563,477	563,545	(68)
Bond Issuance Costs.....	—	21,329	21,330	(1)
Total Expenditures.....	<u>3,678,477</u>	<u>3,699,806</u>	<u>3,699,875</u>	<u>(69)</u>
Revenues Over (Under) Expenditures.....	(90,347)	(111,676)	10,359	122,035
OTHER FINANCING SOURCES (USES)				
Refunding Bonds Issued.....	—	2,310,000	2,310,000	—
Payment to Refunding Escrow.....	—	(2,390,736)	(2,390,736)	—
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	<u>—</u>	<u>(80,736)</u>	<u>(80,736)</u>	<u>—</u>
Net Change in Fund Balances.....	(90,347)	(192,412)	(70,377)	122,035
Fund Balances - Beginning, Budgetary Basis	<u>3,575,482</u>	<u>3,575,482</u>	<u>3,575,482</u>	<u>—</u>
Fund Balances - Ending, Budgetary Basis.....	<u>\$ 3,485,135</u>	<u>\$ 3,383,070</u>	<u>\$ 3,505,105</u>	<u>\$ 122,035</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 3,710,234
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	40,126
Prior year accrued revenue.....	<u>(39,751)</u>
Total Actual Revenues - GAAP Basis.....	<u>\$ 3,710,609</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 3,699,875
(no differences)	<u>—</u>
Total Actual Expenditures - GAAP Basis.....	<u>\$ 3,699,875</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule GRT Revenue Bond Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Municipal and State-Shared Taxes.....	\$ 1,540,675	\$ 1,540,675	\$ 1,540,675	\$ —
Miscellaneous.....	—	—	272	272
Total Revenues.....	1,540,675	1,540,675	1,540,947	272
EXPENDITURES				
Debt Service:				
Principal.....	1,145,000	1,145,000	1,145,000	—
Interest and Other Charges.....	453,205	453,205	453,204	1
Total Expenditures.....	1,598,205	1,598,205	1,598,204	1
Revenues Over (Under) Expenditures.....	(57,530)	(57,530)	(57,257)	273
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	—	—	—
Net Change in Fund Balances.....	(57,530)	(57,530)	(57,257)	273
Fund Balances - Beginning, Budgetary Basis.....	57,530	57,530	57,530	—
Fund Balances - Ending, Budgetary Basis.....	\$ —	\$ —	\$ 273	\$ 273

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 1,540,947
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	287,360
Prior year accrued revenue.....	(287,196)
Total Actual Revenues - GAAP Basis.....	\$ 1,541,111

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 1,598,204
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	—
Prior year accrued expenditures.....	(18,375)
Total Actual Expenditures - GAAP Basis.....	\$ 1,579,829

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule HP Loan Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Municipal and State-Shared Taxes.....	\$ 371,280	\$ 371,280	\$ 378,390	\$ 7,110
Total Revenues.....	<u>371,280</u>	<u>371,280</u>	<u>378,390</u>	<u>7,110</u>
EXPENDITURES				
Debt Service:				
Principal.....	220,000	220,000	220,000	—
Interest and Other Charges.....	<u>196,238</u>	<u>196,238</u>	<u>196,237</u>	<u>1</u>
Total Expenditures.....	<u>416,238</u>	<u>416,238</u>	<u>416,237</u>	<u>1</u>
Revenues Over (Under) Expenditures.....	(44,958)	(44,958)	(37,847)	7,111
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total Other Financing Sources (Uses).....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net Change in Fund Balances.....	(44,958)	(44,958)	(37,847)	7,111
Fund Balances - Beginning, Budgetary Basis	<u>44,958</u>	<u>44,958</u>	<u>44,958</u>	<u>—</u>
Fund Balances - Ending, Budgetary Basis.....	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 7,111</u>	<u>\$ 7,111</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 378,390
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	75,498
Prior year accrued revenue.....	<u>(75,678)</u>
Total Actual Revenues - GAAP Basis.....	<u>\$ 378,210</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 416,237
(no differences)	<u>—</u>
Total Actual Expenditures - GAAP Basis.....	<u>\$ 416,237</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule HS Loan Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Municipal and State-Shared Taxes.....	\$ 403,740	\$ 403,740	\$ 403,740	\$ —
Total Revenues.....	403,740	403,740	403,740	—
EXPENDITURES				
Current:				
Debt Service:				
Principal.....	235,000	235,000	235,000	—
Interest and Other Charges.....	186,046	186,046	186,046	—
Total Expenditures.....	421,046	421,046	421,046	—
Revenues Over (Under) Expenditures.....	(17,306)	(17,306)	(17,306)	—
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	—	—	—
Net Change in Fund Balances.....	(17,306)	(17,306)	(17,306)	—
Fund Balances - Beginning, Budgetary Basis	17,306	17,306	17,306	—
Fund Balances - Ending, Budgetary Basis.....	\$ —	\$ —	\$ —	\$ —

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 403,740
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	75,782
Prior year accrued revenue.....	(76,552)
Total Actual Revenues - GAAP Basis.....	\$ 402,970

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 421,046
(no differences)	—
Total Actual Expenditures - GAAP Basis.....	\$ 421,046

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Public Safety Vehicle Loan Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Municipal and State-Shared Taxes.....	\$ 243,631	\$ 243,631	\$ 243,631	\$ —
Total Revenues.....	243,631	243,631	243,631	—
EXPENDITURES				
Debt Service:				
Principal.....	235,000	235,000	235,000	—
Interest and Other Charges.....	13,415	13,415	13,415	—
Total Expenditures.....	248,415	248,415	248,415	—
Revenues Over (Under) Expenditures.....	(4,784)	(4,784)	(4,784)	—
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	—	—	—
Net Change in Fund Balances.....	(4,784)	(4,784)	(4,784)	—
Fund Balances - Beginning, Budgetary Basis...	8,500	8,500	4,784	(3,716)
Fund Balances - Ending, Budgetary Basis.....	\$ 3,716	\$ 3,716	\$ —	\$ (3,716)

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 243,631
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	44,880
Prior year accrued revenue.....	(45,165)
Total Actual Revenues - GAAP Basis.....	\$ 243,346

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 248,415
(no differences)	—
Total Actual Expenditures - GAAP Basis.....	\$ 248,415

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Infrastructure Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - Federal.....	\$ 112,616	\$ 11,883,958	\$ 3,053,377	\$ (8,830,581)
Intergovernmental - State.....	—	265,000	265,000	—
Miscellaneous.....	21,830	—	—	—
Total Revenues.....	134,446	12,148,958	3,318,377	(8,830,581)
EXPENDITURES				
Current:				
Public Works.....	—	469,098	66,899	402,199
Capital Outlay.....	1,834,446	13,608,694	6,630,659	6,978,035
Total Expenditures.....	1,834,446	14,077,792	6,697,558	7,380,234
Revenues Over (Under) Expenditures.....	(1,700,000)	(1,928,834)	(3,379,181)	(1,450,347)
OTHER FINANCING SOURCES (USES)				
Transfers In.....	1,765,680	2,665,680	2,665,680	—
Transfers Out.....	—	(2)	(2)	—
Total Other Financing Sources (Uses).....	1,765,680	2,665,678	2,665,678	—
Net Change in Fund Balances.....	65,680	736,844	(713,503)	(1,450,347)
Fund Balances - Beginning, Budgetary Basis...	(65,680)	(736,844)	(736,844)	—
Fund Balances - Ending, Budgetary Basis.....	\$ —	\$ —	\$ (1,450,347)	\$ (1,450,347)

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 3,318,377
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	2,411,243
Prior year accrued revenue.....	(1,303,171)
Total Actual Revenues - GAAP Basis.....	\$ 4,426,449

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 6,697,558
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	1,065,436
Prior year accrued expenditures.....	(236,609)
Total Actual Expenditures - GAAP Basis.....	\$ 7,526,385

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Recreation Development Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - State.....	\$ —	\$ 70,240	\$ 67,023	\$ (3,217)
Intergovernmental - Local.....	—	163,108	163,109	1
Total Revenues.....	—	233,348	230,132	(3,216)
EXPENDITURES				
Current:				
Parks, Recreation, and Culture.....	—	3,218	2,917	301
Capital Outlay.....	235	314,838	314,816	22
Total Expenditures.....	235	318,056	317,733	323
Revenues Over (Under) Expenditures.....	(235)	(84,708)	(87,601)	(2,893)
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	2,932	2,932	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	2,932	2,932	—
Net Change in Fund Balances.....	(235)	(81,776)	(84,669)	(2,893)
Fund Balances - Beginning, Budgetary Basis	235	86,542	86,541	(1)
Fund Balances - Ending, Budgetary Basis.....	\$ —	\$ 4,766	\$ 1,872	\$ (2,894)

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 230,132
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	2,917
Prior year accrued revenue.....	(62,023)
Total Actual Revenues - GAAP Basis.....	\$ 171,026

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 317,733
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	9
Prior year accrued expenditures.....	(20,659)
Total Actual Expenditures - GAAP Basis.....	\$ 297,083

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule State Appropriation Capital Projects Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Intergovernmental - State.....	\$ —	\$ 3,236,917	\$ 2,072,032	\$ (1,164,885)
Total Revenues.....	—	3,236,917	2,072,032	(1,164,885)
EXPENDITURES				
Current:				
General Government.....	—	275,674	173,738	101,936
Capital Outlay.....	—	2,578,411	1,758,479	819,932
Total Expenditures.....	—	2,854,085	1,932,217	921,868
Revenues Over (Under) Expenditures.....	—	382,832	139,815	(243,017)
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	—	—	—
Net Change in Fund Balances.....	—	382,832	139,815	(243,017)
Fund Balances - Beginning, Budgetary Basis	—	(382,832)	(382,832)	—
Fund Balances - Ending, Budgetary Basis.....	\$ —	\$ —	\$ (243,017)	\$ (243,017)

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 2,072,032
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	102,390
Prior year accrued revenue.....	(395,076)
Total Actual Revenues - GAAP Basis.....	\$ 1,779,346

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 1,932,217
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	—
Prior year accrued expenditures.....	(197,899)
Total Actual Expenditures - GAAP Basis.....	\$ 1,734,318

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule 2009 Bond Road Construction Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Miscellaneous.....	\$ —	\$ —	\$ 3,504	\$ 3,504
Total Revenues.....	—	—	3,504	3,504
EXPENDITURES				
Current:				
Capital Outlay.....	764	2,290,521	1,108,637	1,181,884
Total Expenditures.....	764	2,290,521	1,108,637	1,181,884
Revenues Over (Under) Expenditures.....	(764)	(2,290,521)	(1,105,133)	1,185,388
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	—	—	—
Net Change in Fund Balances.....	(764)	(2,290,521)	(1,105,133)	1,185,388
Fund Balances - Beginning, Budgetary Basis	764	2,290,521	2,290,521	—
Fund Balances - Ending, Budgetary Basis.....	\$ —	\$ —	\$ 1,185,388	\$ 1,185,388

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 3,504
(no differences)	—
Total Actual Revenues - GAAP Basis.....	\$ 3,504

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 1,108,637
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	176,875
Prior year accrued expenditures.....	(12,439)
Total Actual Expenditures - GAAP Basis.....	\$ 1,273,073

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule 2016 GO Bond Construction Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Miscellaneous.....	\$ —	\$ —	\$ —	\$ —
Total Revenues.....	—	—	—	—
EXPENDITURES				
Current:				
Bond Issuance Costs.....	—	211,850	146,829	65,021
Capital Outlay.....	—	9,000,000	154,148	8,845,852
Total Expenditures.....	—	9,211,850	300,977	8,910,873
Revenues Over (Under) Expenditures.....	—	(9,211,850)	(300,977)	8,910,873
OTHER FINANCING SOURCES (USES)				
Issuance of General Obligation Bonds.....	—	9,000,000	9,000,000	—
Premium on Sale of Bonds.....	—	211,850	211,850	—
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	9,211,850	9,211,850	—
Net Change in Fund Balances.....	—	—	8,910,873	8,910,873
Fund Balances - Beginning, Budgetary Basis	—	—	—	—
Fund Balances - Ending, Budgetary Basis.....	\$ —	\$ —	\$ 8,910,873	\$ 8,910,873

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ —
(no differences)	—
Total Actual Revenues - GAAP Basis.....	\$ —

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 300,977
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	93,633
Prior year accrued expenditures.....	—
Total Actual Expenditures - GAAP Basis.....	\$ 394,610

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Road Impact Fees Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Impact Fees.....	\$ 222,319	\$ 292,848	\$ 436,274	\$ 143,426
Miscellaneous.....	—	112	515	403
Total Revenues.....	<u>222,319</u>	<u>292,960</u>	<u>436,789</u>	<u>143,829</u>
EXPENDITURES				
Current:				
General Government.....	6,670	8,788	13,088	(4,300)
Capital Outlay.....	<u>390,761</u>	<u>659,610</u>	<u>173,881</u>	<u>485,729</u>
Total Expenditures.....	<u>397,431</u>	<u>668,398</u>	<u>186,969</u>	<u>481,429</u>
Revenues Over (Under) Expenditures.....	(175,112)	(375,438)	249,820	625,258
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total Other Financing Sources (Uses).....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net Change in Fund Balances.....	(175,112)	(375,438)	249,820	625,258
Fund Balances - Beginning, Budgetary Basis	<u>286,272</u>	<u>555,124</u>	<u>555,124</u>	<u>—</u>
Fund Balances - Ending, Budgetary Basis.....	<u>\$ 111,160</u>	<u>\$ 179,686</u>	<u>\$ 804,944</u>	<u>\$ 625,258</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 436,789
(no differences)	<u>—</u>
Total Actual Revenues - GAAP Basis.....	<u>\$ 436,789</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 186,969
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	101,471
Prior year accrued expenditures.....	<u>(32,506)</u>
Total Actual Expenditures - GAAP Basis.....	<u>\$ 255,934</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Trails Impact Fees Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Impact Fees.....	\$ 6,565	\$ 7,053	\$ 18,489	\$ 11,436
Total Revenues.....	<u>6,565</u>	<u>7,053</u>	<u>18,489</u>	<u>11,436</u>
EXPENDITURES				
Current:				
General Government.....	<u>197</u>	<u>212</u>	<u>555</u>	<u>(343)</u>
Total Expenditures.....	<u>197</u>	<u>212</u>	<u>555</u>	<u>(343)</u>
Revenues Over (Under) Expenditures.....	6,368	6,841	17,934	11,093
OTHER FINANCING SOURCES (USES)				
Transfers In.....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Transfers Out.....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total Other Financing Sources (Uses).....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net Change in Fund Balances.....	6,368	6,841	17,934	11,093
Fund Balances - Beginning, Budgetary Basis	<u>177,907</u>	<u>177,907</u>	<u>177,907</u>	<u>—</u>
Fund Balances - Ending, Budgetary Basis.....	<u>\$ 184,275</u>	<u>\$ 184,748</u>	<u>\$ 195,841</u>	<u>\$ 11,093</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 18,489
(no differences)	<u>—</u>
Total Actual Revenues - GAAP Basis.....	<u>\$ 18,489</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 555
(no differences)	<u>—</u>
Total Actual Expenditures - GAAP Basis.....	<u>\$ 555</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Parks Impact Fees Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Impact Fees.....	\$ 69,130	\$ 101,803	\$ 145,826	\$ 44,023
Miscellaneous.....	—	112	391	279
Total Revenues.....	<u>69,130</u>	<u>101,915</u>	<u>146,217</u>	<u>44,302</u>
EXPENDITURES				
Current:				
General Government.....	2,074	3,055	4,375	(1,320)
Capital Outlay.....	<u>136,757</u>	<u>470,314</u>	<u>355,882</u>	<u>114,432</u>
Total Expenditures.....	<u>138,831</u>	<u>473,369</u>	<u>360,257</u>	<u>113,112</u>
Revenues Over (Under) Expenditures.....	(69,701)	(371,454)	(214,040)	157,414
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total Other Financing Sources (Uses).....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net Change in Fund Balances.....	(69,701)	(371,454)	(214,040)	157,414
Fund Balances - Beginning, Budgetary Basis	<u>166,781</u>	<u>500,339</u>	<u>500,339</u>	<u>—</u>
Fund Balances - Ending, Budgetary Basis.....	<u>\$ 97,080</u>	<u>\$ 128,885</u>	<u>\$ 286,299</u>	<u>\$ 157,414</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 146,217
(no differences)	<u>—</u>
Total Actual Revenues - GAAP Basis.....	<u>\$ 146,217</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 360,257
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	4,306
Prior year accrued expenditures.....	<u>(4,306)</u>
Total Actual Expenditures - GAAP Basis.....	<u>\$ 360,257</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Public Safety Impact Fees Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Impact Fees.....	\$ 192,273	\$ 173,915	\$ 165,696	\$ (8,219)
Total Revenues.....	<u>192,273</u>	<u>173,915</u>	<u>165,696</u>	<u>(8,219)</u>
EXPENDITURES				
Current:				
General Government.....	5,768	5,217	4,971	246
Capital Outlay.....	<u>221,700</u>	<u>223,412</u>	<u>206,706</u>	<u>16,706</u>
Total Expenditures.....	<u>227,468</u>	<u>228,629</u>	<u>211,677</u>	<u>16,952</u>
Revenues Over (Under) Expenditures.....	(35,195)	(54,714)	(45,981)	8,733
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total Other Financing Sources (Uses).....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net Change in Fund Balances.....	(35,195)	(54,714)	(45,981)	8,733
Fund Balances - Beginning, Budgetary Basis	<u>237,067</u>	<u>238,779</u>	<u>238,779</u>	<u>—</u>
Fund Balances - Ending, Budgetary Basis.....	<u>\$ 201,872</u>	<u>\$ 184,065</u>	<u>\$ 192,798</u>	<u>\$ 8,733</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 165,696
(no differences)	<u>—</u>
Total Actual Revenues - GAAP Basis.....	<u>\$ 165,696</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 211,677
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	—
Prior year accrued expenditures.....	<u>(937)</u>
Total Actual Expenditures - GAAP Basis.....	<u>\$ 210,740</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Drainage Impact Fees Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Impact Fees.....	\$ 122,681	\$ 150,553	\$ 266,553	\$ 116,000
Miscellaneous.....	—	156	497	341
Total Revenues.....	<u>122,681</u>	<u>150,709</u>	<u>267,050</u>	<u>116,341</u>
EXPENDITURES				
Current:				
General Government.....	3,681	4,518	7,996	(3,478)
Capital Outlay.....	<u>50,000</u>	<u>633,949</u>	<u>579,124</u>	<u>54,825</u>
Total Expenditures.....	<u>53,681</u>	<u>638,467</u>	<u>587,120</u>	<u>51,347</u>
Revenues Over (Under) Expenditures.....	69,000	(487,758)	(320,070)	167,688
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total Other Financing Sources (Uses).....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net Change in Fund Balances.....	69,000	(487,758)	(320,070)	167,688
Fund Balances - Beginning, Budgetary Basis	<u>156,246</u>	<u>657,696</u>	<u>657,696</u>	<u>—</u>
Fund Balances - Ending, Budgetary Basis.....	<u>\$ 225,246</u>	<u>\$ 169,938</u>	<u>\$ 337,626</u>	<u>\$ 167,688</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 267,050
(no differences)	<u>—</u>
Total Actual Revenues - GAAP Basis.....	<u>\$ 267,050</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 587,120
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	15,704
Prior year accrued expenditures.....	<u>—</u>
Total Actual Expenditures - GAAP Basis.....	<u>\$ 602,824</u>

CITY OF RIO RANCHO, NEW MEXICO

**Budgetary Comparison Schedule
Utilities Fund
For the Year Ended June 30, 2016**

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Charges for services - water.....	\$ 24,283,820	\$ 24,408,330	\$ 23,490,575	\$ (917,755)
Charges for services - wastewater.....	19,655,196	19,688,336	18,933,147	(755,189)
Interest on investments.....	11,000	11,000	53,530	42,530
Intergovernmental federal.....	—	6,420,307	2,135,000	(4,285,307)
Intergovernmental state.....	—	4,661,474	1,068,189	(3,593,285)
Intergovernmental county.....	—	3,000	3,000	—
Impact fees.....	520,168	666,723	1,012,049	345,326
Loan Proceeds.....	—	43,414,944	5,031,923	(38,383,021)
Other revenues.....	170,000	170,000	279,944	109,944
Total Revenues.....	<u>44,640,184</u>	<u>99,444,114</u>	<u>52,007,357</u>	<u>(47,436,757)</u>
EXPENDITURES				
Operations.....	24,843,336	27,756,694	23,314,267	4,442,427
Capital outlay.....	3,281,124	32,495,304	10,343,257	22,152,047
Debt service -				
Principal.....	8,265,186	8,587,870	8,167,957	419,913
Interest and fiscal charges.....	5,942,437	5,992,581	3,941,697	2,050,884
Total Expenditures.....	<u>42,332,083</u>	<u>74,832,449</u>	<u>45,767,178</u>	<u>29,065,271</u>
Revenues Over (Under) Expenditures.....	2,308,101	24,611,665	6,240,179	(18,371,486)
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	—	—	—
Net Change in Fund Balances.....	2,308,101	24,611,665	6,240,179	(18,371,486)
Fund Balances - Beginning, Budgetary Basis.....	19,873,719	23,155,721	40,026,408	16,870,687
Fund Balances - Ending, Budgetary Basis.....	<u>\$ 22,181,820</u>	<u>\$ 47,767,386</u>	<u>\$ 46,266,587</u>	<u>\$ (1,500,799)</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 52,007,357
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	8,887,368
Prior year accrued revenue.....	(8,293,656)
Loan Proceeds are considered revenue for budgetary reporting but not for financial reporting.....	(5,031,923)
Fair Market Value adjustments are considered revenue for financial reporting but not for budgetary reporting.....	14,892
Capital Contributions from the State are considered revenue for budgetary reporting but not for financial reporting.....	(1,068,189)
Unbudgeted capital grant reimbursements.....	(2,135,000)
Total Actual Revenues - GAAP Basis.....	<u>\$ 44,380,849</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 45,767,178
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	2,024,667
Prior year accrued expenditures.....	(2,302,759)
Changes in Compensated Absence balances are considered expenditures for financial reporting but not for budgetary reporting.....	(33,183)
Capital Outlay is considered expenditures for budgetary reporting but not for financial reporting.....	(10,343,257)
Allowances for doubtful accounts are considered expenditures for financial reporting but not for budgetary reporting.....	143,747
Depreciation, amortization and other expenses are considered expenditures for financial reporting but not for budgetary reporting.....	7,615,502
Principal payments on long-term debt are not considered expenses for financial reporting.....	(8,167,957)
Total Actual Expenditures - GAAP Basis.....	<u>\$ 34,703,938</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Multi-Purpose Event Center Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Charges for services.....	\$ 350,000	350,000	247,421	\$ (102,579)
Interest on investments.....	2,500	2,500	5,428	2,928
Intergovernmental.....	1,317,689	1,317,689	2,031,395	713,706
Other revenues.....	25,000	25,000	16,751	(8,249)
Total Revenues.....	1,695,189	1,695,189	2,300,995	605,806
EXPENDITURES				
Operations.....	1,111,987	1,111,987	1,011,384	100,603
Capital outlay.....				—
Debt service -.....				—
Principal.....	1,350,000	1,350,000	1,350,000	—
Interest and fiscal charges.....	1,007,807	1,007,807	884,535	123,272
Total Expenditures.....	3,469,794	3,469,794	3,245,919	223,875
Revenues Over (Under) Expenditures.....	(1,774,605)	(1,774,605)	(944,924)	829,681
OTHER FINANCING SOURCES (USES)				
Transfers In.....	1,258,745	1,258,745	1,183,702	(75,043)
Transfers Out.....	(270,000)	(270,000)	(194,957)	75,043
Total Other Financing Sources (Uses).....	988,745	988,745	988,745	—
Net Change in Fund Balances.....	(785,860)	(785,860)	43,821	829,681
Fund Balances - Beginning, Budgetary Basis...	3,025,510	3,025,510	40,865,786	37,840,276
Fund Balances - Ending, Budgetary Basis.....	\$ 2,239,650	\$ 2,239,650	\$ 40,909,607	\$ 38,669,957

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 2,300,995
Certain amounts collected after year-end are considered revenue of the current period for financial reporting but not for budgetary reporting:	
Current year accrued revenue.....	251,234
Prior year accrued revenue.....	(416,019)
Total Actual Revenues - GAAP Basis.....	\$ 2,136,210

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 3,245,919
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	324,157
Prior year accrued expenditures.....	(324,098)
Depreciation, amortization and other expenses are considered expenditures for financial reporting but not for budgetary reporting.....	1,142,041
Reclassification of certain capital related transactions.....	(82,594)
Principal payments on long-term debt are not considered expenses for financial reporting...	(1,350,000)
Total Actual Expenditures - GAAP Basis.....	\$ 2,955,425

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Health Self-Insurance Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Charges for services.....	\$ 5,673,557	\$ 5,673,557	\$ 5,648,771	\$ (24,786)
Interest on investments.....	1,500	1,500	3,235	1,735
Other revenues.....	36,000	36,000	198,474	162,474
Total Revenues.....	<u>5,711,057</u>	<u>5,711,057</u>	<u>5,850,480</u>	<u>139,423</u>
EXPENDITURES				
General and Administrative.....	5,902,247	6,212,247	5,917,732	294,515
Claims and Premiums.....	—	—	—	—
Total Expenditures.....	<u>5,902,247</u>	<u>6,212,247</u>	<u>5,917,732</u>	<u>294,515</u>
Revenues Over (Under) Expenditures.....	(191,190)	(501,190)	(67,252)	433,938
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Net Change in Fund Balances.....	(191,190)	(501,190)	(67,252)	433,938
Fund Balances - Beginning, Budgetary Basis...	<u>2,053,310</u>	<u>2,053,310</u>	<u>2,024,630</u>	<u>(28,680)</u>
Fund Balances - Ending, Budgetary Basis.....	<u>\$ 1,862,120</u>	<u>\$ 1,552,120</u>	<u>\$ 1,957,378</u>	<u>\$ 405,258</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 5,850,480
Certain collections are considered revenues for budgetary reporting but are classified as a reduction of expenses for financial reporting purposes.....	(198,474)
Total Actual Revenues - GAAP Basis.....	<u>\$ 5,652,006</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 5,917,732
Certain collections are considered revenues for budgetary reporting but are classified as a reduction of expenses for financial reporting purposes.....	(198,474)
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	834,729
Prior year accrued expenditures.....	(888,711)
Total Actual Expenditures - GAAP Basis.....	<u>\$ 5,665,276</u>

CITY OF RIO RANCHO, NEW MEXICO

Budgetary Comparison Schedule Dental Self-Insurance Fund For the Year Ended June 30, 2016

	Budget		Actual - Budgetary Basis	Variance From Final Budget - Budgetary Basis
	Original	Final		
REVENUES				
Charges for services.....	\$ 526,695	\$ 526,695	\$ 522,272	\$ (4,423)
Interest on investments.....	—	—	—	—
Total Revenues.....	<u>526,695</u>	<u>526,695</u>	<u>522,272</u>	<u>(4,423)</u>
EXPENDITURES				
General and Administrative.....	526,695	526,695	449,581	77,114
Claims and Premiums.....	—	—	—	—
Total Expenditures.....	<u>526,695</u>	<u>526,695</u>	<u>449,581</u>	<u>77,114</u>
Revenues Over (Under) Expenditures.....	—	—	72,691	72,691
OTHER FINANCING SOURCES (USES)				
Transfers In.....	—	—	—	—
Transfers Out.....	—	—	—	—
Total Other Financing Sources (Uses).....	—	—	—	—
Net Change in Fund Balances.....	—	—	72,691	72,691
Fund Balances - Beginning, Budgetary Basis...	<u>71,899</u>	<u>71,899</u>	<u>100,579</u>	<u>28,680</u>
Fund Balances - Ending, Budgetary Basis.....	<u>\$ 71,899</u>	<u>\$ 71,899</u>	<u>\$ 173,270</u>	<u>\$ 101,371</u>

Budget to GAAP Reconciliation

Revenues:

Total Actual Revenues - Budgetary Basis.....	\$ 522,272
(no differences)	<u>—</u>
Total Actual Revenues - GAAP Basis.....	<u>\$ 522,272</u>

Expenditures:

Total Actual Expenditures - Budgetary Basis.....	\$ 449,581
Certain payments made after year-end are considered expenditures of the current period for financial reporting but not for budgetary reporting:	
Current year accrued expenditures.....	80,927
Prior year accrued expenditures.....	<u>(75,932)</u>
Total Actual Expenditures - GAAP Basis.....	<u>\$ 454,576</u>

**OTHER SUPPLEMENTAL INFORMATION REQUIRED
BY THE NEW MEXICO STATE AUDITOR**

**CITY OF RIO RANCHO, NEW MEXICO
SCHEDULE OF DEPOSIT AND INVESTMENT ACCOUNTS
AND PLEDGED COLLATERAL**

June 30, 2016

DEPOSIT ACCOUNTS

Financial Institution:		Balances	
Account Name	Account Type	Reconciled	On Deposit
Wells Fargo			
Operating	Checking	\$ 31,594,148	\$ 32,544,918
Operating	Savings	32,799,622	32,799,622
Municipal Court - Bond	Checking	59,250	59,250
Total Wells Fargo Deposit Accounts		\$ 64,453,020	\$ 65,403,790

INVESTMENT ACCOUNTS

Financial Institution:		Cost	Market
Account Name	Account Type		
State of New Mexico			
Local Government Investment Pool	Investment	\$ 6,594	\$ 6,594
Total State of New Mexico Investment Accounts		6,594	6,594
Bank of New York Mellon *			
Reserve (Loan# riorancho7)	Trust/Money Market	153,528	157,030
Reserve (Loan# riorancho19)	Trust/Money Market	342,135	342,135
Reserve (Loan# riorancho21)	Trust/Money Market	516,217	516,217
Reserve (Loan# riorancho22)	Trust/Money Market	659,572	659,572
Reserve (Loan# riorancho28)	Trust/Money Market	284,252	284,252
Reserve (Loan# riorancho26)	Trust/Money Market	69,033	99,602
Total Bank of New York Mellon Investment Accounts		2,024,736	2,058,807
New Mexico Finance Authority			
NMFA Program Funds	US Treasuries/Money Market	258,000	258,152
NMFA Program Funds	US Treasuries/Money Market	356,372	356,372
Total New Mexico Finance Authority Program Funds		614,372	614,524
Bank of Albuquerque			
BAQ Short-Term Cash Fund		290,425	290,425
BAQ Short-Term Cash Fund		9,141,000	9,141,000
Total Bank of Albuquerque Short-Term Cash Funds		9,431,425	9,431,425
		\$ 12,077,127	\$ 12,111,350

PLEDGED COLLATERAL

Custodian	Security	CUSIP Number	Location	Maturity Date	Fair Market Value
Bank of New York Mellon	FMAC	3128MJWL0	San Francisco, CA	06/01/45	\$ 3,619,874
Bank of New York Mellon	FMAC	3128MJXE5	San Francisco, CA	11/01/45	593,079
Bank of New York Mellon	FMAC	3128P8BV2	San Francisco, CA	10/01/35	50,679,663
Bank of New York Mellon	FNMA	3136FGT31	San Francisco, CA	10/01/40	6,620,745
Bank of New York Mellon	FNMA	31412RLS4	San Francisco, CA	12/01/25	10,358,458
Total Pledged Collateral					\$ 71,871,820

*Bank of New York Mellon pledges internal cash reserves of 100% of deposit amounts.

CITY OF RIO RANCHO, NEW MEXICO
SCHEDULE OF EXPENDITURES OF STATE APPROPRIATIONS
YEAR ENDED JUNE 30, 2016

Appropriation Purpose	Original Appropriation Amount	Reversion Date	Source of Funding	Legislature	FY 2016 Expenditures	Remaining Balance
Library Equipment	143,068	6/30/2016	GO Bonds	Ch 54, Sec 10, Par B(1)(b) 2012	12,162	-
Library Equipment	142,904	6/30/2018	GO Bonds	Ch 65, Sec 10, Par B(1)(a) (2014)	135,095	7,809
All Inclusive Park	60,000	6/30/2018	NMSA 1978	Ch 66, Sec 22/185 (2014)	-	-
All Inclusive Park	5,000	6/30/2019	Sev Tax Bonds	Ch 3, Sec 28, Par 203	5,000	-
Fire Station 1 Renovation	520,000	6/30/2017	Sev Tax Bonds	Ch 226, Sec 31, Par 173 (2013)	-	-
Ambulance	263,000	6/30/2018	Sev Tax Bonds	Ch 3, Sec 28, Par 201 (2015)	263,000	-
Sports Complex North	100,000	6/30/2019	NMSA 1978	2015, Ch 3, Sec 28, Par 200	47,325	52,675
Sports Complex North	200,000	6/30/2018	Sev Tax Bonds	2014, Ch 66, Sec 22/186	190,039	-
Senior Center Renovations	562,600	6/30/2017	Sev Tax Bonds	Ch 226, Sec 5, Par 41 (2013)	9,739	-
Senior Center Computer Lab	70,810	6/30/2016	Sev Tax Bonds	Ch 54, Sec 10-A, Par 96 (2012)	48,174	-
Senior Center Kitchen Equip	29,450	6/30/2016	Sev Tax Bonds	Ch 226, Sec 5, Par 42 (2013)	25,002	-
Senior Center Improvements	113,410	6/30/2016	Sev Tax Bonds	Ch 54, Sec 10-A, Par 97 (2012)	16,855	-
Senior Center Code Compl	42,500	6/30/2019	NMSA 1978	2015, 1st SS, Ch 3, Sec 3, Par 63	-	42,500
Senior Center Equipment	11,000	6/30/2018	NMSA 1978	2015, 1st SS, Ch 3, Sec 3, Par 62	-	11,000
Senior Center Meals Equip	32,350	6/30/2018	NMSA 1978	2015, 1st SS, Ch 3, Sec 3, Par 64	-	32,350
Senior Center Renovations	450,500	6/30/2019	NMSA 1978	2015, 1st SS, Ch 3, Sec 3, Par 65	-	450,500
Senior Center Parking Lot	350,000	6/30/2016	Sev Tax Bonds	House Bill 191 Ch 64 Sec 4 Par 6 (2012)	-	-
Police Vehicles	337,000	6/30/2016	Sev Tax Bonds	Ch 66, Sec 22/187 (2014)	-	-
Police Vehicles	338,100	6/30/2018	NMSA 1978	2015, Ch 3, Sec 28, Par 202	300,524	37,576
Well 13	100,000	6/30/2018	Sev Tax Bonds	Ch 66, Sec 16, Par 142	36,268	63,732
Water Line Replacement	1,400,000	6/30/2018	Sev Tax Bonds	Ch 66, Sec 16, Par 141 (2014)	566,781	-
Water Line Replacement	300,000	6/30/2019	NMSA 1978	2015 Ch 3, Sec 20, Par 60	300,000	-
Westside Blvd Widening	965,000	6/30/2018	Sev Tax Bonds	Ch 66, §66, §§73 (2014)	951,455	-
Unser Blvd Right of Way	65,400	6/30/2019	NMSA 1978	2015, SB1, Ch 3, Sec 33, Subs 58	-	65,400
Totals	<u>6,602,092</u>				<u>2,907,419</u>	<u>763,542</u>

**CITY OF RIO RANCHO, NEW MEXICO
JOINT POWERS AGREEMENT (JPA) SCHEDULE
FISCAL YEAR ENDED
June 30, 2016**

TYPE	PARTICIPANTS	RESPONSIBLE PARTY	DESCRIPTION	BEGINNING/ ENDING DATES OF AGREEMENT	TOTAL AMOUNT CITY SHARE	FY16 AMOUNT	AUDIT RESPONSIBILITY	FISCAL AGENT	GOVERNMENT AGENCY FOR REPORTED REVENUES AND EXPENDITURES ARE
JPA	CITY OF RIO RANCHO/ NEW MEXICO TAXATION & REVENUE DEPARTMENT	BOTH	APPOINTMENT AS AGENT FOR ISSUANCE OF TAX ID	08/01/1988 - INDEFINITE	0.00%	\$ -	N/A	N/A	N/A
JPA	CITY OF RIO RANCHO/ NEW MEXICO ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT, STATE FORESTRY DIVISION (EMNRD)	BOTH	USE OF INMATE CREWS FOR NATURAL RESOURCE IMPROVEMENTS TO CITY PROPERTY	12/1/2003 - UNTIL TERMINATED BY EITHER PARTY	0.00%	\$ -	N/A	N/A	N/A
JPA	CITY OF RIO RANCHO/ COUNTY OF SANDOVAL, VILLAGE OF CORRALES, TOWN OF BERNALILLO, AND PUEBLO OF SANTA ANA	SANDOVAL COUNTY REGIONAL EMERGENCY COMMUNICATIONS CENTER BOARD	OPERATING, ADMINISTERING, AND MAINTAINING A JOINT ENHANCED 911 REGIONAL COMMUNICATIONS CENTER	08/25/2008- INDEFINITE	52.00%	\$ 1,591,444	SANDOVAL COUNTY REGIONAL EMERGENCY COMMUNICATIONS CENTER BOARD	CITY	CITY
JPA	CITY OF RIO RANCHO/ NEW MEXICO SELF-INSURER'S FUND (NMSIF)	NMSIF BOARD OF TRUSTEES	PROTECTIONS FOR MEMBERS AND THEIR EMPLOYEES RELATING TO INSURANCE OR SELF-INSURANCE	07/01/1996- INDEFINITE	100.00%	\$ 1,255,599	NMSIF	NMSIF	NMSIF
JPA	CITY OF RIO RANCHO/ NEW MEXICO ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT, STATE FORESTRY DIVISION (EMNRD)	BOTH	SUPPRESSION OF WILDFIRES ON STATE AND NON-MUNICIPAL PRIVATE LANDS AND PROVIDE ASSISTANCE TO EQUIP LOCAL FIREFIGHTING FORCES TO SUPPRESS FIRES IN RURAL AREAS	03/25/1998-UNTIL TERMINATED BY EITHER PARTY	0.00%	\$ -	N/A	N/A	N/A
JPA	CITY OF RIO RANCHO/ COUNTY OF SANDOVAL/VILLAGE OF CORRALES/TOWN OF BERNALILLO/PUEBLO OF SANTA ANA	ALL	SANDOVAL COUNTY REGIONAL EMERGENCY COMMUNICATIONS CENTER (SCRECC)	7/21/2016 - OPEN ENDED	\$3,257,497	\$ 2,618,671	CITY	ALL	ALL

CITY OF RIO RANCHO, NEW MEXICO
MEMORANDUM OF UNDERSTANDING (MOU) SCHEDULE
FISCAL YEAR ENDED
June 30, 2016

TYPE	PARTICIPANTS	RESPONSIBLE PARTY	DESCRIPTION	BEGINNING/ ENDING DATES OF AGREEMENT	TOTAL AMOUNT CITY SHARE	FY16 AMOUNT	AUDIT RESPONSIBILITY	FISCAL AGENT	GOVERNMENT AGENCY FOR REPORTED REVENUES AND EXPENDITURES ARE REPORTED
MOU	CITY OF RIO RANCHO/ REGENTS OF THE UNIVERSITY OF NEW MEXICO (UNM)/SANDIA FOUNDATION/LOBO DEVELOPMENT CORPORATION	CITY	PROVIDE REVENUES COLLECTED FROM THE MUNICIPAL-HIGHER EDUCATION FACILITIES GROSS RECEIPTS TAX	06/17/2009-UNTIL PAYMENT OBLIGATIONS HAVE BEEN FULFILLED	\$ 7,565,000	\$ 756,500	CITY	CITY	CITY
MOU	CITY OF RIO RANCHO/ UNIVERSITY OF NEW MEXICO (UNM)	BOTH	DESIGN, MAINTAIN, CONSTRUCT AND OWN A MARQUEE SIGN	03/12/2012-UNTIL TERMINATED	\$ 150,000	\$ -	CITY	BOTH	CITY
MOU	CITY OF RIO RANCHO/ CENTRAL NEW MEXICO COMMUNITY COLLEGE (CNM)	BOTH	DESIGN, MAINTAIN, CONSTRUCT AND OWN A MARQUEE SIGN	03/12/2012-UNTIL TERMINATED	\$ 125,000	\$ -	CITY	BOTH	CITY
MOU	CITY OF RIO RANCHO/ TOWN OF BERNALILLO	BOTH	EMERGENCY INTERCONNECTION AND EMERGENCY WATER SERVICE BETWEEN TOWN'S WATER SYSTEM AND CITY'S WATER SYSTEM	06/27/2011-06/27/2016	CURRENT RATE PER 1,000 GAL OF WATER	\$ -	TOWN	TOWN	TOWN
MOU	CITY OF RIO RANCHO/COUNTY OF BERNALILLO	COUNTY	ADMINISTRATION OF SECTION 8 HOUSING CHOICE VOUCHER PROGRAM	12/01/2012-UNTIL TERMINATED	\$ -	\$ -	TOWN	TOWN	TOWN
MOU	CITY OF RIO RANCHO/ALBUQUERQUE HOUSING AUTHORITY (AHA)	AHA	AHA PROVIDES RENTAL ASSISTANCE PROGRAMS FOR ELIGIBLE CITY OF RIO RANCHO RESIDENTS	03/01/2013-UNTIL TERMINATED	\$ -	\$ -	AHA	AHA	AHA
MOU	CITY OF RIO RANCHO/COUNTY OF SANDOVAL	BOTH	PARTICIPATE IN JOINT PLANNING SESSION WITH DWI TASKFORCE; PARTICIPATE IN JOINT OPERATIONS; SUBMIT OVERTIME DOCUMENTATION WITH 2 WEEKS OF OPERATION	7/15/2016-06/30/2017	\$ 30,000	\$ 30,000	CITY	COUNTY	BOTH
MOU	CITY OF RIO RANCHO/COUNTY OF SANDOVAL	CITY	PROVIDE FUNDING FOR PLANNING, DESIGN AND CONSTRUCTION COSTS OF THE COMMUNITY PARK (A PARK ABOVE)	12/05/2012-06/10/2016	\$ 210,000	\$ 134,210	CITY	COUNTY	BOTH

CITY OF RIO RANCHO, NEW MEXICO
MEMORANDUM OF UNDERSTANDING (MOU) SCHEDULE
FISCAL YEAR ENDED
June 30, 2016

TYPE	PARTICIPANTS	RESPONSIBLE PARTY	DESCRIPTION	BEGINNING/ ENDING DATES OF AGREEMENT	TOTAL AMOUNT CITY SHARE	FY16 AMOUNT	AUDIT RESPONSIBILITY	FISCAL AGENT	GOVERNMENT
									AGENCY FOR REPORTED REVENUES AND EXPENDITURES ARE REPORTED
MOU	CITY OF RIO RANCHO/MIDDLE RIO GRANDE VALLEY TASK FORCE (REGION ONE) (USDEA)	CITY	PROVIDE ONE POLICE OFFICER TO WORK WITH TASK FORCE TO CONDUCT JOINT NARCOTICS INVESTIGATIONS AND PROVIDE AN UNMARKED POLICE VEHICLE	9/30/2015 - 9/30/2016	\$ 17,548	\$ 15,600	BOTH	USDEA	BOTH
MOU	CITY OF RIO RANCHO/NEW MEXICO REGIONAL COMPUTER FORENSICS LABORATORY (NMR CFL)/NM FEDERAL BUREAU OF INVESTIGATION	CITY	PROVIDE ONE POLICE OFFICER TO WORK WITH TASK FORCE TO PROVIDE FORENSICS EXAMINATIONS OF DIGITAL OR MULTIMEDIA STORAGE DEVICES BELIEVED TO CONTAIN EVIDENCE OF CRIMES	10/01/2015 - 09/30/2016	\$ 17,374	\$ 6,639	BOTH	NMR CFL	BOTH
MOU	CITY OF RIO RANCHO/FEDERAL BUREAU OF INVESTIGATION	BOTH	PROVIDE ONE POLICE OFFICER TO WORK WITH THE ALBUQUERQUE SAFE STREETS TASK FORCE (SSTF) TO IDENTIFY AND TARGET FOR PROSECUTION CRIMINAL ENTERPRISE GROUPS INVOLVED WITH DRUG TRAFFICKING, MONEY	01/16/2015 - 09/30/2016	\$ 17,548	\$ 12,913	BOTH	FBI	BOTH
MOU	CITY OF RIO RANCHO/US MARSHAL SERVICE (USMS)	BOTH	PROVIDE POLICE OFFICERS TO WORK WITH USMS TO INVESTIGATE AND ARREST PERSONS WHO HAVE ACTIVE STATE AND FEDERAL WARRANTS FOR THEIR ARREST	12/30/2015 - 9/30/2016	\$ 10,000	\$ 6,992	CITY	USMS	BOTH
MOU	CITY OF RIO RANCHO/COUNTY OF SANDOVAL	BOTH	PURCHASE AND IMPLEMENTATION OF THE IMAGE TREND EMERGENCY DATA SYSTEM FOR FIRE AND EMS INCIDENT REPORTING FOR ELECTRONIC REPORTING; SHARE COSTS OF ANNUAL MAINTENANCE FEES FOR MAINTAINING THE FIRE AND EMS REPORTING SYSTEM	2008-UNTIL TERMINATED BY EITHER PARTY	\$ 49,300	\$ 11,560	BOTH	CITY	BOTH
MOU	CITY OF RIO RANCHO/RIO METRO REGIONAL TRANSIT DISTRICT	BOTH	TRANSFER THE FUNDING, MANAGEMENT AND OPERATIONAL RESPONSIBILITIES OF RIO TRANSIT FROM THE CITY TO RIO METRO	2009-UNTIL TERMINATED BY MUTUAL CONSENT OF BOTH PARTIES	\$ -	\$ 109,261	RIO METRO	RIO METRO	BOTH
MOU	CITY OF RIO RANCHO/COUNTY OF SANDOVAL	BOTH	USE OF AND PURCHASE FUEL FROM THE SANDOVAL COUNTY FUEL TANKS FOR PUBLIC WORKS VEHICLES AND HEAVY EQUIPMENT; 10% ADMIN FEE	2010-UNTIL TERMINATED BY EITHER PARTY	\$ -	\$ 12,448	COUNTY	COUNTY	BOTH

CITY OF RIO RANCHO, NEW MEXICO
MEMORANDUM OF UNDERSTANDING (MOU) SCHEDULE
FISCAL YEAR ENDED
June 30, 2016

TYPE	PARTICIPANTS	RESPONSIBLE PARTY	DESCRIPTION	BEGINNING/ ENDING DATES OF AGREEMENT	TOTAL AMOUNT CITY SHARE	FY16 AMOUNT	AUDIT RESPONSIBILITY	FISCAL AGENT	GOVERNMENT AGENCY FOR REPORTED REVENUES AND EXPENDITURES ARE REPORTED
MOU	CITY OF RIO RANCHO/COUNTY OF SANDOVAL	BOTH	TRANSPORTATION COSTS FOR RIO RANCHO PUBLIC SCHOOL'S BUSES TO TRANSPORT STUDENTS TO AND FROM THE CHILDREN'S WATER FESTIVAL HELD AT THE SANTA ANA STAR CENTER	8/14/2015 - 12/31/2015	\$ 3,000	\$ 3,000	BOTH	BOTH	BOTH
MOU	CITY OF RIO RANCHO/COUNTY OF SANDOVAL	BOTH	AMENDED AND RESTATED OPERATION AND MANAGEMENT OF RECYCLING AND HOUSEHOLD HAZARDOUS WASTE FACILITY	06/12/2014- 06/11/016	\$ -	\$ 12,000	BOTH	CITY	BOTH
MOU	CITY OF RIO RANCHO/ MID-REGION COUNCIL OF GOVERNMENTS	BOTH	PARTICIPATION IN THE MID-REGION COUNCIL OF GOVERNMENTS 2016 DIGITAL ORTHOPHOTOGRAPHY PROJECT	01/01/2014- 12/31/2016	\$ 15,000	\$ 7,500	CITY	BOTH	BOTH
MOU	CITY OF RIO RANCHO/ NEW MEXICO INTERSTATE STREAM COMMISSION (NMISC)	BOTH	INTEGRATED MANAGEMENT PLAN OF THE BOSQUE OPEN SPACE AND PLANNING AND DESIGN FOR PROPOSED HABITAT RESTORATION	01/01/2014-UNTIL TERMINATED	\$ -	\$ -	CITY	BOTH	BOTH
MOU	CITY OF RIO RANCHO/ COUNTY OF SANDOVAL	BOTH	PROVIDE FIRE AND EMS SERVICES TO INTEL AND SANDOVAL COUNTY WEST OF RIO RANCHO	6/13/2013 - 7/1 OF EACH FY THEREAFTER	\$ 100,000	\$ 100,000	CITY	BOTH	BOTH
MOU	CITY OF RIO RANCHO/ BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES (ATF)	BOTH	REIMBURSE CITY WHEN PROVIDING POLICE OFFICERS TO WORK WITH ATF FOR OVERTIME EXPENSES AND OTHER COSTS WITH PRIOR ATF APPROVAL	2/11/2016 - 9/30/2020	\$10,000 EACH YEAR	\$ -	CITY	BOTH	BOTH

SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$ 60,000 (excluding NMGR)
For the Year Fiscal Year Ending June 30, 2016

Agency Number	Agency Name	Agency Type	RFB/RFP/IF (if applicable)	Type of Procurement	Vendor Name	Did Vendor Win Contract?	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Physical address of vendor (City, State)	Did the Vendor provide documentation of eligibility for in-state preference?	Did the Vendor provide documentation of eligibility for veterans preference?	Brief Description of the Scope of Work	If the procurement is attributable to a Component Unit, Name of Component Unit
6147	City of Rio Rancho	Municipalities	IFB 16-PW-002	Competitive (RFP or RFB)	Franklin's Earthmoving	Winner	\$7,028,043.89	\$31,089,112	2435 Jefferson St. NE Albuquerque, NM 87110	N - Federal Funds	N - Federal Funds	Construction of Idalia Road from NM528 to Iris Rd.	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-002	Competitive (RFP or RFB)	Albuquerque Asphalt, Inc.	Loser	\$0.00	\$0.00	209 94th Street SW Albuquerque, NM 87193	N - Federal Funds	N - Federal Funds	Construction of Idalia Road from NM528 to Iris Rd.	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-002	Competitive (RFP or RFB)	A.U.I. Inc.	Loser	\$0.00	\$0.00	PO Box 9825 Albuquerque, NM 87119	N - Federal Funds	N - Federal Funds	Construction of Idalia Road from NM528 to Iris Rd.	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-002	Competitive (RFP or RFB)	Mountain State Constructors, Inc.	Loser	\$0.00	\$0.00	3601 Pan American Freeway NE Ste. 111 Albuquerque, NM 87107	N - Federal Funds	N - Federal Funds	Construction of Idalia Road from NM528 to Iris Rd.	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-002	Competitive (RFP or RFB)	RMCI, Inc.	Loser	\$0.00	\$0.00	6211 Chappell Rd. NE Albuquerque, NM 87113	N - Federal Funds	N - Federal Funds	Construction of Idalia Road from NM528 to Iris Rd.	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-002	Competitive (RFP or RFB)	Star Paving Company	Loser	\$0.00	\$0.00	3109 Lowe Rd. SW Albuquerque, NM 87121	N - Federal Funds	N - Federal Funds	Construction of Idalia Road from NM528 to Iris Rd.	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-002	Competitive (RFP or RFB)	TLC Company, Inc.	Loser	\$0.00	\$0.00	500 Edith Blvd. NE Albuquerque, NM 87107	N - Federal Funds	N - Federal Funds	Construction of Idalia Road from NM528 to Iris Rd.	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-003	Competitive (RFP or RFB)	RMCI, Inc.	Winner	\$3,084,600.00	\$0.00	6211 Chappell Rd. NE Albuquerque, NM 87113	No	No	Equipping of Advance Water Treatment Facility	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-003	Competitive (RFP or RFB)	TLC Company, Inc.	Loser	\$0.00	\$0.00	500 Edith Blvd. NE Albuquerque, NM 87107	Yes	No	Equipping of Advance Water Treatment Facility	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-008	Competitive (RFP or RFB)	Sils Brothers Construction	Winner	\$91,174.02	-\$2,655.23	7301 Reading Dr. SE Albuquerque, NM 87105	Yes	No	Los Milagros Channel - Phase II	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-008	Competitive (RFP or RFB)	A.U.I. Inc.	Loser	\$0.00	\$0.00	PO Box 9825 Albuquerque, NM 87119	Yes	Yes	Los Milagros Channel - Phase II	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-008	Competitive (RFP or RFB)	Century Club Construction, LLC	Loser	\$0.00	\$0.00	8201 Golf Course Rd. NW Albuquerque, NM 87120	Yes	Yes	Los Milagros Channel - Phase II	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-008	Competitive (RFP or RFB)	H.O. Construction, Inc.	Loser	\$0.00	\$0.00	PO Box 9468 Los Alamos, NM 87119	Yes	No	Los Milagros Channel - Phase II	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-008	Competitive (RFP or RFB)	New Concepts, Inc.	Loser	\$0.00	\$0.00	508 Paragon Rd. SE Albuquerque, NM 87113	Yes	Yes	Los Milagros Channel - Phase II	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-008	Competitive (RFP or RFB)	NM Underground Utilities, Inc.	Loser	\$0.00	\$0.00	6201 Industry Way SE Albuquerque, NM 87105	Yes	No	Los Milagros Channel - Phase II	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-008	Competitive (RFP or RFB)	Star Paving Company	Loser	\$0.00	\$0.00	3109 Lowe Rd. SW Albuquerque, NM 87121	Yes	No	Los Milagros Channel - Phase II	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-008	Competitive (RFP or RFB)	TLC Company, Inc.	Loser	\$0.00	\$0.00	500 Edith Blvd. NE Albuquerque, NM 87107	Yes	No	Los Milagros Channel - Phase II	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-009	Competitive (RFP or RFB)	TLC Company, Inc.	Winner	\$2,749,000.00	\$0.00	500 Edith Blvd. NE Albuquerque, NM 87107	Yes	No	Construction of New Booster Station at Tank 8 Site	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-009	Competitive (RFP or RFB)	File Construction, LLC	Loser	\$0.00	\$0.00	119 Industrial Ave. NE Albuquerque, NM 87107	Yes	No	Construction of New Booster Station at Tank 8 Site	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-009	Competitive (RFP or RFB)	RMCI, Inc.	Loser	\$0.00	\$0.00	6211 Chappell Rd. NE Albuquerque, NM 87113	Yes	No	Construction of New Booster Station at Tank 8 Site	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-009	Competitive (RFP or RFB)	A.U.I. Inc.	Loser	\$0.00	\$0.00	PO Box 9825 Albuquerque, NM 87119	Yes	Yes	Construction of New Booster Station at Tank 8 Site	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-009	Competitive (RFP or RFB)	New Concepts, Inc.	Loser	\$0.00	\$0.00	508 Paragon Rd. SE Albuquerque, NM 87121	Yes	Yes	Construction of New Booster Station at Tank 8 Site	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-010	Competitive (RFP or RFB)	New Concepts, Inc.	Winner	\$1,157,915.00	\$44,714,707.19	508 Paragon Rd. SE Albuquerque, NM 87121	Yes	Yes	Water Service Line Replacement - Phase 4	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-010	Competitive (RFP or RFB)	TLC Company, Inc.	Loser	\$0.00	\$0.00	500 Edith Blvd. NE Albuquerque, NM 87107	Yes	No	Water Service Line Replacement - Phase 4	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-012	Competitive (RFP or RFB)	MWI, Inc.	Winner	\$302,032.00	\$862,281.00	PO Box 30670 Albuquerque, NM 87109	N - Federal Funds	N - Federal Funds	Installation of Traffic Signal at Spririt Blvd and Enchanted Hills Blvd.	
6147	City of Rio Rancho	Municipalities	IFB 16-PW-012	Competitive (RFP or RFB)	Bkby Electric, Inc.	Loser	\$0.00	\$0.00	521 Wheeler Ave. SE Albuquerque, NM 87102	N - Federal Funds	N - Federal Funds	Installation of Traffic Signal at Spririt Blvd and Enchanted Hills Blvd.	

SCHEDULE OF VENDOR INFORMATION FOR PURCHASES EXCEEDING \$ 60,000 (excluding NMGR)
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6147	City of Rio Rancho	Municipalities	IFB 16-PW-013	Competitive (RFP or RFB)	Franklin's Earthmoving	Winner	\$2,489,777.00	\$0.00	700 Industrial Ave. NE Albuquerque, NM 87107	N - Federal Funds	N - Federal Funds	Construction of Broadmoor Blvd.
6147	City of Rio Rancho	Municipalities	IFB 16-PW-013	Competitive (RFP or RFB)	Mountain State Constructors, Inc.	Loser			3601 Pan American Freeway NE Ste. 111 Albuquerque, NM 87107	N - Federal Funds	N - Federal Funds	Construction of Broadmoor Blvd.
6147	City of Rio Rancho	Municipalities	IFB 16-PW-013	Competitive (RFP or RFB)	Albuquerque Asphalt, Inc.	Loser	\$0.00	\$0.00	742-94th Street SW Albuquerque, NM 87193	N - Federal Funds	N - Federal Funds	Construction of Broadmoor Blvd.
6147	City of Rio Rancho	Municipalities	IFB 16-PW-013	Competitive (RFP or RFB)	Star Paving Company	Loser	\$0.00	\$0.00	3109 Lowe Rd SW Albuquerque, NM 87121	N - Federal Funds	N - Federal Funds	Construction of Broadmoor Blvd.
6147	City of Rio Rancho	Municipalities	IFB 16-PW-013	Competitive (RFP or RFB)	TLC Company, Inc	Loser	\$0.00	\$0.00	500 Edith Blvd. NE Albuquerque, NM	N - Federal Funds	N - Federal Funds	Construction of Broadmoor Blvd.
6147	City of Rio Rancho	Municipalities	IFB 16-PW-013	Competitive (RFP or RFB)	Universal Constructors Inc.	Loser	\$0.00	\$0.00	PO Box 6008 Albuquerque, NM 87197	N - Federal Funds	N - Federal Funds	Construction of Broadmoor Blvd.
6147	City of Rio Rancho	Municipalities	IFB 16-PW-014	Competitive (RFP or RFB)	TLC Company, Inc	Winner	\$129,201.05	\$161,350.85	500 Edith Blvd. NE Albuquerque, NM 87107	Yes	No	Repairs on Grande Blvd and Ridgester Dr.
6147	City of Rio Rancho	Municipalities	IFB 16-PW-014	Competitive (RFP or RFB)	Star Paving Company	Loser	\$0.00	\$0.00	3109 Lowe Rd SW Albuquerque, NM 87121	Yes	No	Repairs on Grande Blvd and Ridgester Dr.
6147	City of Rio Rancho	Municipalities	IFB 16-PW-014	Competitive (RFP or RFB)	New Concepts, Inc.	Loser	\$0.00	\$0.00	4000 Ridgester Dr. Albuquerque, NM	Yes	Yes	Repairs on Grande Blvd and Ridgester Dr.
6147	City of Rio Rancho	Municipalities	IFB 16-PW-014	Competitive (RFP or RFB)	BCL Enterprises, Inc	Loser	\$0.00	\$0.00	PO Box 15223 Rio Rancho, NM 87174	Yes	No	Repairs on Grande Blvd and Ridgester Dr.
6147	City of Rio Rancho	Municipalities	IFB 16-PW-014	Competitive (RFP or RFB)	Armour Pavement	Loser	\$0.00	\$0.00	10306 2nd Street NW Albuquerque, NM 87144	No	No	Repairs on Grande Blvd and Ridgester Dr.
6147	City of Rio Rancho	Municipalities	IFB 16-PW-014	Competitive (RFP or RFB)	H.O. Construction, Inc.	Loser	\$0.00	\$0.00	PO Box 9468 Albuquerque, NM 87119	Yes	No	Repairs on Grande Blvd and Ridgester Dr.
6147	City of Rio Rancho	Municipalities	IFB 16-PW-015	Competitive (RFP or RFB)	File Construction, LLC	Winner	\$2,382,621.40	\$0.00	119 Industrial Ave. NE Albuquerque, NM 87107	Yes	No	Construction of a Recycled Water Tank
6147	City of Rio Rancho	Municipalities	IFB 16-PW-015	Competitive (RFP or RFB)	AAJ, Inc.	Loser	\$0.00	\$0.00	PO Box 9825 Albuquerque, NM 87119	Yes	No	Construction of a Recycled Water Tank
6147	City of Rio Rancho	Municipalities	IFB 16-PW-015	Competitive (RFP or RFB)	RMCI, Inc.	Loser	\$0.00	\$0.00	6211 Chappel Rd. NE Albuquerque, NM 87113	Yes	No	Construction of a Recycled Water Tank
6147	City of Rio Rancho	Municipalities	IFB 16-PW-015	Competitive (RFP or RFB)	TLC Company, Inc	Loser	\$0.00	\$0.00	500 Edith Blvd. NE Albuquerque, NM	Yes	No	Construction of a Recycled Water Tank
6147	City of Rio Rancho	Municipalities	IFB 16-PW-020	Competitive (RFP or RFB)	TLC Company, Inc	Loser	\$2,799,930.50	\$8,271,408.70	500 Edith Blvd. NE Albuquerque, NM	N - Federal Funds	N - Federal Funds	Construction of Lift Station #10
6147	City of Rio Rancho	Municipalities	IFB 16-PW-020	Competitive (RFP or RFB)	RMCI, Inc.	Loser	\$0.00	\$0.00	6211 Chappel Rd. NE Albuquerque, NM 87113	N - Federal Funds	N - Federal Funds	Construction of Lift Station #10
6147	City of Rio Rancho	Municipalities	IFB 16-PW-020	Competitive (RFP or RFB)	AAJ, Inc.	Loser	\$0.00	\$0.00	PO Box 9825 Albuquerque, NM 87119	N - Federal Funds	N - Federal Funds	Construction of Lift Station #10
6147	City of Rio Rancho	Municipalities	IFB 16-PR-005	Competitive (RFP or RFB)	Rio Rancho Utilities LLC	Winner	\$70,780.13	\$0.00	PO Box 45167 Albuquerque, NM 87124	No	No	Four and Adult Sports Officials and Services for Rio Rancho
6147	City of Rio Rancho	Municipalities	IFB 16-PW-016	Competitive (RFP or RFB)	Baker Utility Supply Corp	Winner	\$131,408.66	\$0.00	4320 1st Street NE Albuquerque, NM	Yes	No	Replacement of Badly Water Meters for new and replacement installations.
6147	City of Rio Rancho	Municipalities	N/A	Exempt	Thirteenth Judicial District Court				1500 Idalia Road Bldg A Sandoval County Judicial Bernalillo, NM 87004			Condemnation Purchase for Unser Blvd Project
6147	City of Rio Rancho	Municipalities	N/A	Exempt	Thirteenth Judicial District Court				1500 Idalia Road Bldg A Sandoval County Judicial Bernalillo, NM 87004			Condemnation Purchase for Unser Blvd Project
6147	City of Rio Rancho	Municipalities	N/A	Exempt	Sungard Public Sector Inc.		\$94,116.36	\$0.00	1000 Business Center DR Lane 1471 L32746			Sungard Annual Maintenance for Public Safety
6147	City of Rio Rancho	Municipalities	N/A	Exempt	Siddons Martin Emergency Group		\$128,596.88	\$0.00	4214 2nd St. NW Albuquerque, NM 87107			Parts and Repair Services for Pierce Fire Trucks
6147	City of Rio Rancho	Municipalities	N/A	Exempt	Level 3 Financing Inc. - TW Telecom Holdings LLC		\$64,156.26	\$0.00	5411 Jefferson NE Ste 200 Albuquerque NM 87109			Internet Service to augment the SCADA Network
6147	City of Rio Rancho	Municipalities	N/A	Exempt	Old Republic Title Insurance		\$121,306.72	\$0.00	4061 Ridgester Rd SE Rio Rancho, NM 87124			ROW Acquisition for Unser Blvd. Project
6147	City of Rio Rancho	Municipalities	N/A	Exempt	Old Republic Title Insurance		\$73,313.92	\$0.00	4061 Ridgester Rd SE Rio Rancho, NM 87124			ROW Acquisition for Unser Blvd. Project

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6147	City of Rio Rancho	Municipalities	N/A	Exempt	First American Title Insurance			\$100,754.12	\$0.00	9400 Holly Ave NE Building 1 Albuquerque, NM 87122	Water Rights Purchase
6147	City of Rio Rancho	Municipalities	N/A	Exempt	Baker and Taylor Inc.			\$140,000.00	\$0.00	Dept. 4160 Los Angeles, CA 90096	Library Bks and Media Purchases
6147	City of Rio Rancho	Municipalities	N/A	Exempt	First American Title Insurance			\$136,076.10	\$0.00	9400 Holly Ave NE Building 1 Albuquerque, NM 87122	Water Rights Purchase
6147	City of Rio Rancho	Municipalities	N/A	Exempt	Sungard Public Sector Inc.			\$101,729.64	\$0.00	1000 Business Center DR Lake Mary FL 32746	Annual Sungard Application Maintenance
6147	City of Rio Rancho	Municipalities	N/A	Exempt	MRF Technologies Corporation			\$66,885.84	\$0.00	8813 A Midvale Ave N Seattle WA 98109	Yearly Service Agreement for all Tracedetect (AMS) Arseniguard and Safeguard Equipment located at all Arsenic Treatment Wells includes replacement of electrodes, parts, and labor for any failed parts, telephone support, repair/upgrade etc.
6147	City of Rio Rancho	Municipalities	N/A	Sole Source	Jame Cooks and Hobson Inc.			\$63,794.00	\$0.00	3810 Academy Pkwy S NE Albuquerque, NM 87109	Purchase of a FLYGT Pump
6147	City of Rio Rancho	Municipalities	N/A	Exempt	First American Title Insurance			\$48,377.01	\$0.00	9400 Holly Ave NE Building 1 Albuquerque, NM 87122	Water Rights Purchase
6147	City of Rio Rancho	Municipalities	N/A	Exempt	First American Title Insurance			\$1,972,011.50	\$0.00	9400 Holly Ave NE Building 1 Albuquerque, NM 87122	Water Rights Purchase
6147	City of Rio Rancho	Municipalities	N/A	Exempt	First American Title Insurance			\$1,016,904.91	\$0.00	Albuquerque, NM 87122	Water Rights Purchase
6147	City of Rio Rancho	Municipalities	16-PW-016	Exempt	Webb, Peter C Webb Family Trust			\$82,500.00	\$0.00	3214 Falkirk Ct Rio Rancho, NM 87144	POW Acquisition for Oldenburg Post
6147	City of Rio Rancho	Municipalities	N/A	Exempt	First American Title Insurance			\$53,587.04	\$0.00	9400 Holly Ave NE Building 1 Albuquerque, NM 87122	Water Rights Purchase
6147	City of Rio Rancho	Municipalities	N/A	Exempt	First American Title Insurance			\$83,103.13	\$0.00	9400 Holly Ave NE Building 1 Albuquerque, NM 87122	Water Rights Purchase
6147	City of Rio Rancho	Municipalities	N/A	Exempt	First American Title Insurance			\$63,486.74	\$0.00	9400 Holly Ave NE Building 1 Albuquerque, NM 87122	Water Rights Purchase
6147	City of Rio Rancho	Municipalities	N/A	Exempt	First American Title Insurance			\$74,775.99	\$0.00	9400 Holly Ave NE Building 1 Albuquerque, NM 87122	Water Rights Purchase
6147	City of Rio Rancho	Municipalities	N/A	Exempt	First American Title Insurance			\$39,170.34	\$0.00	9400 Holly Ave NE Building 1 Albuquerque, NM 87122	Water Rights Purchase
6147	City of Rio Rancho	Municipalities	N/A	Exempt	Cable One			\$64,850.99	\$0.00	1501 11th St NE Rio Rancho, NM 87144	Relocate underground utilities related to Idalia reconstruction
6147	City of Rio Rancho	Municipalities	N/A	Exempt	PMM			\$292,283.26	\$0.00	4201 Edith Blvd. Albuquerque, NM 87107	Relocate underground utilities related to Idalia reconstruction
6147	City of Rio Rancho	Municipalities	N/A	Exempt	PMM			\$211,687.95	\$0.00	4201 Edith Blvd. Albuquerque, NM 87107	Relocate underground utilities related to Idalia reconstruction
6147	City of Rio Rancho	Municipalities	RFP 16-PW-001	Competitive (RFP or RFB)	Hunt-Zollers	Winner		\$34,390.00	\$0.00	333 Rio Rancho Dr NE Ste. 101 Rio Rancho, NM 87124	Construction Observation and Oversight Services for AMT Equiping Phase 3
6147	City of Rio Rancho	Municipalities	RFP 16-PW-001	Competitive (RFP or RFB)	CH2M	Loser		\$0.00	\$0.00	3721 Rutledge NE Ste. 101 Albuquerque, NM 87109	Construction Observation and Oversight Services for AMT Equiping Phase 3
6147	City of Rio Rancho	Municipalities	RFP 16-PW-003	Competitive (RFP or RFB)	Wilson & Company, Inc.	Winner		\$1,318,954.40	\$0.00	1000 The American Road SE Ste. 402 Rio Rancho, NM 87124	Southern Blvd. Reconstruction Final Design
6147	City of Rio Rancho	Municipalities	RFP 16-PW-003	Competitive (RFP or RFB)	HDR Engineering, Inc.	Loser		\$0.00	\$0.00	2155 Louisiana Blvd. NE Ste. 9500 Albuquerque, NM 87113	Southern Blvd. Reconstruction Final Design
6147	City of Rio Rancho	Municipalities	RFP 16-PW-003	Competitive (RFP or RFB)	Parametrix, Inc.	Loser		\$0.00	\$0.00	8801 Jefferson NE Bldg. B Albuquerque, NM 87113	Southern Blvd. Reconstruction Final Design
6147	City of Rio Rancho	Municipalities	RFP 16-PW-003	Competitive (RFP or RFB)	Hunt-Zollers	Loser		\$0.00	\$0.00	333 Rio Rancho Dr NE Ste. 101 Rio Rancho, NM 87124	Southern Blvd. Reconstruction Final Design

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6147	City of Rio Rancho	Municipalities	RFP 16-PW-011	Competitive (RFP or RFB)	Wilson & Company, Inc.	Winner	\$391,654.00	\$0.00	2600 The American Road SE Ste. 100 Rio Rancho, NM 87124	No		High Resort Reconstruction Design
6147	City of Rio Rancho	Municipalities	RFP 16-PW-011	Competitive (RFP or RFB)	Hunt-Zollers	Loser	\$0.00	\$0.00	333 Rio Rancho Dr NE Ste. 101 Rio Rancho, NM 87124	No		High Resort Reconstruction Design
6147	City of Rio Rancho	Municipalities	RFP 16-PW-011	Competitive (RFP or RFB)	Horrocks Engineers, Inc.	Loser	\$0.00	\$0.00	500 Marquette Ave. NW Albuquerque, NM 87102	No		High Resort Reconstruction Design
6147	City of Rio Rancho	Municipalities	RFP 16-PW-012	Competitive (RFP or RFB)	Horrocks Engineers, Inc.	Winner	\$97,734.00	\$0.00	500 Marquette Ave. NW Ste. 1200 Albuquerque, NM 87102	No		Sara Rd. Rehabilitation Design
6147	City of Rio Rancho	Municipalities	RFP 16-PW-012	Competitive (RFP or RFB)	Hunt-Zollers	Loser	\$0.00	\$0.00	333 Rio Rancho Dr NE Ste. 101 Rio Rancho, NM 87124	No		Sara Rd. Rehabilitation Design
6147	City of Rio Rancho	Municipalities	RFP 16-PW-012	Competitive (RFP or RFB)	Wilson & Company, Inc.	Loser	\$0.00	\$0.00	2600 The American Road SE Ste. 100 Rio Rancho, NM 87124	No		Sara Rd. Rehabilitation Design
6147	City of Rio Rancho	Municipalities	RFP 16-PW-012	Competitive (RFP or RFB)	Smith Engineering Company	Loser	\$0.00	\$0.00	2201 San Pedro NE Bldg. 4 Ste. 200 Albuquerque, NM 87110	No		Sara Rd. Rehabilitation Design



Statistical Section

Index to the Statistical Section

The Statistical Section provides additional historical context and detail to aid in using the information in Rio Rancho's financial statements and in understanding and assessing the City's overall financial health.

Financial Trends

These schedules present trend information to help the reader understand how the City's financial performance and fiscal health have changed over time.

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Demographic and Economic Information

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Operating Information

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Sources: Unless otherwise noted, the information in the following schedules is derived from the City's Comprehensive Annual Financial Reports for the years indicated.

**City of Rio Rancho, New Mexico
Net Position By Component
Last Ten Fiscal Years**

Schedule 1

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Governmental activities										
Net investment in capital assets	\$ 184,408,573	\$ 197,267,351	\$ 206,205,225	\$ 233,285,141	\$ 233,918,334	\$ 245,203,138	\$ 226,630,240	\$ 225,858,001	\$ 226,442,463	\$ 234,227,257
Restricted	19,344,282	8,797,171	8,006,271	9,465,808	10,158,631	7,128,889	6,362,543	9,421,756	9,731,861	18,491,028
Unrestricted	18,443,967	22,168,709	17,829,165	15,843,998	20,205,632	18,389,010	18,719,011	17,249,556	(28,532,260)	(36,004,190)
Total governmental activities net position	\$ 222,196,822	\$ 228,233,231	\$ 232,040,661	\$ 258,594,947	\$ 264,282,597	\$ 270,721,037	\$ 251,711,794	\$ 252,529,313	\$ 207,642,064	\$ 216,714,095
Business-type activities										
Net investment in capital assets	\$ 57,733,951	\$ 72,484,053	\$ 108,895,574	\$ 122,367,287	\$ 137,363,850	\$ 123,725,543	\$ 159,709,769	\$ 164,157,164	\$ 169,543,683	\$ 184,486,885
Restricted	11,581,655	11,284,077	8,813,942	9,111,523	9,623,009	10,276,537	10,079,181	10,076,109	9,716,564	7,087,740
Unrestricted	19,686,293	26,649,899	21,069,336	21,579,698	25,110,463	43,127,249	21,830,139	28,897,723	29,757,651	30,974,882
Total business-type activities net position	\$ 89,001,899	\$ 110,418,029	\$ 138,778,852	\$ 153,058,508	\$ 172,097,322	\$ 177,129,329	\$ 191,619,089	\$ 203,130,996	\$ 209,017,898	\$ 222,549,507
Primary government										
Net investment in capital assets	\$ 242,142,524	\$ 269,751,404	\$ 315,100,799	\$ 355,652,428	\$ 371,282,184	\$ 368,928,681	\$ 386,340,009	\$ 390,015,165	\$ 395,986,146	\$ 418,714,142
Restricted	30,925,937	20,081,248	16,820,213	18,577,331	19,781,640	17,405,426	16,441,724	19,497,865	19,448,425	25,578,768
Unrestricted	38,130,260	48,818,608	38,898,501	37,423,696	45,316,095	61,516,259	40,549,150	46,147,279	1,225,391	(5,029,308)
Total primary government net position	\$ 311,198,721	\$ 338,651,260	\$ 370,819,513	\$ 411,653,455	\$ 436,379,919	\$ 447,850,366	\$ 443,330,883	\$ 455,660,309	\$ 416,659,962	\$ 439,263,602

City of Rio Rancho, New Mexico
Changes in Net Position
Last Ten Fiscal Years

Schedule 2

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental Activities:										
General government	\$ 9,446,698	\$ 10,106,998	\$ 8,726,702	\$ 8,667,435	\$ 13,287,694	\$ 10,366,776	\$ 11,786,728	\$ 11,754,103	\$ 11,754,103	\$ 12,223,084
Public safety	22,755,627	30,453,273	28,644,454	36,265,064	35,822,606	29,556,691	28,239,143	32,104,922	32,104,922	33,857,302
Public works	15,388,104	18,078,174	16,119,562	14,926,671	25,118,971	17,987,939	16,718,667	16,485,501	16,485,501	16,201,872
Culture and recreation	8,877,320	9,478,686	10,277,960	9,497,987	9,882,400	9,600,763	10,365,242	10,578,196	10,578,196	10,132,443
Economic development	2,944,345	3,507,872	3,477,853	2,672,473	2,296,117	2,631,288	2,234,663	2,437,296	2,437,296	2,710,890
Interest on long-term debt	1,943,996	1,583,622	1,918,399	2,588,532	2,484,088	2,265,490	1,753,498	1,569,485	1,569,485	1,595,512
Total Governmental Activities	61,356,090	73,208,625	69,164,930	74,618,162	88,891,876	72,408,947	71,097,941	74,929,503	74,929,503	76,721,103
Business-type Activities:										
Water	19,502,867	23,733,204	24,725,258	27,303,245	29,008,301	35,628,205	35,799,139	37,070,051	37,070,051	34,703,938
Event Center	2,682,495	2,116,636	1,430,731	130,200	2,639,138	2,574,952	3,338,172	3,277,447	3,277,447	2,955,425
Total Business-type Activities	22,185,362	25,849,840	26,155,989	27,433,445	31,647,439	38,203,157	39,137,311	40,347,498	40,347,498	37,659,363
Total Expenses	\$ 83,541,452	\$ 99,058,465	\$ 95,320,919	\$ 102,051,607	\$ 120,539,315	\$ 110,612,104	\$ 131,763,484	\$ 110,235,252	\$ 115,277,001	\$ 114,380,466
Program Revenues										
Governmental Activities:										
Charge for services	\$ 1,234,218	\$ 1,304,678	\$ 1,324,081	\$ 1,464,466	\$ 2,291,335	\$ 2,418,576	\$ 6,894,697	\$ 7,928,337	\$ 7,928,337	\$ 5,576,001
Public safety	4,408,392	4,388,583	4,630,047	5,024,002	5,440,125	5,737,263	4,005,987	4,578,298	4,578,298	3,514,328
Public works	1,163,828	1,097,003	1,014,410	1,282,527	1,421,236	1,346,006	41,601	219,898	219,898	171,371
Culture and recreation	1,661,845	1,610,322	1,756,449	1,689,523	1,801,170	1,801,534	1,367,068	1,333,145	1,333,145	1,440,434
Economic development	490,463	495,912	515,304	466,756	372,553	530,137	291,331	222,277	222,277	2,123,054
Operating grants and contributions	2,564,015	3,660,574	3,308,384	10,780,000	10,059,893	2,699,763	3,032,461	3,553,834	3,553,834	6,078,377
Capital grants and contributions	25,160,023	15,336,888	12,616,188	32,356,726	22,786,582	9,614,534	4,229,012	5,931,198	5,931,198	10,335,132
Total Governmental Activities	36,682,784	27,893,960	25,164,863	53,064,000	44,172,894	24,147,813	19,862,157	23,587,609	23,587,609	29,238,697
Business-type Activities:										
Charge for services:										
Water	24,602,522	28,671,808	26,895,980	31,898,378	32,687,159	35,871,655	41,467,206	41,826,751	41,826,751	43,252,348
Event Center	1,161,574	864,634	1,249,508	581,776	463,616	447,954	455,144	511,453	511,453	262,103
Operating grants and contributions	150,000	1,650,000	-	-	-	-	2,130,793	2,652,028	2,652,028	2,956,864
Capital grants and contributions	7,130,740	13,320,728	9,952,147	8,316,845	12,546,387	988,436	3,085,525	1,784,369	1,784,369	3,685,168
Total Business-type Activities	33,044,836	44,507,170	38,097,635	40,796,999	45,697,162	37,308,045	47,138,668	46,774,601	46,774,601	50,156,483
Total Program Revenues	\$ 69,727,620	\$ 72,401,130	\$ 63,262,498	\$ 93,860,999	\$ 89,870,056	\$ 61,455,858	\$ 67,000,825	\$ 70,541,588	\$ 70,541,588	\$ 79,395,180

City of Rio Rancho, New Mexico
 Changes in Net Position (continued)
 Last Ten Fiscal Years

Schedule 2
 (Continued)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net (Expense)/Revenue										
Governmental Activities	\$ (24,673,306)	\$ (45,314,665)	\$ (44,000,067)	\$ (21,554,162)	\$ (44,718,982)	\$ (48,261,134)	\$ (70,021,854)	\$ (51,235,784)	\$ (51,162,516)	\$ (47,482,406)
Business-type Activities	10,859,474	18,657,330	11,941,646	13,363,554	14,049,723	(895,112)	6,558,704	8,001,357	6,427,103	12,497,120
Total Net Expense	\$ (13,813,832)	\$ (26,657,335)	\$ (32,058,421)	\$ (8,190,608)	\$ (30,669,259)	\$ (49,156,246)	\$ (63,463,150)	\$ (43,234,427)	\$ (44,735,413)	\$ (34,985,286)
General Revenues										
Governmental Activities:										
Taxes:										
Property taxes	\$ 9,759,949	\$ 12,857,673	\$ 14,484,127	\$ 15,969,391	\$ 16,349,117	\$ 15,650,672	\$ 16,293,568	\$ 17,056,432	\$ 18,070,313	\$ 18,591,427
Gross receipts taxes	18,858,973	18,148,103	15,720,986	15,434,222	17,201,811	19,132,261	19,154,083	18,914,841	21,738,193	22,028,576
Franchise taxes	2,800,615	2,898,700	2,988,269	2,995,701	3,219,655	3,552,461	3,615,212	3,526,365	3,551,726	3,399,256
Unrestricted grants, aid and state shared revenues	15,969,522	14,268,918	13,425,817	12,772,147	13,534,932	12,691,071	11,765,404	12,568,335	13,760,046	13,268,517
Investment income	2,881,181	1,167,530	284,896	53,817	23,408	(2,913)	2,870	57,881	16,668	44,722
Miscellaneous	704,101	2,010,150	903,402	764,358	77,709	306,977	181,474	43,542	172,329	210,685
Transfers	-	-	-	-	-	-	-	(1,097,052)	(1,074,860)	(988,745)
Impact fees (A)	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	50,974,341	51,351,074	47,807,497	47,989,636	50,406,632	51,330,529	51,012,611	51,070,344	56,234,415	56,554,438
Business-type Activities										
Unrestricted grants, aid and state shared revenues	-	-	-	-	4,972,974	2,671,184	2,452,570	-	-	-
Investment income	3,437,707	2,711,197	1,191,571	75,894	42,183	37,164	47,876	8,273	21,072	45,744
Miscellaneous	-	47,603	531,454	840,208	323,934	272,951	310,340	-	-	-
Transfers	-	-	-	-	-	-	-	1,097,052	1,074,860	988,745
Impact fees (A)	-	-	-	-	-	-	-	-	-	-
Total Business-type Activities	3,437,707	2,758,800	1,723,025	916,102	366,117	2,981,299	2,810,786	1,105,325	1,095,932	1,034,489
Total primary government	\$ 54,412,048	\$ 54,109,874	\$ 49,530,522	\$ 48,905,738	\$ 50,772,749	\$ 54,311,828	\$ 53,823,397	\$ 52,175,669	\$ 57,330,347	\$ 57,588,927
Change in Net Position										
Governmental Activities	\$ 26,301,035	\$ 6,036,409	\$ 3,807,430	\$ 26,435,474	\$ 5,687,650	\$ 3,069,395	\$ (19,009,243)	\$ (165,440)	\$ 5,071,899	\$ 9,072,032
Business-type Activities	14,297,181	21,416,130	13,664,671	14,279,656	19,388,814	2,086,187	9,369,490	9,106,682	7,523,035	13,531,609
Total Change in Net Position	\$ 40,598,216	\$ 27,452,539	\$ 17,472,101	\$ 40,715,130	\$ 25,076,464	\$ 5,155,582	\$ (9,639,753)	\$ 8,941,242	\$ 12,594,934	\$ 22,603,641

(A) - Beginning in fiscal year 2006, impact fees are reclassified as Capital Grants and Contributions.

City of Rio Rancho, New Mexico
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Taxes	\$ 44,497,571	\$ 44,647,539	\$ 43,369,647	\$ 44,037,406	\$ 46,975,454	\$ 47,720,554	\$ 47,388,395	\$ 48,818,310	\$ 53,622,680	\$ 40,647,987
Licenses and permits	375,559	362,924	309,310	335,490	595,520	470,789	347,319	360,856	424,379	337,255
Intergovernmental	14,967,100	7,160,889	8,302,542	23,581,048	22,738,572	8,524,385	6,849,622	6,947,391	8,854,167	24,640,228
Impact fees	3,346,000	1,969,502	1,312,729	2,251,932	1,262,121	447,021	350,561	286,417	608,278	1,032,838
Charges for services	6,266,634	5,798,568	5,383,534	5,487,067	5,555,463	6,116,083	6,141,128	5,075,417	6,676,432	7,004,161
Fines and forfeits	1,158,149	1,176,750	1,222,371	1,269,327	1,168,292	1,417,946	1,510,765	1,620,723	1,214,851	1,007,460
Franchise fees	2,800,615	2,898,700	2,988,269	2,995,701	3,219,655	3,552,461	3,615,212	3,526,365	3,551,726	3,399,256
Contributions and donations	1,707,453	35,554	81,493	65,298	71,202	182,263	51,323	47,766	-	-
Investment income	2,881,181	1,574,356	284,896	53,817	23,408	(2,913)	2,870	19,137	14,339	-
Other revenues	1,859,006	3,089,261	3,228,478	3,397,058	5,576,243	4,115,342	4,406,885	4,184,928	4,742,605	4,789,999
Total Revenues	79,859,268	68,714,043	66,483,269	83,474,144	87,185,930	72,543,931	70,664,080	70,887,310	79,709,457	82,859,184
Expenditures										
Current:										
General government	9,116,075	8,741,072	8,176,267	8,364,557	12,184,946	11,016,390	11,472,338	10,395,440	10,172,513	10,680,064
Public safety	21,579,173	26,644,563	26,989,915	34,893,280	34,260,842	28,048,592	28,412,480	28,682,657	30,291,203	30,730,532
Public works	8,836,988	10,584,274	8,885,685	7,378,256	17,248,448	9,166,030	7,096,798	8,049,846	8,015,682	8,122,916
Cultural and recreation	8,286,106	8,716,377	9,290,738	8,377,039	8,377,638	8,630,207	8,808,809	9,220,589	9,449,796	9,173,717
Economic development	2,864,539	3,467,383	3,428,467	2,652,601	2,261,268	2,397,408	2,447,343	2,267,103	2,508,773	2,789,229
Other expenses	-	-	11,500	3,000	43,874	-	-	-	-	-
Capital outlay	42,447,948	23,399,838	12,878,264	30,832,461	18,438,538	9,112,802	9,557,131	6,801,576	8,090,721	14,372,400
Debt service:										
Payment to bond escrow agent	-	-	-	-	-	-	-	-	-	-
Principal	3,128,174	2,097,825	4,790,762	4,464,510	5,285,055	5,087,639	4,712,283	4,922,232	5,584,002	5,531,081
Interest and fiscal charges	1,958,773	1,601,563	1,839,743	2,595,876	2,485,545	2,344,979	2,194,752	1,925,112	1,728,469	1,574,208
Bond issuance costs	-	-	85,097	50,249	-	-	-	-	-	168,159
Total Expenditures	98,217,776	85,252,895	76,376,438	99,611,829	100,586,154	75,804,047	74,701,934	72,264,555	75,841,159	83,142,306
Excess (Deficiency) of Revenues over Expenditures	(18,358,508)	(16,538,852)	(9,893,169)	(16,137,685)	(13,400,224)	(3,260,116)	(4,037,854)	(1,377,245)	3,868,298	(283,122)
Other Financing Sources (Uses)										
Issuance of general obligation bonds	-	-	25,554,472	-	-	-	-	-	-	11,310,000
Payment to refunded bond escrow agent	-	-	-	-	-	-	-	-	-	(2,390,736)
Loan proceeds	2,696,286	231,639	9,886,100	337,259	5,179,765	-	795,925	2,034,000	-	259,950
Premium on bonds issued	-	-	-	-	-	-	-	-	-	604,340
Sale of land proceeds	-	-	-	202,690	-	-	-	-	-	-
Transfer in	12,410,603	7,204,181	2,987,569	4,740,124	1,485,408	922,012	1,274,104	289,148	1,368,908	4,810,068
Payment to refunding escrow	-	-	-	-	-	-	-	-	-	-
Transfer out	(12,410,603)	(7,204,181)	(2,987,569)	(4,740,124)	(1,485,408)	(922,012)	(1,274,104)	(1,386,200)	(2,443,768)	(5,798,813)
Total other Financing Sources (Uses)	2,696,286	231,639	35,440,572	539,949	5,179,765	-	795,925	936,948	(1,074,860)	8,794,809
Net Change in fund balances	\$ (15,662,222)	\$ (16,307,213)	\$ 25,547,403	\$ (15,597,736)	\$ (8,220,459)	\$ (3,260,116)	\$ (3,241,929)	\$ (440,297)	\$ 2,793,438	\$ 8,511,687
Debt service as a percentage of noncapital expenditures	9.12%	5.98%	10.44%	10.27%	9.46%	11.14%	10.60%	10.46%	10.79%	10.33%

**City of Rio Rancho, New Mexico
Fund Balances of Governmental Funds
Last Ten Fiscal Years**

	2007	2008	2009	2010	2011 (A)	2012	2013	2014	2015	2016
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	282,630	58,279	137,120	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	18,424	2	3	-	-	-
Unassigned	-	-	-	-	13,013,702	14,611,124	14,067,789	13,724,452	15,325,622	16,011,877
Unreserved	19,180,448	13,787,854	9,600,869	10,925,800	-	-	-	-	-	-
Total general fund	\$ 19,180,448	\$ 13,787,854	\$ 9,600,869	\$ 10,925,800	\$ 13,314,756	\$ 14,669,405	\$ 14,204,912	\$ 13,724,452	\$ 15,325,622	\$ 16,011,877
All other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	25,791,554	20,486,621	17,311,487	18,085,520	19,601,439	27,439,409
Committed	-	-	-	-	122,462	87,381	76,479	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(409,895)	(1,295)	(150,767)	(474,418)	(486,956)
Unreserved, reported in:					(2,609,260)	-	-	-	-	-
Special revenue funds	6,602,598	5,754,154	7,222,212	9,592,523	-	-	-	-	-	-
Capital project funds	24,834,816	11,381,019	39,219,423	20,129,681	-	-	-	-	-	-
Debt service funds	1,609,098	3,848,464	4,276,390	4,191,966	-	-	-	-	-	-
Total all other governmental funds	\$ 33,046,512	\$ 20,983,637	\$ 50,718,025	\$ 33,914,170	\$ 23,304,756	\$ 20,164,107	\$ 17,386,671	\$ 17,934,753	\$ 19,127,021	\$ 26,952,453

(A) - Starting in FY 2011 the City is reporting Fund Balance as per GASB 54 requirements.

Schedule 5

City of Rio Rancho, New Mexico
 Taxable and Full Value of Taxable Property
 Last Ten Fiscal Years

Fiscal Year	Residential property		Commercial Property		Total		
	Taxable Value	Full Value	Taxable Value	Full Value	Less: Tax-exempt Property	Net Taxable Value	Full Value
2007	1,366,623,309	5,466,493,646	637,122,948	2,548,491,983	114,916,226	1,888,830,031	7,555,320,691
2008	1,559,397,277	6,237,589,576	671,867,798	2,687,471,394	126,743,476	2,104,521,599	8,418,087,027
2009	1,698,427,954	6,793,712,326	619,403,825	2,477,615,486	132,470,213	2,185,361,566	8,741,446,920
2010	1,708,132,373	6,832,530,004	674,206,382	2,696,825,730	155,971,338	2,226,367,417	8,905,470,336
2011	1,650,124,698	6,600,499,287	582,585,052	2,330,340,383	168,557,342	2,064,152,408	8,256,610,251
2012	1,621,435,904	6,485,744,102	588,373,899	2,353,495,773	200,251,777	2,009,558,026	8,038,232,707
2013	1,641,169,056	6,564,676,716	572,179,464	2,288,718,028	202,734,054	2,010,614,466	8,042,458,467
2014	1,675,774,509	6,703,098,539	549,149,647	2,196,598,753	210,570,008	2,014,354,148	8,057,417,196
2015	1,703,300,535	6,813,202,651	568,496,769	2,273,987,247	254,795,026	2,017,002,278	8,068,009,717
2016	1,746,050,994	6,984,204,500	603,035,018	2,412,140,253	285,761,783	2,063,324,229	8,253,297,535

Source: Sandoval County Assessor's Office Abstract 2007 through 2016.

Note: The difference in the net taxable value listed in this schedule and the note disclosure and schedule 13, is likely due to processed disputes.

**City of Rio Rancho, New Mexico
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage		Amount	Percentage of Levy
2006	9,337,820	9,270,723	99.28%	63,937	9,334,660	99.97%
2007	12,293,753	12,226,476	99.45%	54,546	12,281,022	99.90%
2008	14,656,315	13,790,591	94.09%	842,434	14,633,025	99.84%
2009	16,328,702	15,231,543	93.28%	1,052,724	16,284,267	99.73%
2010	17,227,219	15,498,538	89.97%	1,689,475	17,188,013	99.77%
2011	15,890,258	15,206,260	95.70%	639,842	15,846,102	99.72%
2012	16,504,482	15,951,790	96.65%	496,810	16,448,600	99.66%
2013	17,440,514	16,801,608	96.34%	529,217	17,330,825	99.37%
2014	18,188,145	17,592,907	96.73%	385,149	17,978,057	98.84%
2015	18,665,557	18,171,992	97.36%	-	18,171,992	97.36%

Source: Sandoval and Bernalillo County Treasurer's Offices (small portion of Rio Rancho is in Bernalillo County)

City of Rio Rancho, New Mexico
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

Schedule 7

Fiscal Year	City of Rio Rancho			Overlapping Rates						
	General Fund	Debt Service Fund	Total	State	County	School District	Central NM Comm. College	Pres. Hospital (A)	SSCAFCA (B)	Total
2007	5.914	2.060	7.974	1.221	5.800	10.624	2.992	-	1.494	30.105
2008	5.847	2.060	7.907	1.250	5.368	10.899	2.989	-	1.482	29.895
2009	5.944	2.067	8.011	1.150	5.809	10.635	3.046	4.250	1.623	34.524
2010	6.113	2.060	8.173	1.530	5.952	10.694	3.158	4.250	1.654	35.411
2011	6.518	1.645	8.163	1.362	6.659	10.773	3.237	4.250	1.867	36.311
2012	6.990	1.617	8.607	1.360	6.995	10.785	3.344	4.250	1.851	37.192
2013	7.181	1.789	8.970	1.360	7.167	10.791	3.392	4.250	2.076	38.006
2014	7.307	1.881	9.188	1.360	6.779	10.795	3.377	4.250	2.076	37.825
2015	7.426	1.848	9.274	1.360	7.191	10.802	3.381	4.250	2.076	38.334
2016	7.449	2.016	9.465	1.360	7.401	10.803	3.776	4.250	2.077	39.132

Source: State of New Mexico Department of Finance and Administration

(A) - Starting in 2009 Presbyterian Hospital Rates are listed separately.

(B)-Southern Sandoval County Arroyo Flood Control Authority added and prior years restated to include on schedule.

City of Rio Rancho, New Mexico
Principal Property Taxpayers
Current Year and Nine Years Ago

Schedule 8

Tax Payer	2015 (A)		2006 (B)	
	Taxable Assessed Value	Percent of Total Taxable Valuation	Taxable Assessed Value	Percent of Total Taxable Valuation
Public Service Company of New Mexico	\$17,632,329.00	0.86%		
Presbyterian Healthcare	16,288,711.00	0.79%	\$18,370,297.00	1.47%
The Neighborhood in Rio Rancho	12,012,089.00	0.59%		
New Mexico Gas Company	7,611,498.00	0.37%		
Walmart Stores	5,147,491.00	0.25%		
Cable One Inc	4,883,785.00	0.24%		
De High Resort LLC Etal	4,761,835.00	0.23%		
Enchanted 528 Development LLC	4,696,796.00	0.23%		
Rio Rancho Retirement Residence	4,692,565.00	0.23%		
Sandia View LLC	4,682,814.00	0.23%		
PNM Electrical Services			49,131,686.00	3.93%
G & I III Pinnacle High Resort			17,852,690	1.43%
Qwest			16,614,744	1.33%
Rio Rancho Community			9,295,059	0.74%
Tri-State Generation & Transmission			8,600,693	0.69%
Meadowlark Apartments			7,726,246	0.62%
Sprint Calling Center			6,845,904	0.55%
Fulcrum Building, Inc.			6,778,683	0.54%
				0.00%
Total	<u>\$ 82,409,913</u>	<u>4.02%</u>	<u>\$ 141,216,002</u>	<u>11.29%</u>

Source: Sandoval County Assessor's Offices

Note: (A) The fiscal year for collection is November through October, this schedule uses the 2015 collection year valuation.

(B) Ten principal taxpayers were not provided for FY 2006.

**City of Rio Rancho, New Mexico
Taxable Gross Receipts by Type of Trade
Last Ten Fiscal Years**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Construction	\$ 490,940,456	\$ 375,570,976	\$ 266,089,467	\$ 160,792,616	\$ 249,844,125	\$ 176,706,959	\$ 152,623,955	\$ 121,401,829	\$ 196,513,109	\$ 211,929,733
Manufacturing	14,124,152	10,518,506	12,671,847	5,160,066	7,616,958	8,932,464	20,637,604	35,061,412	27,719,740	27,684,862
Transportation, Communication and Utility	110,037,820	98,640,371	107,587,644	97,909,454	102,451,897	122,637,955	106,060,766	79,347,221	87,485,170	96,101,438
Wholesale	11,293,040	11,301,564	9,110,123	9,326,176	8,763,818	10,740,203	9,903,257	9,852,041	12,538,155	11,928,600
Retail	402,411,448	455,834,662	380,784,663	396,763,790	399,295,852	418,644,640	412,419,647	420,470,058	344,409,473	379,546,317
Finance, Insurance and Real Estate	32,486,743	29,108,506	20,584,655	25,015,494	24,603,362	25,000,526	20,857,006	21,650,905	26,836,442	45,237,733
Services	172,096,364	199,175,032	193,070,878	226,829,005	255,388,681	278,055,736	283,096,347	290,050,737	281,890,937	302,294,622
Other (A)	(22,743,369)	(102,518,633)	(20,924,025)	-	1,213,942	2,650,447	2,763,517	4,547,528	14,093,065	12,480,530
Total Taxable Gross Receipts	\$ 1,210,646,654	\$ 1,077,630,984	\$ 968,975,252	\$ 921,796,601	\$ 1,049,178,635	\$ 1,043,368,930	\$ 1,008,362,099	\$ 982,381,731	\$ 991,486,091	\$ 1,087,203,835
City direct sales tax rate	6.6875%	6.6875%	6.9375%	7.0625%	7.4375%	7.4375%	7.4375%	7.4375%	7.4375%	7.4375%
Sandoval County direct sales tax rate	6.0000%	6.0000%	6.0000%	6.1250%	6.2500%	6.2500%	6.2500%	6.2500%	6.2500%	6.2500%

Source: State of New Mexico, Department of Taxation and Revenue

Notes: Unable to provide schedule of Principal Sales Tax Remitters, per New Mexico Taxation and Revenue Laws and Regulations 2004 Edition, section 7-1-8. Confidentiality of returns and other information.

(A) - This category is made up of "undetermined establishments" due to adjustments of monthly reportings by the state, therefore, negative amounts may be reported.

**City of Rio Rancho, New Mexico
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income (A)	Per Capita (B)
	General		GRT		Revenue Bonds	Notes Payable	Loan Payable	Total			
	Obligation	Bonds	Revenue	Bonds							
2007	15,075,000	20,225,000	2,856,469	8,853,895	159,655,000	206,665,364	1.68%	2,886			
2008	14,325,000	19,445,000	2,520,283	8,414,645	154,200,000	198,904,928	1.93%	2,618			
2009	36,075,000	18,645,000	11,665,621	8,032,219	158,460,000	232,877,840	1.74%	2,924			
2010	32,875,000	17,820,000	11,563,370	8,888,514	151,825,000	222,971,884	1.90%	2,700			
2011	30,124,384	17,340,884	15,918,080	16,513,872	149,252,148	229,149,368	1.93%	2,618			
2012	26,374,440	16,707,249	15,115,441	27,558,858	142,080,510	227,836,498	2.02%	2,551			
2013	23,739,496	16,847,314	14,769,084	31,564,398	137,968,590	224,888,882	2.09%	2,476			
2014	21,293,643	15,512,187	15,410,852	34,307,146	130,575,210	217,099,038	2.16%	2,361			
2015	18,258,113	14,364,139	13,786,850	38,969,846	122,398,275	207,777,223	2.26%	N/A			
2016	24,594,126	13,124,725	12,775,719	41,050,115	113,518,055	205,062,740	2.29%	N/A			

Source: The City's Financial Records, Financial Services Department

(A) - This information uses Sandoval County Personal Income through 2013, this information is not available for 2014 through 2016.

(B)- Population for the City of Rio Rancho is unavailable for 2015-2016, therefore no per capita amount is calculated.

City of Rio Rancho, New Mexico
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Schedule 11

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita (B)
2007	15,075,000	1,506,930	13,568,070	0.74%	189.48
2008	14,325,000	3,584,693	10,740,307	0.51%	141.36
2009	36,075,000	3,893,758	32,181,242	1.48%	404.01
2010	32,875,000	4,039,681	28,835,319	1.33%	329.47
2011	30,124,384	4,180,471	25,943,913	1.27%	290.46
2012	26,374,440	3,045,519	23,328,921	1.17%	256.88
2013	23,739,496	2,878,113	20,861,383	1.05%	226.86
2014	21,293,643	3,451,041	17,842,602	0.89%	196.88
2015	18,258,113	3,615,233	14,642,880	0.73%	N/A
2016	24,594,126	3,937,721	20,656,405	1.01%	N/A

Source: The City's Financial Records, Financial Services Department

(A) - This information uses the Bureau of Business and Economic Research (BBER) City of Rio Rancho population estimation.

(B) - Population for the City of Rio Rancho is unavailable for 2015-2016, therefore no per capita amount is calculated.

City of Rio Rancho, New Mexico
Direct and Overlapping Debt
As of June 30, 2016

Schedule 12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Applicable Percentage (A)</u>	<u>Estimated Share Applicable to City</u>
Debt repaid with property taxes			
State of New Mexico	\$ 389,270,000	3.44%	\$ 13,390,888
Sandoval County	16,850,000	62.73%	10,570,005
Central NM Community College	71,310,000	11.58%	8,257,698
SSCAFCA	23,660,000	80.34%	19,008,444
Rio Rancho School District	123,970,000	96.11%	119,147,567
Bernalillo County	114,336,000	0.32%	365,875
Subtotal, overlapping debt			<u>170,740,477</u>
City direct debt			<u>50,494,570</u>
Total direct & overlapping debt			<u><u>\$ 221,235,047</u></u>

Source: Sandoval County Assessor's Office

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Rio Rancho. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(A) - The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

City of Rio Rancho, New Mexico
Computation of Legal Debt Margin
Last Ten Fiscal Years

Schedule 13

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Total net debt applicable to limit</u>	<u>Total net debt applicable to limit as a % of debt limit</u>
2007	\$ 73,611,213	\$ 13,568,070	18.43%
2008	83,765,112	10,740,307	12.82%
2009	86,731,396	32,181,242	37.10%
2010	86,824,311	28,835,319	33.21%
2011	81,961,320	25,943,913	31.65%
2012	79,685,637	23,328,921	29.28%
2013	79,523,289	20,861,383	26.23%
2014	79,963,344	17,263,959	21.59%
2015	80,187,646	14,144,767	17.64%
2016	82,099,344	19,667,279	23.96%

Legal Debt Margin Calculation for Fiscal Year 2016:

Assessed value	\$2,063,324,229
Debt limit (4% of assessed value)	82,532,969
Debt applicable to limit:	
General obligation bonds	23,605,000
Less: Amount set aside for repayment of general obligation debt	(3,937,721)
Total net debt applicable to limit	<u>19,667,279</u>
Legal debt margin	<u><u>\$62,865,690</u></u>

Sources: The City's Financial Records, Financial Services Department , Sandoval County Assessor's and Bernali Offices.

City of Rio Rancho, New Mexico
Demographic and Economic Statistics

Last Ten Fiscal Years

Year	City		County		Personal Income for County		Per Capita Personal Income		Unemployment Rate	
	Population	Population	Population	Income	Income	U.S.	New Mexico	U.S.	New Mexico	Sandoval County
2007	71,607	111,855	4,006,501	39,392	32,018	30,833	4.60%	3.70%	5.10%	
2008	75,978	117,583	4,317,083	40,166	33,609	31,907	5.60%	4.20%	5.60%	
2009	79,655	122,298	4,286,872	39,635	32,200	32,172	9.50%	8.00%	9.90%	
2010	87,521	131,561	4,396,628	27,334	22,966	25,979	9.40%	8.30%	9.40%	
2011	89,320	134,259	4,621,225	27,915	23,537	26,757	8.70%	8.20%	7.50%	
2012	90,818	135,588	4,761,982	28,051	23,249	26,848	9.30%	9.10%	8.10%	
2013	91,956	136,575	4,749,480	28,155	22,966	26,924	9.70%	9.70%	9.00%	
2014	90,627	135,191	4,965,989	28,555	23,948	26,916	9.20%	9.60%	9.20%	
2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: U.S. Census Bureau, American Community Survey
Federal Reserve Economic Data

Notes: Personal income, per capita income and unemployment rates are only available for the county, not for the city.
No data available for personal income for 2014.

No data available for fiscal year's 2015 and 2016. Restatement of personal income, in thousands. Restatement of per capita income to match Budget Department statistics data.

City population for 2014 restated to match Budget Department statistics data.

City of Rio Rancho, New Mexico
Principal Employers
Current Year and Nine Years Ago

Schedule 15

<u>Employer</u>	<u>2016</u>			<u>2007</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
Rio Rancho Public Schools	2,000	1	3%	1,838	2	4%
Intel Corporation	1,900	2	3%	5,000	1	10%
Presbyterian Healthcare Services	1,000	3	2%			
Hewlett-Packard	750	4	1%			
City of Rio Rancho	650	5	1%	651	6	1%
Convergys	650	6	1%			
Alliance Data Systems	600	7	1%			
UNM Sandoval Regional Medical Center	425	8	1%			
Bank of America	275	9	0%	700	5	1%
S & P Data	200	10	0%			
Intel Subcontractors				1,300	3	3%
Sprint PCS				800	4	2%
e Telecare Global Solution				600	7	1%
Brycon Construction				422	8	1%
Sandoval County				406	9	1%
Victoria's Secret Catalogue				400	10	1%
JC Penney Company						
Don Chalmers Ford						
Total Major Employers-Sandoval County *	<u>8,450</u>			<u>12,117</u>		
Total Sandoval County Employment **	<u>57,758</u>			<u>51,402</u>		

Sources: (*) Albuquerque Economic Development and City of Rio Rancho Budget document
(**) Bureau of Business & Economic Research (BBER) and U.S. Census Bureau

City of Rio Rancho, New Mexico

Schedule 16

Full-time-Equivalent Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government										
City Administration	4	5	6	5	5	5	5	5	5	5
Human Resources	10	10	9	8	6	6	6	6	7	7
City Clerk	4	4	4	4	4	3	3	3	3	3
City Attorney	6	7	7	6	6	6	6	6	6	6
Municipal Court	13	13	13	12	12	11	11	11	13	13
Finance/IT	30	35	29	34	34	34	34	33	32	33
Public Safety										
Police	123	124	127	127	127	129	129	133	136	136
Firefighters	99	100	101	100	99	100	100	104	105	107
Civilians	90	88	86	87	88	90	90	88	39	37
Public Works										
Engineering	21	25	27	25	21	17	17	18	18	18
Others	77	75	74	71	68	68	68	71	69	69
Parks and Recreation	110	132	139	115	92	91	91	88	89	89
Senior Services	17	17	8	15	8	8	8	7	8	8
Library and Information Services	36	36	38	35	36	36	36	35	35	35
City Development	40	42	36	32	29	30	30	29	28	28
Special Funds	14	14	20	5	15	18	18	15	71	71
Water and Wastewater	41	42	38	35	35	33	33	33	35	35
Total	736	769	762	716	685	685	685	685	699	700

Source: City of Rio Rancho Annual Budget

Note: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

**City of Rio Rancho, New Mexico
Operating Indicators by Function/Program
Last Ten Fiscal Years**

Function/Program	Fiscal Year									
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Police										
Total Violent Crimes (A)	927	886	920	946	935	717	726	588	419	491
Total Property Crimes (B)	1,775	1,961	1,709	1,686	1,426	1,816	1,891	1,760	1,723	2,147
Total Warnings & Citations (C)	23,840	27,250	21,082	19,898	15,777	19,055	22,382	22,005	19,320	21,886
Total Arrests (D)	3,337	3,620	3,613	3,477	3,269	4,073	3,895	6,258	6,396	7,215
Total Traffic Crashes	2,008	1,856	1,576	1,593	1,844	1,591	1,581	1,532	1,058	1,642
Total Incident Reports (E)	8,881	9,045	9,485	8,716	8,099	9,113	8,915	9,132	7,149	9,725
Total Calls for Service	36,271	49,842	44,651	43,618	45,928	45,598	43,725	38,984	40,465	41,966
Fire										
Total Structural Fires	29	46	54	59	62	51	68	40	46	46
Total Fire Inspections	901	1,049	736	1,087	1,148	1,650	1,564	1,460	1,670	1,510
Total Calls for Service	1,372	1,693	1,508	9,505	10,261	8,116	8,113	8,165	9,372	10,122
EMS										
Total EMS Patients	5,141	—	—	—	—	—	—	7,357	4,821	7,861
Total Patient Transports	3,407	4,129	4,122	4,089	—	—	4,644	4,218	8,087	5,118
Total Calls for Service	5,243	6,330	7,481	5,896	5,956	5,971	7,797	7,357	6,829	7,861
Animal Control (F)										
Total Impounds	2,417	2,543	2,584	2,308	2,201	2,128	1,786	2,100	2,184	2,391
Total Claims	754	830	914	856	736	758	626	661	817	889
Total Adoptions	724	988	854	830	781	741	623	679	573	633
Total Euthanasia	732	663	758	574	684	579	515	661	545	474
Total Complaints	4,740	5,193	5,821	5,666	5,658	4,580	4,634	4,944	4,217	5,032
Code Enforcement (G)										
Total Inspections	10,010	7,055	6,989	9,430	8,884	8,259	7,374	6,729	8,058	6,580
Total Citations	260	479	369	489	511	524	408	371	368	607
Public Works										
Total Utility Cuts	—	—	—	—	—	—	—	—	—	—
Total Potholes Repaired	423	1,385	592	590	1,041	1,926	708	352	1,643	493
Parks & Recreation (A)										
Total Program Participation-Youth	19,632	22,620	9,149	8,311	13,221	—	—	—	—	—
Total Program Participation-Adult	6,556	6,621	3,969	8,581	1,672	—	—	—	—	—
Total Program Participation-Aquatics	2,897	2,935	4,321	3,966	3,865	—	—	—	—	—

City of Rio Rancho, New Mexico
Operating Indicators by Function/Program
Last Ten Fiscal Years

Schedule 17
(Cont'd)

Function/Program	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Parks & Recreation (cont)										
Total Summer Camp Participants	—	—	—	—	—	2,370	2,972	2,869	2,911	2,742
Total KidsZone Participants	—	—	—	—	—	93	145	201	726	606
Total Youth Sports League Participants	—	—	—	—	—	748	1,288	1,198	740	699
Total Adult Sports League Participants	—	—	—	—	—	280	271	231	230	212
Total Indoor/Outdoor Aquatics Participants	—	—	—	—	—	3,397	3,975	3,812	3,234	2,605
Total Free Summer Meals Served	—	—	—	—	—	42,901	35,616	45,373	42,959	26,884
Total Student Attendance of Keep Rio Rancho Beautiful Program	—	—	—	—	—	4,227	5,072	4,072	6,491	3,984
Meadowlark Senior Center										
Average # of Daily Participants per Employee	—	—	—	—	—	126	170	125	111	141
Total Volunteer Hours	—	—	—	—	—	23,439	24,658	23,826	24,669	26,922
Library										
Total Collection	154,258	166,857	174,388	183,554	188,065	195,688	192,493	186,392	176,100	169,508
New Items Added	17,288	23,501	23,800	24,351	23,490	26,453	24,705	22,354	21,405	18,886
Items Withdrawn	9,656	10,902	16,269	15,185	18,979	18,830	27,900	28,455	31,697	25,478
Collection Growth/Decrease	7,632	12,599	7,531	9,166	4,511	7,623	(3,195)	(6,101)	(10,292)	(6,592)
Circulation Stats:										
Visitors	216,106	256,734	354,985	354,411	340,070	336,647	335,018	336,057	315,405	297,565
Circulation	296,142	426,653	543,528	605,737	654,031	674,227	680,672	686,638	648,683	657,939
Computer Usage	32,931	61,358	85,938	95,998	84,480	81,089	76,904	74,767	69,532	63,319
Program Attendance	15,597	24,074	26,016	25,489	25,297	30,403	20,396	18,122	24,646	26,776
Transit (B)										
Total Clients Registered	—	309	599	873	—	—	—	—	—	—
New Clients Registered	309	290	274	88	—	—	—	—	—	—
Total Fare Cards Sold (C)	1,809	1,999	2,052	929	1,764	1,760	1,837	1,925	1,927	1,998
Total Trips in Rio Rancho	25,262	13,633	16,037	7,609	—	—	—	—	—	—
Total Trips to Albuquerque	6,115	2,983	2,310	692	—	—	—	—	—	—
Purpose of Trips:										
Medical	7,220	4,538	4,442	2,060	—	—	—	—	—	—
Personal Errands	5,645	2,830	4,936	2,118	—	—	—	—	—	—
Work	9,624	6,067	6,359	3,199	—	—	—	—	—	—
City Facilities	4,252	1,725	1,769	843	—	—	—	—	—	—
Education	4,636	1,456	944	76	—	—	—	—	—	—
Total Miles Traveled	142,273	127,576	132,971	—	—	—	—	—	—	—

City of Rio Rancho, New Mexico
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years ¹

Schedule 18

Function/Program	Fiscal Year									
	2007	2008	2009	2010 ²	2011	2012	2013	2014	2015 ³	2016
<u>Police</u>										
Main Stations	1	1	1	1	1	1	1	1	1	1
Substations (A)	4									
Law Enforcement Units (B)	178	181	180	126	139	160	160	186	174	190
<u>Fire</u>										
Main Stations	5	6	5	5	5	6	6	6	6	6
Substations	1	1	1	1	1	1	1	1	1	1
Firetrucks	15	15	15	17	19	17	17	13	14	14
<u>EMS</u>										
Ambulances	8	9	9	11	11	11	12	11	11	12
<u>Animal Control</u>										
Patrol Units	7	7	7	7	7	7	7	8	7	8
<u>Public Works</u>										
Streets (centerline miles) (C)	831	837	846	428	449	454	455	456	462	444
Streetslights	2,544	2,604	2,710	2,770	2,859	2,930	2,941	2,972	2,972	3,002
Traffic Signals (Signalized Intersections)	42	45	45	49	49	53	53	55	54	59
Sidewalks & Paths (D)	121	123	134							
<u>Parks & Recreation</u>										
New/Renovated Park Facilities	3	2	1	10	1	5	7	1	0	1
Developed Parkland (acres) (E)	285	304	311	298	300	303	306	306	308	285
Constructed Trailways (linear feet) (F)	57,516	64,380	64,380	64,380	65,150	65,150	65,150	65,150	65,150	68,821
<u>Transit</u>										
Mini buses (G)	7	8	8	0	0	0	0	0	0	0
<u>Water</u>										
Water mains (miles)	388	395	403	552	563	565	567	570	569	573
Fire hydrants	25,822	25,866	25,939	3,768	3,870	3,871	3,890	3,928	4,282	4,273
New Connections (H)	1,381	1,040	668	472	348	375	503	504	435	334
Water main breaks (I)	32	39	37	43	49	32	36	41	31	40
Storage capacity (thousands of gallons) (J)	31.0			34,500	34,500	34,500	34,500	34,500	41,350	44,350
Average daily consumption (thousands of gallons) (K)	10,409	11,745	11,814	10,616	11,621	12,610	13,137	10,635	9,710	9,636
Booster Stations (L)				8	8	9	10	10	11	10
Wells (in production) (M)				19	17	17	17	17	15	14
Storage Tanks (N)				18	18	18	18	18	18	19
Arsenic Treatment Facilities (O)				8	10	10	10	10	10	10
<u>Wastewater</u>										
Sanitary sewers (miles)	337	343	351	355	368	371	377	378	382	383
Average daily treatment (thousands of gallons) (P)	4,565	4,954	4,863	4,875	4,324	4,626	4,398	4,889	4,595	4,532
Wastewater Treatment Plants (in operation) (Q)				6	5	5	5	5	4	4
Lift Stations (R)				28	28	28	28	26	26	26

Sources: Various City Departments

City of Rio Rancho, New Mexico
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years ¹

Schedule 18
(Continued)

Notes:

1. The city chose to use the prospective method of reporting for this schedule as the data was not tracked prior to GASB 44 implementation.
2. The city established a baseline year for restatement of capital asset statistics for Fiscal Year ending June 30, 2010. Baseline figures were primarily obtained from the city's Geographic Information System (GIS).
3. The city established a second baseline year for restatement of capital asset statistics for Fiscal Year ending June 30, 2015. Baseline figures were obtained from the city's Geographic Information System (GIS) and staff facility inventories.
 - (A) Substation numbers for the then consolidated Department of Public Safety (Fire and Police) were reported in error under the Police heading. A restatement to reflect no Police substations was made for Fiscal Year ending June 30, 2008.
 - (B) Amended the number of patrol units to correctly state the baseline point for Fiscal Year ending June 30, 2010. Law Enforcement Units include Marked, Unmarked Administrative, Pool, and Special Use vehicles.
 - (C) Amended the number of centerline miles of paved roadway to correctly state the baseline point for Fiscal Year ending June 30, 2010. Previous year's reporting was presumably based on a lane mile unit of measure. The number of centerline miles of paved roadway is based on full build out classification and does not include state roads for which the city is not responsible for maintenance.
 - (D) The Public Works Department discontinued tracking sidewalks in Fiscal Year ending June 30, 2010. Sidewalks are considered part of the roadway/street infrastructure.
 - (E) Amended the number of developed parkland acreage to correctly state the baseline point for Fiscal Year ending June 30, 2010.
 - (F) Amended the number of linear feet of constructed trailways to correctly state the baseline point for Fiscal Year ending June 30, 2006.
 - (G) On Dec. 16, 2009, the Rio Rancho City Council adopted a Resolution No. 134, ENACT 09-134 to transfer the city's Rio Transit Program to the Mid-Region Council of Governments.
 - (H) The city began tracking new connections in the CAFR beginning in Fiscal Year ending June 30, 2007.
 - (I) The city began tracking water main breaks in the CAFR beginning in Fiscal Year ending June 30, 2007.
 - (J) The city discontinued tracking water storage capacity in the CAFR for Fiscal Years 2008 and 2009.
 - (K) The city began tracking average daily water consumption in the CAFR beginning in Fiscal Year ending June 30, 2007.
 - (L) The city began tracking the number of booster stations in the CAFR beginning in Fiscal Year ending June 30, 2010.
 - (M) The city began tracking the number of wells in the CAFR beginning in Fiscal Year ending June 30, 2010.
 - (N) The city began tracking the number of water storage tanks in the CAFR beginning in Fiscal Year ending June 30, 2010.
 - (O) The city began tracking the number of arsenic treatment facilities in the CAFR beginning in Fiscal Year ending June 30, 2010.
 - (P) The city discontinued tracking wastewater treatment capacity and began tracking average daily treatment capacity in thousands of gallons in the CAFR beginning in Fiscal Year ending June 30, 2006.
 - (Q) The city began tracking the number of wastewater treatment plants (WWTP) in operation in the CAFR beginning in Fiscal Year ending June 30, 2010. Amended the number of wastewater treatment plants in operation to correctly state the baseline point for Fiscal Year ending June 30, 2015. WWTP#3 is in reserve status and is not in active operation. WWTP#4 has been permanently abandoned.
 - (R) The city began tracking the number of lift stations in the CAFR beginning in Fiscal Year ending June 30, 2010.



Single Audit Section



**Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance with
*Government Auditing Standards***

Independent Auditor's Report

Mr. Tim Keller
New Mexico State Auditor

Honorable Mayor and Members of the City Council
City of Rio Rancho, 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, business-type activities, each major fund, the aggregate remaining fund information and the budgetary comparison for the general fund of City of Rio Rancho, New Mexico, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise City of Rio Rancho, New Mexico's basic financial statements, and the combining and individual funds and related budgetary comparisons of the City of Rio Rancho, New Mexico, presented as supplementary information, and have issued our report thereon dated December 7, 2016. Our report included an emphasis of matter paragraph as to comparability because of the implementation of Governmental Accounting Standards Board Statement No. 72.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

The results of our tests disclosed certain other matters that are required to be reported pursuant to Section 12-6-5 NMSA 1978, which are described in the accompanying Section 12-6-5 NMSA 1978 Findings as items NMSA-2016-001 and NMSA-2016-002.

City of Rio Rancho, New Mexico's Response to Findings

City of Rio Rancho, New Mexico's responses to the findings identified in our audit are described in the accompanying Section 12-6-5 NMSA 1978 Findings. City of Rio Rancho, New Mexico's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of this Report

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

Heinfeld, Meech & Co., P.C.

Heinfeld, Meech & Co., P.C.
Tucson, Arizona
December 7, 2016

**Report on Compliance for Each Major Federal Program and
Report on Internal Control Over Compliance
Required by the Uniform Guidance**

Independent Auditor's Report

Mr. Tim Keller
New Mexico State Auditor

Honorable Mayor and Members of the City Council
City of Rio Rancho, New Mexico

Report on Compliance for Each Major Federal Program

We have audited City of Rio Rancho, New Mexico's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of City of Rio Rancho, New Mexico's major federal programs for the year ended June 30, 2016. City of Rio Rancho, New Mexico's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of City of Rio Rancho, New Mexico's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about City of Rio Rancho, New Mexico's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, City of Rio Rancho, New Mexico complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

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

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

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

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

Heinfeld, Meech & Co., P.C.

Heinfeld, Meech & Co., P.C.
Tucson, Arizona
December 7, 2016

CITY OF RIO RANCHO, NEW MEXICO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2016

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grantor or Pass- Through Number</u>	<u>Expenditures</u>	<u>Passed Through to Subrecipients</u>
<u>U.S. Department of Health and Human Services</u>				
Passed through New Mexico Department of Health:				
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	93.074	15/665.0300.18181	4,494	
Total U.S. Department of Health and Human Services			4,494	
<u>U.S. Department of Homeland Security</u>				
Passed through New Mexico Department of Homeland Security:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4152-025	46,574	
Emergency Management Performance Grants	97.042	EMW-2014-EP-00039-S01	56,885	
Emergency Management Performance Grants	97.042	EMW-2015-EP-00066-S01	28,675	
			85,560	
Homeland Security Grant Program	97.067	EMW-2014-SS-00030-S01	20,439	
Homeland Security Grant Program	97.067	EMW-2014-SS-00030-S01	5,091	
Homeland Security Grant Program	97.067	EMW-2014-SS-00030-S01	1,461	
Homeland Security Grant Program	97.067	EMW-2014-SS-00030-S01	9,047	
Homeland Security Grant Program	97.067	EMW-2015-SS-000110	6,228	
Homeland Security Grant Program	97.067	EMW-2015-SS-000110	72,987	
			115,253	
Total U.S. Department of Homeland Security			247,387	
<u>U.S. Department of Justice</u>				
Direct Program:				
FBI Crime Laboratory Support	16.301	N/A	1,449	
FBI Crime Laboratory Support	16.301	N/A	4,050	
			5,499	
Crime Victims Assistance	16.575	2015-VA-314	16,104	
Crime Victims Assistance	16.575	2016-VA-414	49,726	
Crime Victims Assistance	16.575	2016-VA-518	30,778	
			96,608	
Violence Against Women Formula Grants	16.588	2013-WF-AX-0039	18,209	
Public Safety Partnership and Community Policing Grants	16.710	2013UMWX0186	66,403	
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2014-DJ-BX-1210	2	
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2015-DJ-BX-0701	15,899	
Passed through New Mexico Department of Public Safety Grant Management Bureau:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	14-JAG-NMGTF-SFY15	75,861	
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15-JAG-NMGTF-SFY16	33,042	
			124,804	
Edward Byrne Memorial Justice Competitive Grant Program	16.751	N/A	4,760	
Edward Byrne Memorial Justice Competitive Grant Program	16.751	N/A	12,204	
Edward Byrne Memorial Justice Competitive Grant Program	16.751	M-15-D51-O-000143	2,179	
Edward Byrne Memorial Justice Competitive Grant Program	16.751	M-16-D51-O-000079	6,992	
			26,135	
Equitable Sharing Program	16.922	N/A	49,572	
Total U.S. Department of Justice			387,230	

See accompanying notes to schedule.

CITY OF RIO RANCHO, NEW MEXICO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2016

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Grantor or Pass- Through Number</u>	<u>Expenditures</u>	<u>Passed Through to Subrecipients</u>
<u>U.S. Department of Agriculture</u>				
Passed through New Mexico Department of Children Youth and Family:				
National School Lunch Program:	10.555	3185	125,956	
Total U.S. Department of Agriculture			125,956	
<u>U.S. Department of Housing and Urban Development</u>				
Direct Program:				
Community Development Block Grant/Entitlement Grants	14.218	B-14-MC-35-0004	14,622	13,036
Community Development Block Grant/Entitlement Grants	14.218	B-15-MC-35-0004	36,916	17,472
Community Development Block Grant/Entitlement Grants	14.218	B-16-MC-35-0004	187,825	49,822
Community Development Block Grant/Entitlement Grants/Program Income	14.218	N/A	5,936	5,936
Total U.S. Department of Housing and Urban Development			245,299	86,266
<u>U.S. Department of Transportation</u>				
Passed through New Mexico Department of Transportation:				
Highway Planning and Construction	20.205	CN #A300520	650,803	
Highway Planning and Construction	20.205	CN #A300200	4,329,087	
Highway Planning and Construction	20.205	CN #A301140	63,464	
Highway Planning and Construction	20.205	CN #A301040	74,884	
Highway Planning and Construction	20.205	CN #A301320	604,721	
			<u>5,722,959</u>	
State and Community Highway Safety	20.600	15-PT-02-P01	45,000	
State and Community Highway Safety	20.600	16-DD-02-081	1,589	
State and Community Highway Safety	20.600	16-OP-02-081	12,073	
			<u>58,662</u>	
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	15-AL-64-081	49,864	
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	16-AL-64-081	18,384	
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	15-AL-64-P10	123,032	
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	TS04185	60,115	
			<u>251,395</u>	
Total U.S. Department of Transportation			6,033,016	
<u>Executive Office of the President</u>				
Passed through City of Albuquerque, New Mexico:				
High Intensity Drug Trafficking Areas Program	95.001	N/A	15,519	
Total Executive Office of the President			15,519	
Total Expenditures of Federal Awards			\$ 7,058,901	86,266

See accompanying notes to schedule.

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2016

NOTE 1 – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of the City of Rio Rancho under programs of the federal government for the year ended June 30, 2016. The information in the schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the applicable Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Any negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

NOTE 3 – CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS

The program titles and CFDA numbers were obtained from the federal or pass-through grantors or the 2016 *Catalog of Federal Domestic Assistance*.

NOTE 4 – INDIRECT COST RATE

The City did not elect to use the 10 percent de minimis indirect cost rate as covered in 2 CFR §200.414.

CITY OF RIO RANCHO, NEW MEXICO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2016

NOTE 5 – CDBG GRANT AWARDS

Following are the various uses of the City’s Community Development Block Grant (CDBG) awards, including funds granted to subrecipients:

<u>Grantor Agency / Grant Title and Subrecipients</u>	<u>Grant Number- Federal or State</u>	<u>Federal CFDA Number</u>	<u>Pass-through Grant Amount</u>
U.S. Department of Housing and Urban Development			
Community Development Block Grant/Entitlement Grants			
2015 calendar year grant			
Sandoval County Permanent Supportive Housing	B-14-MC-35-0004	14.218	775
St. Felix Pantry, Inc. – Homelessness	B-14-MC-35-0004	14.218	1,081
St. Felix Pantry, Inc. – Food	B-14-MC-35-0004	14.218	1,456
Storehouse West	B-14-MC-35-0004	14.218	375
Big Brothers Big Sisters	B-14-MC-35-0004	14.218	417
Rebuilding Together Sandoval County	B-14-MC-35-0004	14.218	11,250
Total			<u>\$ 34,798</u>
2016 calendar year grant			
Abrazos Family Support	B-15-MC-35-0004	14.218	6,387
Big Brothers Big Sisters	B-15-MC-35-0004	14.218	2,350
Haven House Inc. – Salary	B-15-MC-35-0004	14.218	7,660
Haven House Inc. – Storage	B-15-MC-35-0004	14.218	7,387
Sandoval County Permanent Supportive Housing	B-15-MC-35-0004	14.218	8,518
St. Felix Pantry, Inc. – Homelessness	B-15-MC-35-0004	14.218	11,771
St Felix Pantry, Inc. – Food	B-15-MC-35-0004	14.218	5,749
Total			<u>\$ 185,862</u>

**CITY OF RIO RANCHO, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2016**

Summary of Auditor's Results:

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Significant deficiency(ies) identified: No
- Material weakness(es) identified: No

Noncompliance material to financial statements noted: No

Federal Awards

Internal control over major programs:

- Significant deficiency(ies) identified: No
- Material weakness(es) identified: No

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with §200.516 of Uniform Guidance: No

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
20.205	Highway Planning and Construction

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee: Yes

Findings Related to Financial Statements Reported in Accordance with *Government Auditing Standards*: No

Findings and Questioned Costs Related to Federal Awards: No

Summary Schedule of Prior Audit Findings required to be reported: Yes

**CITY OF RIO RANCHO, NEW MEXICO
SECTION 12-6-5 NMSA 1978 FINDINGS
YEAR ENDED JUNE 30, 2016**

Reference Number: NMSA-2016-001

Repeat Finding: Yes [2015-001]

Type of Finding: Findings That Do Not Rise to the Level of a Significant Deficiency

Description: Exceeded Budget Authority

CONDITION

Expenditures in the following funds exceeded the budgeted amounts as submitted to the State of New Mexico.

<u>Fund</u>	<u>Overbudget</u>
Governmental Funds:	
General Obligation Bond	\$ 69
Trails Impact Fees	343

CRITERIA

All City funds are to be budgeted by the local governing body and submitted to the State of New Mexico Department of Finance and Administration (NMDFA) – Local Government Division for approval. Once adopted, any claims or warrants in excess of budget are a violation of New Mexico Statute 6-6-6, 1978 Compilation, as the fund-level has been established as the legal level of budgetary control.

EFFECT/POTENTIAL EFFECT

The City exceeded the approved expenditure budgets of the funds noted.

CAUSE

The overages occurred because expenditures exceeded original estimates but the City did not submit budget adjustments for the funds prior to the end of the fiscal year.

RECOMMENDATION

The City must follow New Mexico State law budgetary requirements, and should evaluate current practices to determine if additional procedures are necessary to prevent future occurrences.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

The City’s Budget Manager will coordinate with departmental staff to review on a periodic basis actual expenditures to determine if adjustments need to be made to budgets and to initiate budget adjustment requests as needed. Accounts payable staff will coordinate with budget staff to more closely investigate warnings generated by the financial system during payment processing which may indicate the emergence of a budget shortfall. Should an imminent budget shortfall be identified, staff will work with departments to initiate budget adjustment requests or take other action as needed.

**CITY OF RIO RANCHO, NEW MEXICO
SECTION 12-6-5 NMSA 1978 FINDINGS
YEAR ENDED JUNE 30, 2016**

Reference Number: NMSA-2016-002

Repeat Finding: No

Type of Finding: Findings That Do Not Rise to the Level of a Significant Deficiency

Description: Payroll Documentation

CONDITION

For one of 25 payroll transactions reviewed, determined an employee was not paid in accordance with the employee's signed acceptance offer.

CRITERIA

All payroll wages should be properly supported by an approved contract to ensure employees are only paid the amounts specified in such agreement.

EFFECT/POTENTIAL EFFECT

An employee was paid an amount during the year that did not agree with the rate authorized in the employment offer/contract.

CAUSE

The employee's acceptance offer did not specify the correct rate for which the employee was to be paid.

RECOMMENDATION

The City should exercise more care and review all employment offers/contracts to ensure they correctly specify the rate of pay.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

The Director of Human Resources or Deputy Director of Human Resources will more closely review each offer letter prior to issuance to a candidate for employment. In the case of a rehire, this review will include a review of the Human Resources Transaction forms from the candidate's previous employment with the City. A post payroll audit will be conducted by Human Resources staff, in coordination with the Payroll Administrator, on each employee who had a Human Resources Transaction form executed during the subject pay period to ensure that it was processed correctly through the payroll system.

**CITY OF RIO RANCHO, NEW MEXICO
EXIT CONFERENCE
YEAR ENDED JUNE 30, 2016**

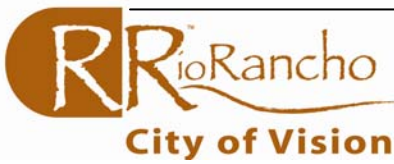
An exit conference was held at a closed meeting on December 7, 2016, to discuss the preceding findings. Attending were the following persons:

For the City of Rio Rancho:

Greggory D. Hull, Mayor
Keith J. Riesberg, City Manager
John Craig, Deputy City Manager
Carole H. Jaramillo, Director of Financial Services
Michele Finley, Accounting Division Manager

For the Independent Auditor:

Mike Hoerig, CPA
Partner, Heinfeld Meech & Co., P.C.



Department of Financial Services

December 7, 2016

To Whom It May Concern:

The accompanying Summary Schedule of Prior Audit Findings has been prepared as required by U.S. Office of Management and Budget Uniform Guidance. The status for each finding included in the prior year audit's Schedule of Findings and Questioned Costs has been provided.

Sincerely,

A handwritten signature in blue ink that reads 'Carole H. Jaramillo'.

Carole H. Jaramillo
Director of Financial Services

**CITY OF RIO RANCHO, NEW MEXICO
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2016**

**Status of Findings Related to Financial Statements Reported in Accordance with
*Government Auditing Standards***

Finding Number: 2015-001

Status: Not corrected. See NMSA-2016-001

Planned Corrective Action:

The City's Budget Manager will coordinate with departmental staff to review on a periodic basis actual expenditures to determine if adjustments need to be made to budgets and to initiate budget adjustment requests as needed. Accounts payable staff will coordinate with budget staff to more closely investigate warnings generated by the financial system during payment processing which may indicate the emergence of a budget shortfall. Should an imminent budget shortfall be identified, staff will work with departments to initiate budget adjustment requests or take other action as needed.

The anticipated completion date is June 30, 2017.



**City of Rio Rancho
3200 Civic Center Circle NE
Rio Rancho, New Mexico 87144
www.rrnm.gov**