

**STATE OF NEW MEXICO
TOWN OF SILVER CITY**

**ANNUAL FINANCIAL REPORT
AND INDEPENDENT AUDITORS' REPORT**

FOR THE YEAR ENDED JUNE 30, 2015

**STATE OF NEW MEXICO
CITY OF SILVER CITY
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2015**

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**STATE OF NEW MEXICO
CITY OF SILVER CITY
OFFICIAL ROSTER
AS OF JUNE 30, 2015**

Elected Officials:

Michael S. Morones, Mayor

Jose A Ray, Councilor

Guadalupe Cano, Councilor

Cynthia Ann Bettison, Councilor

Lynda D. Aiman-Smith, Councilor

Administrative Staff:

Alex C. Brown, Town Manager/Finance Director

James R. Marshall, Assistant Town Manager

Anita Norero, Deputy Finance Director

Leann Misquez, Purchasing Agent

Olivia Britton, Utility Billing Supervisor



Independent Auditors' Report

The Honorable Tim Keller
New Mexico State Auditor
Santa Fe, New Mexico
and

Members of the Board of Town
Town of Silver City
Silver City, New Mexico

Report on 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 comparisons for the general fund and the major special revenue funds of the State of New Mexico, Town of Silver City (Town) as of and for the year ended June 30, 2015, and the related notes to the financial statements which collectively comprise the Town's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Town's nonmajor governmental funds, fiduciary funds and the budgetary comparisons for all nonmajor governmental funds and nonmajor capital project funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2015, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' 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 auditors' 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 on the Town'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 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 Town as of June 30, 2015, and respective changes in financial position, and the respective budgetary comparisons for the general fund and the major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund and the fiduciary fund of the Town as of June 30, 2015, and the respective changes in financial position thereof and the respective budgetary comparisons for all nonmajor funds, special revenue funds, debt service funds, and capital Project funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting Principles generally accepted in the United States of America require that the Management's Discussion and Analysis as well as the Net Pension Liability be presented to supplement the basic financial statements. Management has prepared the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Although not a part of the basic financial statements, this 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 offer no opinion on these.

Other Information

The Schedule of Expenditures of Federal Awards and other schedules required by Section 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional

procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and the other schedules required by Section 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

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

Kubiak Melton & Associates, LLC

Kubiak Melton & Associates, LLC
Albuquerque, New Mexico
November 20, 2015

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2015**

Our discussion and analysis of Town of Silver City's (Town) financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2015. Please read it in conjunction with the Town's financial statements, which are listed in the table of contents.

Using This Annual Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements for governmental activities tell how services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds. The remaining statements provide financial information about activities for which the Town acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the Town as a Whole

The Statement of Net Position and the Statement of Activities

One of the most important questions asked about the Town's finances is, "Is the Town as a whole better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements include all assets, liabilities and deferred inflows and outflows of resources using the full accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town's net position and changes in them. You can think of the Town's net position-the difference between assets, liabilities and deferred inflows and outflows resources -as one way to measure the Town's financial health, or financial position. Over time, increases and decreases in the Town's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the Town's tax base and the condition of the Town's roads, to assess the overall health of the Town.

In the Statement of Net Position and the Statement of Activities, we divide the Town into two kinds of activities:

Governmental activities – Most of the Town's basic services are reported here, including the police, fire, general administration, streets and parks. Sales taxes, franchise fees, fines, and state and federal grants finance most of these activities.

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MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2015**

Business-type activities – The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town’s water/sewer, and sanitation systems are reported here.

Reporting the Town’s Most Significant Funds

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds –not the Town as a whole. Some funds are required to be established by State or Federal law or bonds covenants. However, the Town establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The Town’s three types of funds – governmental, proprietary, and fiduciary – use different accounting approaches.

Governmental funds – Most of the Town’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town’s general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town’s programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the State of Activities) and governmental funds in reconciliations following the fund financial statements.

Proprietary funds – When the Town charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the Town’s enterprise fund is the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as statement of cash flows.

The Town as Trustee

Reporting the Town’s Fiduciary Responsibilities

The Town is the trustee, or fiduciary, for Municipal Court Bond Fund and the Teen Court Funds. All of the Town’s fiduciary activities are reported in a separate Statement of Fiduciary assets and liabilities. We exclude these activities from the Town’s other financial statements because the Town cannot use these assets to finance its

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2015**

operations. The Town is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE TOWN AS A WHOLE

A comparison of net position balances between 2015 and 2014 is as follows:

	June 30, 2015	June 30, 2014	Change
Governmental Activities:			
Cash and cash equivalents	\$ 1,265,704	\$ 1,054,627	\$ 211,077
Receivables, net	2,021,067	2,527,620	(506,553)
Inventory	29,503	28,106	1,397
Capital assets, Net of depreciation	51,457,675	52,824,052	(1,366,377)
Total Assets	\$ 54,773,949	\$ 56,434,405	\$ (1,660,456)
Current liabilities	\$ 1,004,957	\$ 973,495	\$ 31,462
Noncurrent liabilities	15,377,908	6,608,141	8,769,767
Total liabilities	16,382,865	7,581,636	8,801,229
Net Position	\$ 37,128,756	\$ 48,852,769	\$ (11,724,013)

Net position in governmental activities decreased 23% in 2015, which is an acceptable percentage change considering the implementation of GASB 68.

	<u>June 30, 2015</u>	<u>June 30, 2014</u>	<u>\$ Change</u>
Business Type Activities:			
Current assets	\$ 1,531,286	\$ 1,439,377	\$ 91,909
Noncurrent assets	11,486,813	12,079,167	(592,354)
Total assets	\$ 13,018,099	\$ 13,518,544	\$ (500,445)
Current Liabilities	\$ 671,062	\$ 808,059	\$ (136,997)
Noncurrent liabilities	3,982,910	2,655,931	1,326,979
Total Liabilities	4,653,972	3,463,990	1,189,982
Net position	\$ 8,477,183	\$ 10,054,554	\$ (1,577,371)

Net position in business type activities decreased 35%, which is an acceptable percentage change with the above item noted.

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2015**

	June 30, 2015	June 30, 2014
Governmental Activities:		
Charges for services	\$ 607,233	\$ 667,673
Operating grants and contributions	2,893,479	1,362,441
Capital grants and contributions	820,386	1,119,234
General revenues and transfers	12,497,389	11,106,798
 Total revenues	 \$ 14,868,928	 \$ 14,256,146
 Expenditures:		
General Government	\$ 3,190,683	\$ 3,546,467
Public Safety	9,083,912	8,215,479
Public Works	1,050,302	1,197,317
Health and welfare	2,390	191,393
Culture - recreation	2,080,199	2,891,477
Interest expense	211,521	217,279
 Total expenses	 \$ 15,619,008	 \$ 16,259,412

Total revenues increased primarily due to increase in gross receipts tax rates and as well as other charges. Expenditures increased due to the increased revenues.

Business-type activities:

Revenues:		
Charges for services	\$ 6,815,259	\$ 6,575,544
Capital grants and contributions	589,329	522,770
General revenues and transfers	573,582	157,963
 Total revenues	 \$ 7,978,170	 \$ 7,256,277
 Expenses:		
Personal	\$ 3,315,827	\$ 3,207,520
Operating	3,350,901	3,502,601
Depreciation	1,087,243	912,805
Interest expense	-	40,119
 Total expense	 \$ 7,753,971	 \$ 7,663,045

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
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MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2015**

To aid in the understanding of the Statement of Activities, some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenditures, and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular function reported to the right. The result is a Net (Expense) Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the Town's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants.

Grants and fees that are related to a specific function are identified with that function. All other governmental revenues are reported as general. It is important to note that all taxes are classified as general revenue even if restricted for a specific purpose.

BUDGETARY HIGHLIGHTS

Over the course of the year, the Town amended the budgets several times, to recognize new funding sources not anticipated in the original budget, and to reallocate resources to meet ongoing needs. These amendments were in accordance with accepted procedures.

The variance between the final budget and the actual revenues and expenditures is primarily anticipated capital projects, funded from intergovernmental grants, which were delayed or did not materialize. Such grants will be re-budgeted in the 2015-2016 fiscal year.

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
MANAGEMENT DISCUSSION AND ANALYSIS
JUNE 30, 2015**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

	<u>2015</u>	<u>2014</u>
Governmental activities:		
Land	\$ 7,811,031	\$ 7,811,031
Buildings and infrastructure	67,544,659	65,307,130
Equipment	5,695,865	5,139,390
Construction in progress	6,034,077	4,784,966
Total	<u>\$ 87,085,632</u>	<u>\$ 83,042,517</u>
Business-type activities:		
Land	\$ 961,403	\$ 961,403
Buildings and utility plant	34,274,242	34,001,385
Equipment	4,829,205	4,821,385
Construction in progress	152,948	-
Total	<u>\$ 40,217,798</u>	<u>\$ 39,784,173</u>
Government Wide	<u>\$ 127,303,430</u>	<u>\$ 122,826,690</u>

Debt

	<u>2015</u>	<u>2014</u>
Government activities:		
Revenue bonds	\$ 5,927,843	\$ 5,480,000
General obligation bonds	-	-
Notes payable	1,055,000	1,161,166
Capital leases	-	-
Total	<u>\$ 6,982,843</u>	<u>\$ 6,641,166</u>
Business-type activities:		
Notes payable	<u>\$ 2,353,010</u>	<u>\$ 2,555,737</u>
Total	\$ 2,353,010	\$ 2,555,737

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
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MANAGEMENT DISCUSSION AND ANALYSIS
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INFRASTRUCTURE

The Town elected to postpone the capitalization of infrastructure (roads, curbs, streetlights, etc.) in accordance with the provisions of GASB No. 34. These assets have been identified and valued and are reflected in the financial statements as of the 2007 fiscal year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Currently, the unemployment rate in Grant County as of July, 2015 was 7.1 percent; that is down from 7.8% the same time last year. These numbers are a little deceptive in that in July of 2015 the total number on people employed was 11,330 unlike this year when it was 11,177.

As of the end of fiscal year 2015, the Town had received a total of \$8.98 million in gross receipts tax; this is a decrease of about \$69k from the previous year. These revenues are still strong considering that the Federal and State economies have been fairly stagnant. Gross receipts taxes have been steadily increasing since the first quarter of fiscal year 2011. This has shown that the local economy was more affected by regional influences, and less by the weak national economy. As of the first quarter of fiscal 2016 an 11.83% increase from the same time last year. This can be attributed to strong construction and tourism numbers that have been observed. These revenues should continue through the fiscal year, in that the Town did implement the final ¼ percent of the Towns municipal gross receipts tax increments effective July 2015. The first month that we observed the increased revenue was September 2015.

During the 2013 New Mexico Legislative session, the State passed legislation that phases out the hold- harmless on food and medical sales over a period of fifteen years. In exchange the State gave local entities 3/8th percent gross receipts tax that we can impose by ordinance to offset the loss of the hold-harmless. In the case of the Town of Silver City, the loss of hold-harmless equals 18.5 percent of total gross receipts taxes based on fiscal 2012 numbers. So when the Town is in a position of having to impose the tax over time, the tax will not offset the total loss of hold-harmless. Due to the Town's conservative approach to imposing both gross receipts taxes as well as property taxes, the Town did have a ¼ percent gross receipts tax available that was passed on July of 2015, and 5 mills of property tax available to impose to help offset the difference. There was much discussion to fix the Hold Harmless during the 2015 Legislative session, but nothing was resolved. The final ¼ percent of Municipal GRT was passed this year even though it wasn't necessarily need to offset the losses, but it was passed to start increasing cash reserves.

During year 2015, the Enterprise Funds continued to remain strong. Sanitation Fund revenues will be reviewed this year since the automatic 3% increase per year was instituted this year. During fiscal year 2012, an ordinance was adopted requiring water,

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MANAGEMENT DISCUSSION AND ANALYSIS
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sewer, and wastewater rates to be reviewed annually during the budget process and amended as necessary to cover operating, capital, and debt service expenses; while maintaining a one-twelve reserve. Water/Sewer fund revenues did decrease slightly due to decreased consumption from 2014 to 2015.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the Town Manager's Office at P.O. Box 1188, Silver City, New Mexico, 88062.

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF NET POSITION
JUNE 30, 2015**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets			
Cash and Investments	\$ 1,262,084	\$ 353,121	\$ 1,615,205
Inventory	29,503	242,555	272,058
Receivables, net	2,021,067	935,610	2,956,677
Total Current Assets	3,312,654	1,531,286	4,843,940
Noncurrent assets:			
Restricted Cash	-	359,891	359,891
Capital Assets - Net	51,457,675	11,126,922	62,584,597
Total Noncurrent Assets	51,457,675	11,486,813	62,944,488
GASB 68 Deferred outflows-Subsequent Contributions	1,497,332	235,611	1,732,943
TOTAL ASSETS AND DEFERRED OUTFLOW	\$ 56,267,661	\$ 13,253,710	\$ 69,521,371
LIABILITIES AND NET POSITION			
Current Liabilities			
Accounts Payable	\$ 313,357	\$ 378,772	\$ 692,129
Accrued Liabilities	101,744	23,721	125,465
Current Portion of Long-term Debt	589,856	268,569	858,425
Total Current Liabilities	1,004,957	671,062	1,676,019
Noncurrent Liabilities			
Customer Deposits	-	359,891	359,891
Bonds Payable	5,927,843	-	5,927,843
Pension Liability	8,005,961	1,423,561	9,429,522
Notes Payable	1,055,000	2,084,441	3,139,441
Compensated Absences Payable	389,104	115,017	504,121
Total Noncurrent Liabilities	15,377,908	3,982,910	19,360,818
TOTAL LIABILITIES	16,382,865	4,653,972	21,036,837
GASB 68 -DEFRRD INFLOWS			
GASB 68 Change in Assumption	73,951	-	73,951
GASB 68 Change in Investments	2,682,089	122,555	2,804,644
NET POSITION			
Net Investment in Capital Assets	45,423,598	10,973,974	56,397,572
Restricted for:			
Capital Projects	713,189	-	713,189
Debt Service	95,331	446,357	541,688
Other Purposes	(11,902,808)	(3,771,193)	(15,674,001)
Unrestricted	2,799,446	828,045	3,627,491
Total Net Position	37,128,756	8,477,183	45,605,939
TOTAL LIABILITIES, DEFRRD INFLOW, AND NET POSITION	\$ 56,267,661	\$ 13,253,710	\$ 69,521,371

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF ACTIVITIES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

Functions and Programs	Expenses	Program Revenues			Governmental	Business-Type	Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position	Activities Net (Expenses) Revenues and Changes in Net Position	
PRIMARY GOVERNMENT							
Governmental Activities:							
General Government	\$ 3,190,683	\$ 523,909	\$ 433,951	\$ -	\$ (2,232,823)	\$ -	\$ (2,232,823)
Public Safety	9,083,912	-	464,045	-	(8,619,867)	-	(8,619,867)
Public Works	1,050,302	83,324	468,022	-	(498,956)	-	(498,956)
Health and Welfare	2,390	-	1,527,461	820,386	2,345,457	-	2,345,457
Culture and Recreation	2,080,199	-	-	-	(2,080,199)	-	(2,080,199)
Unallocated Interest Expense	211,521	-	-	-	(211,521)	-	(211,521)
Total Governmental Activities	15,619,008	607,233	2,893,479	820,386	(11,297,910)	-	(11,297,910)
Business-Type Activities:							
Water and Sewer	5,767,431	4,801,700	354,795	-	-	(610,936)	(610,936)
Sanitation	2,061,240	2,013,559	234,534	-	-	186,853	186,853
Total Business-Type Activities	7,828,671	6,815,259	589,329	-	-	(424,083)	(424,083)
General Revenues:							
Property Taxes					587,606	-	587,606
Gross Receipts Tax					8,613,517	573,582	9,187,099
Gas Taxes					256,077		256,077
Motor Vehicle Taxes					76,212		76,212
Franchise Taxes					409,449		409,449
Interest and Investment Earnings					1,527,461		1,527,461
Miscellaneous					291,507		291,507
Transfers					735,560	(735,560)	-
Total General Revenues					12,497,389	(161,978)	12,335,411
Change in Net Position					1,199,479	(586,061)	613,418
Net Position, Beginning					48,852,769	10,054,563	58,907,332
RESTATEMENT					(12,923,492)	(991,319)	(13,914,811)
Net Position as Restated					35,929,277	9,063,244	44,992,521
Net Position, Ending					\$ 37,128,756	\$ 8,477,183	\$ 45,605,939

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
BALANCE SHEET – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	General	HIDTA	2011 Retirement	Other Government	Total
	Fund	Fund	Center	Funds	Total
ASSETS					
Cash and Investments	\$ 325,877	\$ -	\$ -	\$ 936,207	\$ 1,262,084
Inventory	29,257	-	-	246	29,503
Interest Receivable	-	-	-	-	-
Taxes Receivable	1,508,952	-	65,253	158,937	1,733,142
Accounts Receivable	160,096	-	-	84,424	244,520
Interfund Receivable	-	-	-	43,405	43,405
TOTAL ASSETS	<u>\$ 2,024,182</u>	<u>\$ -</u>	<u>\$ 65,253</u>	<u>\$ 1,223,219</u>	<u>\$ 3,312,654</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ 271,853	\$ 39,555	\$ -	\$ 1,949	\$ 313,357
Interfund Payable	43,405	-	-	-	43,405
Accrued Salaries and Benefits	101,744	-	-	-	101,744
Deferred Revenue	-	-	-	54,702	54,702
TOTAL LIABILITIES	417,002	39,555	-	56,651	513,208
FUND BALANCES					
Non-Spendable:					
Inventory	29,257	-	-	246	29,503
Assigned to:					
Public Safety	-	-	-	44,943	44,943
Culture and Recreation	-	-	-	250,851	250,851
Land Acquisition	-	-	-	62,565	62,565
Debt Service	-	-	65,253	95,331	160,584
Construction	-	-	-	713,189	713,189
Unassigned, Reported in:					
General Fund	1,577,923	(39,555)	-	(557)	1,537,811
TOTAL FUND BALANCES	<u>1,607,180</u>	<u>(39,555)</u>	<u>65,253</u>	<u>1,166,568</u>	<u>2,799,446</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,024,182</u>	<u>\$ -</u>	<u>\$ 65,253</u>	<u>\$ 1,223,219</u>	<u>\$ 3,312,654</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
RECONCILIATION OF BALANCE SHEET TO NET POSITION – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

Total Fund Balance - Governmental Funds \$ 2,799,446

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 the funds

The cost of capital assets are:	70,446,520	
Capital Assets - Net		51,457,675

Bond Premiums are capitalized and amortized over the life of the bonds	(77,521)
--	----------

Property Taxes Receivable	147,845
Intergovernmental Grants	43,405

Long-term and certain other liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term and other liabilities at year end consist of:

Bonds Payable	(5,927,843)	
Current Long term	(589,856)	
Notes Payable	(1,055,000)	
GASB 68 Liabilities	(9,264,669)	
Accrued Interest Payable	(15,622)	
Compensated Absences Payable	(389,104)	
		(17,242,094)

Net Position of Governmental Activities \$ 37,128,756

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES, AND FUND BALANCE – GOVERNMENTAL
FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	General	HIDTA	2011 Retirement	Other Governmental	Total
	Fund	Fund	Center	Funds	Total
REVENUES					
Property Taxes	\$ 577,745	\$ -	\$ -	\$ 9,861	\$ 587,606
Gross Receipts Taxes	8,468,007	-	-	145,510	8,613,517
Gas Taxes	256,077	-	-	-	256,077
Motor Vehicle Taxes	76,212	-	-	-	76,212
Franchise Taxes	409,449	-	-	-	409,449
Other Taxes	-	-	-	291,508	291,508
State Intergovernmental	226,967	-	-	1,300,494	1,527,461
Federal Intergovernmental	206,984	464,045	468,022	820,386	1,959,437
Fines Licenses and Permits	161,377	-	-	113,952	275,329
Charges for Services	523,909	-	-	83,324	607,233
Miscellaneous	63,472	-	-	153,893	217,365
TOTAL REVENUES	10,970,199	464,045	468,022	2,918,928	14,821,194
EXPENDITURES					
Current					
General Government	2,351,700	-	-	8,000	2,359,700
Public Safety	5,538,358	488,620	-	570,960	6,597,938
Public Works	835,144	-	-	79,895	915,039
Health and Welfare	2,003	-	-	-	2,003
Culture and Recreation	1,619,285	-	-	677,282	2,296,567
Debt Service:					
Principal	13,588	-	230,000	356,627	600,215
Interest	-	-	176,663	61,651	238,314
Loan Issue Costs	-	-	-	-	-
Capital Outlay	414,745	-	-	3,567,797	3,982,542
TOTAL EXPENDITURES	10,774,823	488,620	406,663	5,322,212	16,992,318
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	195,376	(24,575)	61,359	(2,403,284)	
OTHER FINANCING SOURCES (USES)					
Loan Proceeds	15,757	-	-	1,805,295	1,821,052
Bond Premiums	-	-	-	-	-
Transfers In	637,492	-	40,000	793,825	1,471,317
Transfers Out	(91,979)	-	-	(643,581)	(735,560)
TOTAL OTHER FINANCING SOURCES ()	561,270	-	40,000	1,955,539	2,556,809
NET CHANGE IN FUND BALANCES	756,646	(24,575)	101,359	(447,745)	2,556,809
FUND BALANCE, BEGINNING OF YEAR	1,398,932	(167,574)	(208,244)	1,732,709	2,755,823
RESTATEMENTS	(548,398)	152,594	172,138	(118,396)	(342,062)
FUND BALANCE, END OF YEAR	\$ 1,607,180	\$ (39,555)	\$ 65,253	\$ 1,166,568	\$ 2,799,446

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
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, 2015**

Net Changes in Fund Balance - Governmental Funds \$ 2,556,809

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, the governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which depreciation exceeded capital outlays in the period:

Depreciation Expense	(5,409,492)	
Capital Outlay	<u>4,007,739</u>	
Excess (Deficiency) of Capital Outlay over Depreciation Expense		(1,401,753)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds:

Property Tax Revenue	89,563
Intergovernmental Grants	215,082

In the Statement of Activities, certain operating expenses including compensated absences and long term debt payments are measured by the amounts incurred during the year. In the fund financial statements, however, expenditures are measured by the amount of financial resources used (essentially the amounts actually paid):

Bonds and Bond Proceeds	(1,509,158)
Repayment of Debt	600,215
Accrued Interest on Bonds	138,314
Interfund Differences	<u>510,407</u>

Change in Net Position of Governmental Activities \$ 1,199,479

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES AND EXPENSES, BUDGET (NON-GAAP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual GAAP</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ 577,745	\$ 577,745
Gross Receipts Taxes	8,420,844	8,420,844	8,468,007	47,163
Gas Taxes	-	-	256,077	256,077
Motor Vehicle Taxes	459,254	492,740	76,212	(416,528)
Franchise Taxes	-	-	409,449	409,449
Other Taxes	-	-	-	-
State Intergovernmental	-	-	226,967	226,967
Federal Intergovernmental	-	-	206,984	206,984
Fines Licenses and Permits	699,370	699,370	161,377	(537,993)
Charges for Services	126,800	126,800	523,909	397,109
Miscellaneous	<u>619,737</u>	<u>619,737</u>	<u>63,472</u>	<u>(556,265)</u>
TOTAL REVENUES	10,326,005	10,359,491	10,970,199	610,708
EXPENDITURES				
Current				
General Government	8,918,296	9,400,000	9,351,700	48,300
Public Safety	323,828	540,000	538,358	1,642
Public Works	400,000	440,000	435,144	4,856
Health and Welfare	-	2,010	2,003	7
Culture and Recreation	-	20,000	19,285	715
Debt Service:				
Principal	-	450,000	413,588	36,412
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	<u>-</u>	<u>15,000</u>	<u>14,745</u>	<u>255</u>
TOTAL EXPENDITURES	<u>9,642,124</u>	<u>10,867,010</u>	<u>10,774,823</u>	<u>92,187</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	683,881	(507,519)	195,376	518,521
OTHER FINANCING SOURCES (USES)				
Loan Proceeds		-	15,757	15,757
Transfers In	115,150	400,000	637,492	237,492
Transfers Out	<u>(241,143)</u>	<u>(700,000)</u>	<u>(91,979)</u>	<u>608,021</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(125,993)</u>	<u>(300,000)</u>	<u>545,513</u>	<u>\$ 845,513</u>
Net Increase (Decrease) in Fund Balance	<u>\$ 557,888</u>	<u>\$ (807,519)</u>	<u>\$ 740,889</u>	

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES AND EXPENSES, BUDGET (NON-GAAP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – HIDTA
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	464,045	464,045	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	-	464,045	464,045	-
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	488,620	488,620	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	-	488,620	488,620	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(24,575)	(24,575)	-
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	\$ -
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ (24,575)</u>	<u>\$ (24,575)</u>	

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015**

	Water and Sewer	Sanitation	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 353,121	\$ -	\$ 353,121
Inventory	242,555	-	242,555
Accounts Receivable, Net	673,372	229,163	902,535
Taxes Receivable	-	<u>33,075</u>	<u>33,075</u>
TOTAL CURRENT ASSETS	<u>1,269,048</u>	<u>262,238</u>	<u>1,531,286</u>
Noncurrent Assets:			
Restricted:			
Cash and Investments	359,891	-	359,891
Capital Assets, Net	<u>9,727,420</u>	<u>1,399,502</u>	<u>11,126,922</u>
TOTAL NONCURRENT ASSETS	<u>10,087,311</u>	<u>1,399,502</u>	<u>11,486,813</u>
DEFERRED OUTFLOWS-SUBSEQUENT CONTRIBUTIONS			
	<u>235,611</u>	<u>-</u>	<u>235,611</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 11,591,970</u>	<u>\$ 1,661,740</u>	<u>\$ 13,253,710</u>
LIABILITIES AND NET POSITION			
Current Liabilities:			
Accounts Payable	\$ 378,522	\$ 250	378,772
Accrued Liabilities	22,468	1,253	23,721
Current Portion of Long-term Debt	<u>268,569</u>	<u>-</u>	<u>268,569</u>
TOTAL CURRENT LIABILITIES	<u>669,559</u>	<u>1,503</u>	<u>671,062</u>
Noncurrent Liabilities:			
Payable From Restricted Assets:			
Customer Deposits	378,522	-	378,522
Pension liability	2,353,010	-	2,353,010
Notes Payable (LTD)	2,084,441	-	2,084,441
Compensated Absences	<u>95,845</u>	<u>5,899</u>	<u>101,744</u>
TOTAL NONCURRENT LIABILITIES	<u>4,911,818</u>	<u>5,899</u>	<u>4,917,717</u>
TOTAL LIABILITIES	<u>5,581,377</u>	<u>7,402</u>	<u>5,588,779</u>
DEFERRED OUTFLOW CHANGE IN ASSUMPTIONS			
	-	-	-
DEFERRED OUTFLOW CHANGE IN INVESTMENTS			
	<u>122,555</u>	<u>-</u>	<u>122,555</u>
TOTAL DEFERRED OUTFLOW	<u>122,555</u>	<u>-</u>	<u>122,555</u>
NET POSITION			
Net Investment in Capital Assets	7,755,444	1,399,502	9,154,946
Restricted For:			
Debt Service	217,444	228,913	446,357
Unrestricted	<u>(2,084,850)</u>	<u>25,923</u>	<u>(2,058,927)</u>
TOTAL NET POSITION	<u>5,888,038</u>	<u>1,654,338</u>	<u>7,542,376</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	<u>\$ 11,591,970</u>	<u>\$ 1,661,740</u>	<u>\$ 13,253,710</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Water and Sewer</u>	<u>Sanitation</u>	<u>Total</u>
Operating Revenues:			
Charges for Services	\$ 4,801,700	\$ 2,013,559	6,815,259
TOTAL OPERATING REVENUES	4,801,700	2,013,559	6,815,259
Operating Expenses:			
Personnel	2,604,205	711,622	3,315,827
Operating	2,100,627	1,250,274	3,350,901
Capital Outlay	40,579	34,121	74,700
Depreciation	1,022,020	65,223	1,087,243
TOTAL OPERATING EXPENSES	5,767,431	2,061,240	7,828,671
NET OPERATING INCOME (LOSS)	(965,731)	(47,681)	(1,013,412)
Nonoperating Revenues (Expenses):			
Investment Income	-	-	-
Gross Receipts Taxes	339,123	234,459	573,582
State Grants	-	-	-
Federal Grants	-	-	-
Miscellaneous Revenue	15,672	75	15,747
Interest	-	-	-
TOTAL NONOPERATING REVENUE (EXPENSES)	354,795	234,534	589,329
NET INCOME BEFORE OPERATING TRANSFERS	(610,936)	186,853	(424,083)
Transfers In	-	-	-
Transfers Out	(510,407)	(225,153)	(735,560)
NET TRANSFERS	(510,407)	(225,153)	(735,560)
CHANGE IN NET POSITION	(1,121,343)	(38,300)	(1,159,643)
NET POSITION, BEGINNING OF YEAR	8,662,497	1,392,066	10,054,563
RESTATEMENT	(1,653,116)	300,572	(1,352,544)
NET POSITION, END OF YEAR	<u>\$ 5,888,038</u>	<u>\$ 1,654,338</u>	<u>\$ 7,542,376</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF CASH FLOWS-PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Water & Sewer</u>	<u>Sanitation</u>	<u>Total</u>
Cash flow from operating activities			
Cash received from customers	\$ 4,801,700	\$ 2,013,559	\$ 6,815,259
Cash payments to employees for services	(2,604,205)	(711,622)	(3,315,827)
Cash payments to suppliers for goods and services	(2,100,627)	(1,250,274)	(3,350,901)
Net cash provided by operating activities	<u>96,868</u>	<u>51,663</u>	<u>148,531</u>
Cash flow from noncapital financing activities			
Taxes received	379,123	172,735	551,858
Miscellaneous	15,672	-	15,672
Governmental contributions	55,064	-	55,064
Transfers	(510,407)	(225,153)	(735,560)
Net cash flows provided by noncapital financing activities	<u>(60,548)</u>	<u>(52,418)</u>	<u>(112,966)</u>
Cash Flows from capital and related financing activities:			
Interest paid	(28,113)	-	(28,113)
Principal payments	(261,918)	-	(261,918)
	-	-	-
Acquisition of capital assets	(310,070)	-	(310,070)
Proceeds from capital governmental contributions	660,729	-	660,729
Net cash provided (used) by capital and related financing activities	<u>60,628</u>	<u>-</u>	<u>60,628</u>
Cash flows from investing activities			
Proceeds from sale (purchase) of investments	-	-	-
Interest income	-	755	755
Net cash provided by investing activities	<u>-</u>	<u>755</u>	<u>755</u>
Net increase (decrease) in cash and cash equivalents	96,948	-	96,948
Cash & cash equivalents - beginning of year	616,064	-	616,064
Cash & cash equivalents - end of year	<u>\$ 713,012</u>	<u>\$ -</u>	<u>\$ 713,012</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	\$ (965,731)	\$ (47,681)	\$ (1,013,412)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating			
Depreciation	1,022,020	65,223	1,087,243
Changes in assets & liabilities:			
Receivables	9,233	33,446	42,679
Inventory	4,322	(21,551)	(17,229)
Accounts payable	(21,255)	12,694	(8,561)
Accrued salaries and benefits	(1,223)	9,532	8,309
Compensated absences	(1,733)	-	(1,733)
Customer deposits	51,235	-	51,235
Net cash provided (used) by operating activities	<u>\$ 96,868</u>	<u>\$ 51,663</u>	<u>\$ 148,531</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES -
AGENCY FUNDS
AS OF JUNE 30, 2015**

	<u>Agency Funds Fund</u>
ASSETS	
Pooled Cash and Cash Equivalents	\$ 4,184
TOTAL ASSETS	<u>\$ 4,184</u>
 LIABILITIES AND FUND BALANCE	
LIABILITIES	
Deposits Held for Others	\$ 4,184
TOTAL LIABILITIES	<u>\$ 4,184</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

Note 1 Summary of Significant Accounting Policies

The Town of Silver City, a political subdivision of the State of New Mexico, operates under the council-manager form of government. The Town provides the following authorized services: public safety, highways and streets, sanitation, health and welfare, social services, culture-recreation, public improvements, planning and zoning, and general administrative services.

The Town's financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements) and interpretations. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

Financial Reporting Entity

The Town's basic financial statements include the accounts of all Town operations. The criteria for including organizations as component units within the Town's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, including whether:

- the organization is legally separate (can sue and be sued in their own name)
- the Town holds the corporate powers of the organization
- the Town appoints a voting majority of the organization's board
- the Town is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Town
- there is fiscal dependency by the organization on the Town

Based on the aforementioned criteria, the Town has no component units.

Basis of Presentation

Governmental-wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, 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 government-wide Statement of Activities presents a comparison between expenses, both direct and indirect, and program revenues for each segment of the business-type activities of the Town and for each governmental program. Direct expenses are those that are specifically associated with a services, program or department and are therefore clearly identifiable to a particular function. Indirect expenses for centralized services and administrative overhead are not allocated, but are presented as separate functions. Program revenues include charges paid

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**STATE OF NEW MEXICO
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by recipients of the goods or services offered by the program such as water use or garbage collection, licenses and permits and other amounts charged to directly service recipients, and grants and contributions that are restricted to meeting the operational and capital requirements of a particular program. Revenues not classified as program expenses identifies the extent to which a program or business segment is self-financing or draws from the general revenues of the Town.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditure/expenses. Funds are organized into three major categories: governmental, proprietary and fiduciary. A fund is considered major if it is the primary operating fund of the Town or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and proprietary funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

General Fund

The General Fund is the primary operating fund of the Town and always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain purposes.

Capital Project Fund

The Capital Project Fund is used to account for resources restricted for the acquisition or construction of specific capital projects or items.

Debt Service Fund

The Debt Service Fund accounts for the accumulation of financial resources for the payment of interest and principal on the general obligation bonds of the Town other than debt service payments made by enterprise funds. Ad valorem taxes are used for the payment of principal and interest on the Town's general obligation bonds.

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Proprietary Fund

Enterprise Fund

Enterprise funds are used to account for business-Type activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

Fiduciary Funds (Not included in government-wide statements).

Agency Funds

Agency funds account for assets held by the Town in a purely custodial manner. The reporting entity includes one agency fund. Since agency funds are custodial in nature (i.e., assets equal liabilities), they do not involve the measurement of results of operations.

Major Funds

The funds classified as major are as follows:

General Fund – Accounts for all activities except those accounted for in other funds.

Special Revenue Fund – HIDTA – To reduce drug trafficking and drug production in the United States by (a) facilitating cooperation among Federal, State, local, and tribal law enforcement agencies to share information and implement coordinated enforcement activities; (b) enhancing law enforcement intelligence sharing among Federal, State, local, and tribal law enforcement agencies; (c) providing reliable law enforcement intelligence to law enforcement agencies needed to design effective enforcement strategies and operations; and (d) supporting coordinated law enforcement strategies which maximize use of available resources to reduce the supply of illegal drugs in designated areas and in the United States as a whole. Authorized by P.L. 109-469.

Debt Service Fund – 2011 – Retirement – to account for the gross receipts tax collected and used to pay the principal and interest on the 2011 bond issues.

Proprietary:

Water and Sewer Fund – to account for the provisions of water and sewer services to applicable users. All activities necessary to provide such services are accounted for in this fund.

Sanitation Fund – to account for the provisions of garbage collection services to applicable users. All activities necessary to provide such service are accounted for in this fund.

Non-major Funds

Fund descriptions for all funds are included in the “Other Supplementary Information” section of this report.

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D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

In the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined in item “b” below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate:

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets, deferred outflows of resources, liabilities and deferred inflows of resources are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilized an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recover), financial position, and cash flow. All assets, deferred outflows of resources, liabilities and deferred inflows of resources (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from non-exchange transactions are recognized when the earnings process is complete.
- c. Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expensed are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Derived tax revenues are recognized when the exchange takes place, and grants are recognized when all eligibility requirements are met.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end. Revenue not collected within sixty days of year end is recorded as deferred

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inflows of resources in the fund statements. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for long-term debt principal and interest which are reported when due.

E. BUDGETS

Budgets for the General, Special Revenue, Debt Service, Capital Projects, and Enterprise Funds are prepared by management and approved by the local council and the New Mexico Department of Finance and Administration. The Paving 11 Debt Service Fund is not budgeted, since the fund is dormant, and no further collections are expected.

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

Actual expenditures may not exceed the budget on a by fund basis. Budgets may be amended in two ways. If a budget transfer is necessary within a fund, this may be accomplished with only local Council approval. If a transfer between "funds" or a budget increase is required, approval must also be obtained from the Department of Finance and Administration.

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

F. CASH AND INVESTMENTS

For the purpose of the Statement of Net Position, "cash and investments" includes all demand, savings accounts, and certificates of deposits of the Town. For the purpose of the proprietary fund Statement of Cash Flows, "cash and cash equivalents" include all demand and savings accounts, and certificates of deposit or short-term investments with an original maturity of six months or less.

Investments are carried at fair value except for short-term U.S. Treasury obligations with a remaining maturity at the time of purchase of one year or less. Those investments are reported at amortized cost. Fair value is based on quoted market price.

State statutes authorize the government to invest in interest bearing accounts with local financial institutions, direct obligations of the U.S. Treasury or New Mexico political subdivisions, and the state treasurer's investment pool.

New Mexico Statutes require that financial institutions with public monies on deposit pledge collateral, to the owner of such public monies, in an amount not less than 50% of the public monies held on deposit. Collateral pledged is held in safekeeping by other financial institutions, with safekeeping receipts held by the Town. The pledged securities remain in the name of the financial institution. Premiums (discounts) on investments are amortized by the interest method, or methods approximating the interest method.

G. INTERFUND RECEIVABLES AND PAYABLES

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Short-term inter-fund loans are reported as "interfund receivables and payables". Inter-fund receivables and payables between funds within

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governmental activities and between funds within business-type activities are eliminated in the Statement of Net Position. All inter-fund receivables and payables are eliminated in the total primary government column in the Statement of Net Position.

H. RECEIVABLES

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include gross receipts and use taxes, franchise taxes, and grants. Business-type activities report utilities and interest earning as their major receivables.

In the fund financial statements, material receivables in governmental funds include revenue accruals such as gross receipts tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Utility accounts receivable and interest earnings compose the majority of proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

I. CAPITAL ASSETS

The accounting treatment over property, plant, and equipment (capital assets) depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

Government-wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated fair value at the date of donation.

Depreciation of all exhaustible fixed assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of assets is as follows:

- | | |
|---------------------------------------|-------------|
| <input type="checkbox"/> Buildings | 25-50 years |
| <input type="checkbox"/> Improvements | 10-50 years |

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<input type="checkbox"/> Machinery and Equipment	03-20
<input type="checkbox"/> Utility System	25-75
<input type="checkbox"/> Infrastructure	25-75
<input type="checkbox"/> Software and Library	5-10

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements. Assets acquired with an original cost of \$5,000 or more are capitalized. Construction period interest is capitalized in proprietary funds.

J. RESTRICTED ASSETS

Restricted assets include cash and investments of the proprietary fund that are legally restricted as to their use. The primary restricted assets are related to utility meter deposits.

K. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents consumption of net position that applies to a future period, and so will be recognized as an outflow of resources (expenses/expenditures) then. See Note 18.

In addition to liabilities, the statement of Net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statements element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenues) until that time. The Government has two types of items, of which the GASB 68 entries arise under the full accrual basis of accounting and all of which arise under the modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item unavailable revenue, has reported in the government funds balance sheet. The amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The government reports unavailable revenue from the following sources:

	<u>HIDTA</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Amounts not received within 60 days of year-end:			
Intergovernmental Grants	\$ -	\$ 43,215	\$ 43,215
Property Taxes	-	147,845	147,845
Total	<u>\$ -</u>	<u>\$ 191,060</u>	<u>\$ 191,060</u>

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L. PENSIONS

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

M. LONG-TERM DEBT

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes payable, accrued compensated absences, and bonds payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund is the same in the fund statements as it is in the government-wide statements.

N. COMPENSATED ABSENCES

The Town's policies regarding vacation time permit employees to accumulate earned but unused vacation leave. The liability for these compensated absences is recorded as long-term debt in the government-wide statements. The current portion of this debt is estimated based on historical trends. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred.

O. EQUITY CLASSIFICATIONS

Government-wide Statements and Proprietary Funds

Equity is classified as net position and displayed in three components:

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

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b. Restricted net positions – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

c. Unrestricted net position – All other net positions that do not meet the definition of “restricted” or “net investment in capital assets.”

Fund Statements

During the year ended June 30, 2011, the Town implemented GASB Statement 54 “Fund Balance Reporting and Governmental Fund Type Definitions”. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in a spendable form (such as inventory) or are required to remain intact.
- Restricted fund balance- amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance – amounts constrained to specific purposes by the government itself, using its highest level of decision-making Town, to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change its constraints.
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the government body delegates the Town.
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

The Town Council establishes (and modifies or rescinds) fund balance commitments by adoption of a resolution or a vote of the Council. This is typically done through the adoption and amendment of the budget. Assigned fund balance is established by the Town Council through adoption or amendment of the budget as intended for a specific purpose (such as purchase of fixed assets, construction, and debt service or for other purposes).

P. REVENUES, EXPENDITURES AND EXPENSES

Gross Receipts Tax

The Town levies a 8.0% gross receipts tax on taxable gross receipts within the Town. The rate includes both Town and State assessments. The tax is collected by the New Mexico Taxation

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and Revenue Department and remitted to the Town in the month following receipt by the Department. The Department receives the tax one month after collection by vendors. Included in this tax is amounts dedicated to the Water and Sewer Fund and the Sanitation Fund, and those dedicated amounts are recorded directly in those funds.

Gross receipts tax collected by the State in June and July (which represent May and June transactions) and received by the Town in July and August have been accrued and are included under the caption "Taxes Receivable."

Property Tax

Property taxes attach as an enforceable lien on property as of January 1. Property tax rates for the year are set no later than September 1 each year by the Secretary of Finance and Administration. The rates of tax are then used by County Assessors to develop the property tax schedule by October 1. Taxes are payable in equal semiannual installments by November 10 and April 10 of the subsequent year and become delinquent 30 days later. Taxes are collected on behalf of the Town by the County Treasurer, and are remitted to the Town in the month following collection. Because the Treasurer of the County in which the Town is located is statutorily required to collect taxes as an intermediary agency for all forms of government, distribution of taxes are made through the applicable county to the Town.

The Town is permitted to levy taxes for general operating purposes based on a state formula, per \$1,000 of taxable value for both residential and nonresidential property, taxable value being defined as one third of the fully assessed value. In addition, the Town is allowed to levy taxes for payments of bond principal and interest in amounts approved by voters of the Town. The Town's total tax rate to finance general government services for the year ended June 30, 2015 was \$3.225 per \$1,000 for non-residential property and \$2.066 for residential property. The Town's tax rate for debt service was .662 per \$1,000 for both residential and nonresidential property.

Property tax receivables are recognized net of estimated refunds and uncollectible amounts in the period for which the taxes are levied, even if they are not available. Property taxes not collected within 60 days of year end are reported as deferred inflows of resources in the fund statements.

Operating Revenues and Expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services, primarily water, sewer and sanitation services. It also included all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities. Program revenues in governmental activities are primarily charges for services such as copies, police services, and charges for recreational activities and special events.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

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Governmental Fund – By Character: Current (further classified by function)
Debt Service
Capital Outlay

Proprietary Fund – By Operating and Non-operating

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources. The Town first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. The Town does not allocate indirect costs.

R. INTERFUND TRANSFERS

Permanent reallocation of resources between funds of the reporting entity are classified as inter-fund transfers. For the purpose of the Statement of Activities, all inter-fund transfers between individual governmental funds and individual proprietary funds have been eliminated.

Q. USE OF ESTIMATES

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

R. INVENTORIES

Inventories are stated at cost, measured by the first-in first-out method, and consist mainly of consumable supplies.

Note 2 Custodial Credit Risk

Custodial credit risk is the risk in the event of a bank failure the government's deposits may not be returned to it. The government does not have a deposit policy for credit risk beyond that disclosed in Note 1. As of June 30, 2015, \$0 (fully collateralized) of the government's bank balance of \$888,407 was exposed to custodial credit risk as follows:

Uninsured and Uncollateralized \$ _____ -

For additional Credit Information see schedule. Wells Fargo account is backed by \$628,565 in Pledged securities, account # WUB753. All other accounts under FDIC limit.

The State Treasurer Local Governmental Investment Pool is not SEC registered. The State Treasurer, with the advice and consent of the State Board of Finance, is authorized to invest money held in the short-term investment fund in accordance with Section 6-10-10I through 6-10-10P and Sections 6-10-10.1 A and E, NMSA 1978. The Local Government Investment Pool investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments.

The pool does not have unit shares. Per Section 6-10-10.IF, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in

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amounts directly proportionate to the respective amounts deposited in the fund and the length of time the amounts fund were invested.

Investments are valued at fair value based on quoted market prices as the valuation date.

Participation in the pool is voluntary. The Town had \$26,464 on deposit in the pool at June 30, 2015. The pool is AAAM rated, and has a 48.6 day weighted average maturity.

The cash on deposit with NMFA is, in effect, loan payments made by the Town but not yet applied or loan proceeds not yet disbursed. Such deposits are subject to the collateral requirements of NMFA. Such deposits total \$1,038,565.

Note 3 Investments

At June 30, 2015, the Town had the following investments:

<u>Investment Type</u>	<u>Amortized Cost</u>	<u>Fair Value</u>
Money Market	\$ 21,744	\$ 21,744
Total	<u>\$ 21,744</u>	<u>\$ 21,744</u>

The investments do not have maturity dates, so the weighted average maturity has not been calculated.

Interest Rate Risk – The Town limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates by limiting its investment portfolio to readily marketable mutual funds.

Credit Risk – The Town has no investment policy beyond that prescribed by New Mexico law. As of June 30, 2015, the Town invests only in highly rated mutual funds. The Town’s investment in mutual funds was rated A-1+ by Standards & Poor’s, and P-1 by Moody’s.

Concentration of Credit Risk – The Town places no limits on the amount it may invest in any one issuer. The Town currently has 59% invested in government money markets, and 41% invested in Mutual Funds.

Custodial Credit Risk – The Town is not subject to custodial credit risk for its investments, since all are held in the name of the Town.

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Note 4 Receivables

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Accounts Receivable:		
Services (net of allowance for doubtful accounts)	\$ 244,520	\$ 902,535
Total Accounts Receivable	<u>244,520</u>	<u>902,535</u>
Due From Other Governments:		
Intergovernmental Grants	<u>43,405</u>	<u>-</u>
Taxes Receivable:		
Property Tax	886,810	
Gross Receipts Tax	757,411	33,075
Motor Vehicle Tax	11,255	
Gasoline Tax	27,555	
Lodgers Tax	<u>50,111</u>	<u>-</u>
Total Taxes Receivable	<u>1,733,142</u>	<u>33,075</u>
Total Receivables	<u><u>\$ 2,021,067</u></u>	<u><u>\$ 935,610</u></u>

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Note 5 Capital Assets

Capital asset activity for the year ended June 30, 2015, was as follows:

Government Activities:

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 7,811,031	\$ -	\$ -	\$ 7,811,031
Construction in Progress	4,784,966	2,963,464	1,714,353	6,034,077
Total Capital Assets Not Being Depreciated	12,595,997	2,963,464	1,714,353	13,845,108
Capital Assets Being Depreciated:				
Buildings and Improvements & Infrastructure	65,307,130	2,237,529	-	67,544,659
Equipment	5,139,390	556,475	-	5,695,865
Total Capital Assets Being Depreciated	70,446,520	2,794,004	-	73,240,524
Total Capital Assets	83,042,517	5,757,468	1,714,353	87,085,632
Less: Accumulated Depreciation				
Buildings and Improvements & Infrastructure	(25,967,077)	(4,938,037)	-	(30,905,114)
Equipment	(4,251,388)	(471,455)	-	(4,722,843)
Total Accumulated Depreciation	(30,218,465)	(5,409,492)	-	(35,627,957)
Governmental Activities				
Capital Assets - Net	\$ 52,824,052	\$ 347,976	\$ 1,714,353	\$ 51,457,675

Depreciation was charged to the Governmental Activities as follows:

General Government	\$ 1,964,846
Public Safety	2,101,551
Public Works	311,585
Culture and Recreation	901,255
Health and Welfare	130,255
	\$ 5,409,492

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Business Type Activities:

	<u>Balance June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2015</u>
Business-Type Activities:				
Capital Assets Not Being Depreciated:				
Construction in Progress	\$ -	\$ 152,948	\$ -	\$ 152,948
Land	<u>961,403</u>	<u>-</u>	<u>-</u>	<u>961,403</u>
Total Capital Assets Not Being Depreciated	961,403	152,948	-	1,114,351
Capital Assets Being Depreciated:				
Buildings and Utility Plant	34,001,385	272,857	-	34,274,242
Equipment	<u>4,821,385</u>	<u>7,820</u>	<u>-</u>	<u>4,829,205</u>
Total Capital Assets Being Depreciated	<u>38,822,770</u>	<u>280,677</u>	<u>-</u>	<u>39,103,447</u>
Total Capital Assets	39,784,173	433,625	-	40,217,798
Less: Accumulated Depreciation				
Buildings and Utility Plant	(24,774,522)	(1,025,921)	-	(25,800,443)
Equipment	<u>(3,229,111)</u>	<u>(61,322)</u>	<u>-</u>	<u>(3,290,433)</u>
Total Accumulated Depreciation	<u>(28,003,633)</u>	<u>(1,087,243)</u>	<u>-</u>	<u>(29,090,876)</u>
Business-Type Activities				
Capital Assets - Net	<u>\$ 11,780,540</u>	<u>\$ (653,618)</u>	<u>\$ -</u>	<u>\$ 11,126,922</u>

The Town has various construction projects ongoing with future commitments totaling approximately \$1,240,000.

Depreciation was charged to the Governmental Activities as follows:

Water and Sewer	\$ 1,022,020
Sanitation	<u>65,223</u>
	<u>\$ 1,087,243</u>

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Note 6 Accrued Liabilities

Accrued liabilities consisted of the following at June 30, 2015:

	Governmental Activities	Business-Type Activities
Accrued Salaries	\$ 101,744	\$ 23,721
Accrued Interest	-	-
Total Accrued Liabilities	\$ 101,744	\$ 23,721

State and Federal laws and regulations require the Town to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post closure care will be paid only near or after the date that the landfill stops accepting waste, the Town reports a portion of these closure and post closure care costs as an operating expense in each period based on landfill used as of each balance sheet date. During the year ended June 30, 1995 the Town closed its existing landfill and opened a new landfill. Effective July 1, 1996 the Town transferred its right and obligations in the new landfill to the Grant County Solid Waste Town under a sales contract dated June 19, 1996. The Solid Waste Town assumed closure cost liabilities. The closure and post- closure requirements of the old landfill are as follows:

Estimated closure and post-closure costs	\$ 1,610,000
Landfill capacity utilized	100%
Closure Costs Recognized to Date	1,610,000
Costs Incurred to Date	(1,610,000)
Remaining Post-Closure Liability	\$ -

These costs are based on the expected cost when the landfill was closed in 1995. Actual costs of closure and post-closure care may be higher due to inflation, changes in technology or changes in regulations. Ongoing monitoring will continue into future years as required by law, and will be paid from available funds.

Financial assurance regulations became effective in 1995. Bond proceeds from the sale of the December 1993 sales tax revenue bonds were used to meet the closure and post-closure care financial assurance requirements.

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Note 7 Long-Term Debt

Changes in long-term debt were as follows during the year ended June 30, 2015:

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015	Due Within One Year
<u>Governmental Activities:</u>					
Silco Renovation	-	359,158	19,092	340,066	20,754
Silco Theatre Loan	219,015		30,032	188,983	30,293
2011A GRT Revenue Bonds	4,880,000		205,000	4,675,000	205,000
2011B GRT Revenue Bonds	190,000		25,000	165,000	30,000
2012 GRT Revenue Bonds	410,000		135,000	275,000	135,000
2014 NBH	-	1,150,000	95,000	1,055,000	100,000
Sports Complex	751,887		48,358	703,529	48,576
Gov't Refueling Station	190,264	-	20,143	170,121	20,233
Subtotal	<u>6,641,166</u>	<u>1,509,158</u>	<u>577,625</u>	<u>7,572,699</u>	<u>589,856</u>
Compensated Absences Payable	<u>388,790</u>	<u>300,404</u>	<u>300,090</u>	<u>389,104</u>	<u>-</u>
	<u>\$ 7,029,956</u>	<u>\$ 1,809,562</u>	<u>\$ 877,715</u>	<u>\$ 7,961,803</u>	<u>589,856</u>
			Amount considered Long-term		<u>7,371,947</u>
			Total		<u>\$ 7,961,803</u>
	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015	Due Within One Year
<u>Business-Type Activities:</u>					
1995 NM EID	\$ 1,262,449		\$ 200,131	\$ 1,062,318	\$ 204,133
Colonias	\$ -	\$ 59,191	\$ 1,146	\$ 58,045	\$ 3,055
NMFA Utility System	1,257,158		58,925	1,198,233	59,569
NMFA Wastewater	36,130	-	1,716	34,414	1,812
Subtotal	<u>2,555,737</u>	<u>59,191</u>	<u>261,918</u>	<u>2,353,010</u>	<u>268,569</u>
Compensated Absences Payable	<u>115,112</u>	<u>88,101</u>	<u>88,196</u>	<u>115,017</u>	<u>-</u>
	<u>\$ 2,670,849</u>	<u>\$ 147,292</u>	<u>\$ 350,114</u>	<u>\$ 2,468,027</u>	<u>268,569</u>
			Amount considered Long-term		<u>2,199,458</u>

2012 GRT Revenue Bonds

These bonds were issued to make improvements to the Town's facilities. The bonds are payable from gross receipts tax pledged to secure the debt. The bonds bear interest at an interest rate of 2.32%, and maturity dates range from 2015 through 2017.

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Silco Theatre Note and Silco Renovation

Note payable to the New Mexico Finance Authority. Proceeds of the note were utilized to acquire real property. The note is payable from an enacted 1/16% gross receipts tax pledged to secure the debt. The note bears interest at rates ranging from .51% to 2.4%, and maturity dates range from 2015 to 2021. Renovation runs through 2015-2029 with rates from .44%-4.05%.

Sports Complex Note

Note payable to the New Mexico Finance Authority. The proceeds were utilized to make improvements to various recreational facilities. The note is payable from Gross Receipts Tax pledged to secure the debt. The note bears interest at rates ranging from .17% to 3.23%, and maturity dates range from 2015 to 2028.

Government Refueling Station Note

Note payable to the New Mexico Finance Authority. The proceeds were used to purchase and improve a central government refueling station. The note is payable from Gross Receipts Tax pledged to secure the debt. The note bears interest at rates ranging from .17% to 2.94%, and maturity dates range from 2015 to 2023.

Wastewater Loan

Note payable to the New Mexico Finance Authority. The proceeds were used to make wastewater improvements. The note is payable from Gross Receipts Tax pledged to secure the debt. The note does not bear interest, and maturity dates range from 2015 to 2034.

The 2012 GRT Revenue Bonds, and the notes payable for the Silco Theatre, the Sports Complex, the Government Refueling Station and the Wastewater improvements are being paid from gross receipts tax revenues pledged to secure the debt. The revenues pledged totaled \$1,787,445 at June 30, 2015, which is 3.4% of future gross receipts tax collections at their current rate. During the year ended June 30, 2015, the Town collected \$8,866,627 in pledged revenues.

2011A and B GRT Revenue Bonds

These bonds were issued to make improvements to the Town's facilities, and to retire debt for which gross receipts tax had been pledged. The bonds are payable from gross receipts taxes pledged to secure the debt. The revenues pledged totaled \$7,030,903 at June 30, 2015, equal to 9.5% of future gross receipts tax collections at the current rate. The bonds bear interest at rates ranging from 2% to 4.5%, and maturity dates range from 2015 through 2032.

A series 2014 Revenue Bond was added for the current year. The net interest cost is 3.29% through the life of the bond and it runs through 2024.

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1995 New Mexico Environment Department Note Payable

Note payable to the New Mexico Environment Department. Proceeds of the note were used for improvements to the Town's wastewater facility. The note bears interest at a rate of 4% per annum. Annual payments of \$204,133 are due for a period of fifteen years. The note matures in 2019.

NMFA Utility System Note Payable

This note payable to the New Mexico Finance Authority is being used to construct improvements to the Town's utility system. The note bears interest at a rate of .843%, with maturity dates ranging from 2015 to 2033.

The 1995 New Mexico Environmental Department Note Payable, and the NMFA Utility System Note Payable are being paid from gross receipts tax revenues pledged for that purpose. The revenues pledged totaled \$2,527,100 at June 30, 2015, and equal 40% of future gross receipts tax at their current rate.

Colonias

A loan to support the Colonias project and Fund was added in 2015. This Detailed Bond Service amounts to \$3,055 in principal per year running through 2034.

Compensated Absences

The amount of compensated absences due within the next year is not estimable. The liabilities will be paid from the fund which is charged with the employee as a direct cost, and the liability will be paid with funds available. Typically the general and water and sewer funds bear the majority of the compensated absences cost.

The annual debt service requirements to maturity, including principal and interest, for long-term debt as of June 30, 2015 is as follows:

Governmental Activities

Year Ending June 30	Principal	Interest	Total
2016	\$ 589,856	\$ 226,523	\$ 816,379
2017	595,454	201,523	796,977
2018	565,306	190,525	755,831
2019	470,645	171,252	641,897
2020	411,252	161,232	572,484
2021-2025	1,653,252	690,252	2,343,504
2026-2030	1,689,523	327,677	2,017,200
2031-2035	1,597,411	126,323	1,723,734
Total	<u>\$ 7,572,699</u>	<u>\$ 2,095,307</u>	<u>\$ 9,668,006</u>

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Business Type Activities

Year Ending June 30	Principal	Interest	Total
2016	\$ 268,569	\$ 31,176	\$ 299,745
2017	270,248	26,592	296,840
2018	275,070	21,919	296,989
2019	279,984	17,159	297,143
2020	284,542	16,585	301,127
2021-2025	564,525	36,585	601,110
2026-2030	306,223	9,888	316,111
2031-2035	103,849	4,852	108,701
Total	<u>\$ 2,353,010</u>	<u>\$ 164,756</u>	<u>\$ 2,517,766</u>

Note 8 Restricted Net Position

The Town reports \$1,231,566 in restricted net position in governmental activities, of which \$712,623 is due for construction purposes. The Business type activities have \$446,357 restricted for debt service by regulation.

Note 9 Post-Employment Benefits – State Retiree Health Care Plan

Plan Description

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

Eligible retirees are: (1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the Retiree Health Care Act 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; (4) former governing Town members who served at least four years.

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the post-employment healthcare plan.

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That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle N.E., Suite 104, Albuquerque, New Mexico 87107.

Funding Policy

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

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

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

The Town of Silver City's contributions to the RHCA for the years ended June 30, 2015, 2014 and 2013 were \$182,857, \$187,886 and \$124,635, respectively, which equal the required contributions for each year.

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Note 10 Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

Note 11 Risk Management

The Town is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town has joined together with other municipalities in the State and obtained insurance through the New Mexico Self Insurers Fund, a public risk pool currently operating as a common risk management and insurance program for local governments.

The Town pays an annual premium to New Mexico Self Insurers Fund for its general insurance coverage, and risk of loss is transferred. No losses in excess of available coverage have been incurred.

Note 12 Deficit Fund Balances

The Town had the following deficit fund balances at June 30, 2015:

HIDTA	\$	(39,555)
Waterwoks Historic		(566)
	<u>\$</u>	<u>(40,121)</u>

These fund balance deficits were caused by either the application of the 60 day revenue accrual period required by the modified accrual basis of accounting or the timing of transfers to be made from the General Fund. As the revenue is collected and/or the transfers are made, the deficits will be eliminated.

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Note 13 Inter-fund Activity

These amounts are expected to be repaid within one year, and the advances were made to meet operating expenses. The transfers were made to fund debt service payments, fund construction projects and provide operating funds. Interfund Transfers amounted to \$1,471,317 between funds, including 50% transferred out from business.

Note 14 Land Lease

The Town entered into an agreement to lease land to Hidalgo Medical Services. This lease was entered into in contemplation of Hidalgo Medical Services erecting a new facility on the property.

Prior to completion of the new facility, the Town received \$2,000 per month. Subsequent to completion of the new facility, the Town receives a monthly rent based on the percentage of the Town's contribution to the cost of the facility to the total cost of the facility, capitalized at 6%. The facility became operational February 3, 2013.

Hidalgo Medical Services has an option, after the first four years of the lease, to purchase the Town's interest in the property at fair market value.

The Town's investment in the project is \$500,000. The Town lease income for the year ended June 30, 2015 was \$30,500.

The Town's future rent income under the contract is as follows:

June 30,	Amount
2016	\$ 30,000
2017	\$ 30,000
2018	\$ 30,000
2019	\$ 30,000
2020	\$ 30,000
2021-2025	150,000
2026-2030	150,000
2031-2035	150,000
2036-2040	<u>42,500</u>

Note 15 Evaluation of Subsequent Events

The date to which events occurring after June 30, 2015, the date of the most recent statement of net position, have been evaluated for possible adjustment to the financial statements or disclosures is November 20, 2015, which is the date on which the financial statements were issued. No events requiring disclosure in, or adjustment to the financial statements of the Town, took place subsequent to year end.

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Note 16 Expenditures in Excess of Budgetary Town

The Town performed budget adjustments for the year ended June 30, 2015, which removed issue from previous year. There were no budgets for funds with no revenue, expense, or financing activities, but they remained in the financials for presentation purposes.

Note 17 Restatement

During the fiscal year ended June 30, 2014, the Town adopted GASBS No. 65, which created additional net position and balance sheet categories as explained in Note 1. As a part of this statement, costs associated with the sale of bonds or loan acquisition are no longer capitalized, but are expensed as incurred. This results in the Town being required to restate its government-wide net position at July 1, 2014, by the amount of previously capitalized bond costs. There were also restatements for GASB 68 for 2015 as well as previous year timing issues. These restatements were performed for the audit to properly state fund balances. Per the Income statements these totals were \$(548,398) to the General Fund, \$152,594 to Hida, \$172,138 to 2011 Retirement, \$(118,396) to Other Governmental Funds, for a total of \$(342,062) to Governmental Funds and \$(1,352,544) to the Proprietary Funds. Per the Statement of Activities these totals were \$(12,923,492) for Government and \$(991,319) for Business type activities, for a total of \$(13,914,811) mainly due to implementation GASB 68 as well as a change in accounting principles.

Note 18 Pension Plan – Public Employees Retirement Plan

General Information about the Pension Plan:

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

PERA issues a publicly available financial report and a comprehensive annual financial report that can be obtained at <http://saonm.org/>.

Contributions

The contribution requirements of defined benefit plan members and the authority are established in state statute under Chapter 10, Article 11, NMSA 1978. The contribution requirements may be amended by acts of the legislature. For the employer and employee contribution rates in effect for FY14 for the various PERA coverage options, for both Tier I and

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Tier II, see the tables available in the note disclosures on pages 29 through 31 of the PERA FY14 annual audit report at:

http://osanm.org/media/audits/366_Public_Employees_Retirement_Association_2014.pdf.

The PERA coverage options that apply to the Town are: Municipal General, The Municipal Fire, and Police Division. Statutorily required contributions to the pension plan from the Town were \$1,497,332 and employer paid member benefits that were “picked up” by the employer were \$686,495 for the year ended June 30, 2015.

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

The PERA pension liability amounts, net pension liability amounts, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2013. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2014, using generally accepted actuarial principals. Therefore, the employer’s portion was established as of the measurement date June 30, 2014.

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

For PERA Fund Division Municipal General, at June 30, 2015, the Town reported a liability of \$3,132,131 for its proportionate share of the net pension liability. At June 30, 2014, the Town’s proportion was .4015 percent, which was unchanged from its proportion measured as of June 30, 2013, due to the insignificance of the difference.

For the year ended June 30, 2015, the Town recognized PERA Fund Division Municipal General Pension expense of \$486,803. At June 30, 2015, the Town reported PERA Fund

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	2,123
Net difference between projected and actual earnings on pension plan investments	-	1,225,372
Changes in proportion and differences between Town's contributions and proportionate share of contributions	-	-
Town's contributions subsequent to the measurement date	658,255	-
Total	\$ 658,255	\$ 1,227,495

\$658,255 reported as deferred outflows of resources related to pensions resulting from the Town contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	Amount
2016	\$ 306,871
2017	306,871
2018	306,871
2019	306,871
2020	11
Thereafter	-
Total	\$ 1,227,495

For PERA Fund Division Municipal Police, at June 30, 2015, the Town reported a liability of \$2,504,900 for its proportionate share of the net pension liability. At June 30, 2014, the Town's proportion was .767% percent, which was unchanged from its proportion measured as of June 30, 2013, due to the insignificance of the difference.

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For the year ended June 30, 2015, the Town recognized PERA Fund Division Municipal Police Pension expense of \$365,091. At June 30, 2015, the Town reported PERA Fund Division Municipal General deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	203,483
Net difference between projected and actual earnings on pension plan investments	-	931,433
Changes in proportion and differences between the Town's contributions and proportionate share of contributions	-	-
Town's contributions subsequent to the measurement date	476,522	-
Total	\$ 476,522	\$ 1,134,916

\$476,522 reported as deferred outflows of resources related to pensions resulting from the Town contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	Amount
2016	\$ 283,476
2017	283,476
2018	283,476
2019	283,476
2020	1,012
Thereafter	-
Total	\$ 1,134,916

For PERA Fund Division Municipal Fire, at June 30, 2015, the Town reported a liability of \$3,792,491 for its proportionate share of the net pension liability. At June 30, 2014, the Town's proportion was .9086% percent, which was unchanged from its proportion measured as of June 30, 2013, due to the insignificance of the difference.

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For the year ended June 30, 2015, the Town recognized PERA Fund Division Municipal Fire Pension expense of \$468,745. At June 30, 2015, the Town reported PERA Fund Division Municipal General deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	131,655	-
Net difference between projected and actual earnings on pension plan investments	-	525,284
Changes in proportion and differences between Town's contributions and proportionate share of contributions	-	-
Town's contributions subsequent to the measurement date	362,555	-
Total	\$ 494,210	\$ 393,629

\$362,555 reported as deferred outflows of resources related to pensions resulting from the Town contributions subsequent to the measurement date June 30, 2014 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	Amount
2016	\$ 98,571
2017	98,571
2018	98,571
2019	98,571
2020	(655)
Thereafter	-
Total	\$ 393,629

As described above, the PERA Fund member group pension liabilities and net pension liabilities are based on actuarial valuations performed as of June 30, 2013 for each of the membership groups. Then each PERA Fund member group pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2014 using generally accepted actuarial

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principals. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2014. These actuarial methods and assumptions were adopted by the Board for use in the June 30, 2014 actuarial valuation.

Actuarial valuation date	June 30, 2013
Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay
Asset valuation method	Solved for based on statutory rates
Actuarial assumptions:	Fair value
Investment rate of return	7.75% annual rate, net of investment expense
Payroll growth	3.50% annual rate
Projected salary increases	3.50% to 14.25% annual rate
Includes inflation at	3.00% annual rate

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

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

Sensitivity of the Town's proportionate share of the net pension liability to changes in the discount rate

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

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

<u>PERA Fund Division Municipal Government</u>	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Town's proportionate share of the net pension liability	\$ 5,904,771	\$ 3,132,131	\$ 990,134
<u>PERA Fund Division Municipal Police</u>	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Town's proportionate share of the net pension liability	\$ 4,776,849	\$ 2,504,900	\$ 808,467
<u>PERA Fund Division Municipal Fire</u>	<u>1% Decrease (6.75%)</u>	<u>Current Discount Rate (7.75%)</u>	<u>1% Increase (8.75%)</u>
Town's proportionate share of the net pension liability	\$ 5,358,505	\$ 3,792,491	\$ 2,637,494

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

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

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

Note 19 Related Party

Per inquiry, there is no related Party information to disclose for the year ended June 30, 2015. The Town had no conflicts of interest with business dealings for the year ended June 30, 2015.

Note 20 Reconciliation of Budget Basis (Non-GAAP) to GAAP Basis Financial Statements

For governmental funds the accompanying Statements of Revenues, Expenditures and Changes in Fund Balance – adjustments were needed to bring the balances into accordance with GAAP regulations. Fixed assets, compensated absences, accrued payroll, as well as certain inventory (non material), long term and current debt and taxes receivable were added, though the balances and details to the accounts were maintained by the Town. The entries to record the needed GASB 68 pension balances were also added during the audit. See notes 4, 5, 6, 7, and 18 for the details of additions.

REQUIRED SUPPLEMENTARY INFORMATION

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
VENDOR SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2015**

RFB#/RFP#	Type of Procurement	Awarded Vendor	\$ Amount of Awarded Contract	\$ Amount of Amended Contract	Name and Physical Address per the procurement documentation, of <u>ALL Vendor(s) that responded</u>	In-State/ Out-of-State Vendor (Y or N) (Based on Statutory Definition)	Was the vendor in-state and chose Veteran's preference (Y or N) For federal funds answer N/A	Brief Description of the Scope of Work
14/15-1	Bid	Havens Const.	\$ 667,702.85		Havens Const. Silver City NM Bigelow Const. Silver City NM	In-State In-State	n/a	Renovations @ Silco Theater
14/15-2	Bid	Deming Excavating	\$ 344,833.04		Adame Const. Los Lunas NM Deming Excavating Deming NM Du Cross Las Cruces NM File Construction Albuquerque NM Total Contracting Albuquerque NM J & S Plumbing Silver City NM Smithco Caballo NM Morrow Enterprises Las Cruces NM	In-State In-State In-State In-State In-State In-State In-State In-State	n/a	F Street Sewer Improvements
14/15-3	Bid	not awarded			Sacaton Construction Silver City NM Lone Mountain Bosque Farms NM CD General Las Cruces NM	In-State In-State In-State	n/a	Scott Park Concession
14/15-4	Bid	Deming Excavating	\$ 303,146.65		Deming Excavating Deming NM Southwest Concrete Silver City NM	In-State In-State	n/a	Silver Street Improvements
14/15-5	Bid	C & E Industrial	\$ 540,885.47		C & E Industrial Sunland Park NM	In-State	n/a	Solids Dewatering Facility
14/15-6	Bid	Deming Excavating	\$ 432,785.50		Deming Excavating Deming NM Southwest Concrete Silver City NM	In-State In-State	n/a	CDBG Street Improvements
14/15-1P	RFP	White Sands Construction	\$ 651,240.00		White Sands Construction Alamogordo NM	In-State	No	Renovations @ Silco Theater

Prepared by Leann Miquez, Purchasing Agent, 11/25/2015

GASB 68
REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE TOWN OF SILVER CITY'S PROPORTIONATE SHARE OF THE
 NET PENSION LIABILITY OF GENERAL FUND
 PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) PLAN
 LAST 10 FISCAL YEARS* 2015**

MUNICIPAL GENERAL FUND

	<u>2015</u>
Town's proportion of the net pension liability (asset)	0.402%
Town's proportionate share of the net pension liability (asset)	\$ 3,132,131
Town's covered-employee payroll	\$ 3,063,784
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	102.23%
Plan fiduciary net position as a percentage of the total pension liability	81.29%

*The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 1- year trend is compiled, the Town will present information for those years for which information is available.

**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE TOWN OF SILVER CITY'S PROPORTIONATE SHARE OF THE
 NET PENSION LIABILITY OF GENERAL FUND
 PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) PLAN
 LAST 10 FISCAL YEARS* 2015**

MUNICIPAL GENERAL FUND

	<u>2015</u>
Contractually required contribution	\$ 292,591
Contributions in relation to the contractually required contribution	<u>658,255</u>
Contribution deficiency (excess)	<u>\$ (365,664)</u>
Town's covered-employee payroll	\$ 3,063,784
Contributions as a percentage of covered-employee payroll	21.49%

*The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 1- year trend is compiled, the Town will present information for those years for which information is available.

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**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE TOWN OF SILVER CITY'S PROPORTIONATE SHARE OF THE
 NET PENSION LIABILITY OF PERA FUND DIVISION MUNICIPAL POLICE AND
 FIRE
 PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) PLAN
 LAST 10 FISCAL YEARS* 2015**

MUNICIPAL POLICE FUND

	<u>2015</u>
Town's proportion of the net pension liability (asset)	0.7670%
Town's proportionate share of the net pension liability (asset)	\$ 2,504,900
Town's covered-employee payroll	\$ 1,503,856
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	166.57%
Plan fiduciary net position as a percentage of the total pension liability	81.29%

*The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 1- year trend is compiled, the Town will present information for those years for which information is available.

**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE TOWN OF SILVER CITY'S PROPORTIONATE SHARE OF THE
 NET PENSION LIABILITY OF PERA FUND DIVISION MUNICIPAL POLICE AND
 FIRE
 PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) PLAN
 LAST 10 FISCAL YEARS* 2015**

MUNICIPAL POLICE FUND

	<u>2015</u>
Contractually required contribution	\$ 284,229
Contributions in relation to the contractually required contribution	<u>476,522</u>
Contribution deficiency (excess)	<u>\$ (192,293)</u>
Town's covered-employee payroll	\$ 1,503,856
Contributions as a percentage of covered-employee payroll	31.69%

*The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 1- year trend is compiled, the Town will present information for those years for which information is available.

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
NET PENSION LIABILITY OF PERA FUND DIVISION MUNICIPAL POLICE AND
FIRE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2015**

MUNICIPAL FIRE FUND

	<u>2015</u>
Town's proportion of the net pension liability (asset)	0.9086%
Town's proportionate share of the net pension liability (asset)	\$ 3,792,491
Town's covered-employee payroll	\$ 995,236
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	381.06%
Plan fiduciary net position as a percentage of the total pension liability	81.29%

*The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 1- year trend is compiled, the Town will present information for those years for which information is available.

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
NET PENSION LIABILITY OF PERA FUND DIVISION MUNICIPAL POLICE AND
FIRE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2015**

MUNICIPAL FIRE FUND

	<u>2015</u>
Contractually required contribution	\$ 215,469
Contributions in relation to the contractually required contribution	<u>362,555</u>
Contribution deficiency (excess)	<u>\$ (147,086)</u>
Town's covered-employee payroll	\$ 995,236
Contributions as a percentage of covered-employee payroll	36.43%

*The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 1- year trend is compiled, the Town will present information for those years for which information is available.

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
NET PENSION LIABILITY OF PERA FUND DIVISION MUNICIPAL GENERAL,
POLICE, AND FIRE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2015**

Changes of benefit terms.

The PERA Fund COLA and retirement eligibility benefits changes in recent years are described in Note 1 of the PERA FY14 audit available at:

http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366_Public_Employees_Retirement_Association_2014.pdf.

Changes of assumptions.

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

SUPPLEMENTAL INFORMATION

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS
BY FUND TYPE
JUNE 30, 2015**

	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Debt Service Funds</u>	<u>Total</u>
ASSETS				
Cash and Cash Equivalents	\$ 249,494	\$ 591,383	\$ 95,330	\$ 936,207
Inventory	-	246	-	246
Interest Receivable	-	-	-	-
Taxes Receivable	-	-	158,937	158,937
Accounts Receivable	82,268	-	2,156	84,424
Assessments Receivable	-	-	-	-
Allowance for Doubtful Accounts	-	-	-	-
Due From Other Governments	-	-	-	-
Interfund Receivable	-	43,405	-	43,405
TOTAL ASSETS	<u>\$ 331,762</u>	<u>\$ 635,034</u>	<u>\$ 256,423</u>	<u>\$ 1,223,219</u>
 LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts Payable	\$ 1,949	\$ -	\$ -	\$ 1,949
Interfund Payable	-	-	-	-
Accrued Salaries and Benefits	-	-	-	-
Unearned Revenue	54,702	-	-	54,702
TOTAL LIABILITIES	56,651	-	-	56,651
 FUND BALANCES				
Non-Spendable:				
Inventory	-	247	-	247
Assigned to:				
Public Safety	44,943	-	-	44,943
Culture and Recreation	168,161	2,410	80,280	250,851
Land Acquisition	62,564	-	-	62,564
Debt Service	-	1	95,330	95,331
Construction	-	632,376	80,813	713,189
Unassigned, Reported in:				
Special Revenue Fund	(557)	-	-	(557)
TOTAL FUND BALANCES	<u>275,111</u>	<u>635,034</u>	<u>256,423</u>	<u>1,166,568</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 331,762</u>	<u>\$ 635,034</u>	<u>\$ 256,423</u>	<u>\$ 1,223,219</u>

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – NONMAJOR GOVERNMENTAL FUNDS – BY FUND TYPE
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Special Revenue Funds</u>	<u>Capital Projects Funds</u>	<u>Debt Service Funds</u>	<u>Total</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ 9,861	\$ 9,861
Gross Receipts Taxes	-	28,034	117,476	145,510
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	291,508	-	-	291,508
State Intergovernmental	404,085	896,409	-	1,300,494
Federal Intergovernmental	8,646	811,740	-	820,386
Fines Licenses and Permits	86,383	27,569	-	113,952
Charges for Services	46,340	-	36,984	83,324
Miscellaneous	79,987	73,906	-	153,893
TOTAL REVENUES	916,949	1,837,658	164,321	2,918,928
EXPENDITURES				
Current				
General Government	8,000	-	-	8,000
Public Safety	570,960	-	-	570,960
Public Works	72,722	7,173	-	79,895
Health and Welfare	-	-	-	-
Culture and Recreation	640,298	-	36,984	677,282
Debt Service:				
Principal	-	28,034	328,593	356,627
Interest	-	-	61,651	61,651
Loan Issue Costs	-	-	-	-
Capital Outlay	106,392	3,461,405	-	3,567,797
TOTAL EXPENDITURES	1,398,372	3,496,612	427,228	5,322,212
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(481,423)	(1,658,954)	(262,907)	(2,403,284)
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	204,964	1,600,330	1	1,805,295
Bond Premiums	-	-	-	-
Transfers In	193,444	301,497	298,884	793,825
Transfers Out	-	(633,720)	(9,861)	(643,581)
TOTAL OTHER FINANCING SOURCES (USES)	398,408	1,268,107	289,024	1,955,539
NET CHANGE IN FUND BALANCES	(83,015)	(390,847)	26,117	(447,745)
FUND BALANCE, BEGINNING OF YEAR	253,878	840,364	638,467	1,732,709
RESTATEMENT	104,248	185,517	(408,161)	(118,396)
FUND BALANCE, END OF YEAR	\$ 275,111	\$ 635,034	\$ 256,423	\$ 1,166,568

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
NONMAJOR SPECIAL REVENUE FUNDS - DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2015**

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

Fire Protection and PRC Fire – to account for the revenues from the State Fire Allotment and the public safety related expenditures. Town NMSA 59-15-1.

Juvenile Recreation – to account for the revenues generated by cigarette taxes that are restricted to expenditures for recreational purposes. Town NMSA 7-12-15.

Lodger's Tax – to account for the revenues specifically generated by the tax on transient lodging. Expenditures must be a culture-recreation nature. Town NMSA 3-38-14.

Correction Fees – to account for the fees collected by the Municipal Judge, which are legally restricted to expenditures for jail, related costs. Town NMSA 33-3-25.

Golf Course Surcharge – to account for the General Fund transfers to be used for support of golf course operations. This fund was authorized by Town resolution.

Law Enforcement Protection – to account for the State grant to be used for the repair and/or replacement of law enforcement equipment. Town NMSA 23-13-1.

Library Memorial – to account for donations received to be used for the purchase of books. This fund was authorized by Town resolution.

Drug Task Force (see HIDA) – to account for federal funds received from the Department of Justice for school security. This fund is authorized by Town resolution.

Forward Estate – to account for monies donated to the Town by Lennie Merle Forward for the purchase of open land space. This fund was authorized by Town resolution.

Century Cable Capital – to account for the General Fund transfers to be used for capital improvements. This fund was authorized by town resolution.

EMS Grant – to account for the operations and maintenance of medical service equipment for the Town. Town is NMSA 24-10A-6.

Regional Water System – to account for revenues and expenditures to research water supply for the Town residents. Authorized by Town resolution.

Water Historic-minor water activity fund.

EPA Brownfield-Minor activity fund.

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	Fire Protection	Juvenile Recreation	Lodgers Tax	Law Enforcement Protection	Library Memorial Fund
ASSETS					
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 18,497	\$ 124,024
Inventory	-	-	-	-	-
Interest Receivable	-	-	-	-	-
Taxes Receivable	-	-	-	-	-
Accounts Receivable	-	-	-	-	-
Assessments Receivable	-	-	-	-	-
Allowance for Doubtful Accounts	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
Interfund Receivable	-	-	-	-	-
	-	-	-	-	-
TOTAL ASSETS	\$ -	\$ -	\$ -	\$ 18,497	\$ 124,024
 LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 233
Interfund Payable	-	-	-	-	-
Accrued Salaries and Benefits	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	233
 FUND BALANCES					
Non-Spendable:					
Inventory	-	-	-	-	-
Assigned to:					
Public Safety	-	-	-	18,497	-
Culture and Recreation	-	-	-	-	123,791
Land Acquisition	-	-	-	-	-
Debt Service	-	-	-	-	-
Construction	-	-	-	-	-
Unassigned, Reported in:					
Special Revenue Fund	-	-	-	-	-
	-	-	-	-	-
TOTAL FUND BALANCES	-	-	-	18,497	123,791
 TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ -	\$ -	\$ 18,497	\$ 124,024

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
(continued)
JUNE 30, 2015**

	<u>Correction Fees</u>	<u>EMS Grant</u>	<u>Golf Course Surcharge</u>	<u>Drug Task Force</u>	<u>Forward Estate</u>
ASSETS					
Cash and Cash Equivalents	\$ 30	\$ 8	\$ 44,370	\$ -	\$ 62,564
Inventory	-	-	-	-	-
Interest Receivable	-	-	-	-	-
Taxes Receivable	-	-	-	-	-
Accounts Receivable	82,268	-	-	-	-
Assessments Receivable	-	-	-	-	-
Allowance for Doubtful Accounts	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
Interfund Receivable	-	-	-	-	-
TOTAL ASSETS	<u>\$ 82,298</u>	<u>\$ 8</u>	<u>\$ 44,370</u>	<u>\$ -</u>	<u>\$ 62,564</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ 1,150	\$ -	\$ -	\$ -	\$ -
Interfund Payable	-	-	-	-	-
Accrued Salaries and Benefits	-	-	-	-	-
Deferred Revenue	54,702	-	-	-	-
TOTAL LIABILITIES	<u>55,852</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Non-Spendable:					
Inventory	-	-	-	-	-
Assigned to:					
Public Safety	26,446	-	-	-	-
Culture and Recreation	-	-	44,370	-	-
Land Acquisition	-	-	-	-	62,564
Debt Service	-	-	-	-	-
Construction	-	-	-	-	-
Unassigned, Reported in:					
Special Revenue Fund	-	8	-	-	-
TOTAL FUND BALANCES	<u>26,446</u>	<u>8</u>	<u>44,370</u>	<u>-</u>	<u>62,564</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 82,298</u>	<u>\$ 8</u>	<u>\$ 44,370</u>	<u>\$ -</u>	<u>\$ 62,564</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
(continued)
JUNE 30, 2015**

	<u>Tour of the Gila</u>	<u>PRC Fire</u>	<u>EPA Brownfields</u>
ASSETS			
Cash and Cash Equivalents	\$ -	\$ -	\$ -
Inventory	-	-	-
Interest Receivable	-	-	-
Taxes Receivable	-	-	-
Accounts Receivable	-	-	-
Assessments Receivable	-	-	-
Allowance for Doubtful Accounts	-	-	-
Due From Other Governments	-	-	-
Interfund Receivable	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL ASSETS	\$ -	\$ -	\$ -
 LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ -
Interfund Payable	-	-	-
Accrued Salaries and Benefits	-	-	-
Unearned Revenue	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES	-	-	-
 FUND BALANCES			
Non-Spendable:			
Inventory	-	-	-
Assigned to:			
Public Safety	-	-	-
Culture and Recreation	-	-	-
Land Acquisition	-	-	-
Debt Service	-	-	-
Construction	-	-	-
Unassigned, Reported in:			
Special Revenue Fund	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL FUND BALANCES	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ -	\$ -

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
(continued)
JUNE 30, 2015**

	<u>Century Cable Capital</u>	<u>Regional Water System</u>	<u>Drug Free Communities</u>	<u>Waterworks Historic Preservation</u>	<u>Total</u>
ASSETS					
Cash and Cash Equivalents	\$ 1	\$ -	\$ -	\$ -	\$ 249,494
Inventory	-	-	-	-	-
Interest Receivable	-	-	-	-	-
Taxes Receivable	-	-	-	-	-
Accounts Receivable	-	-	-	-	82,268
Assessments Receivable	-	-	-	-	-
Allowance for Doubtful Accounts	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
Interfund Receivable	-	-	-	-	-
TOTAL ASSETS	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 331,762</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ -	\$ 566	\$ 1,949
Interfund Payable	-	-	-	-	-
Accrued Salaries and Benefits	-	-	-	-	-
Unearned Revenue	-	-	-	-	54,702
TOTAL LIABILITIES	-	-	-	566	56,651
FUND BALANCES					
Non-Spendable:					
Inventory	-	-	-	-	-
Assigned to:					
Public Safety	-	-	-	-	44,943
Culture and Recreation	-	-	-	-	168,161
Land Acquisition	-	-	-	-	62,564
Debt Service	-	-	-	-	-
Construction	-	-	-	-	-
Unassigned, Reported in:					
Special Revenue Fund	1	-	-	(566)	(557)
TOTAL FUND BALANCES	<u>1</u>	<u>-</u>	<u>-</u>	<u>(566)</u>	<u>275,111</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 331,762</u>

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS (continued)
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Fire Protection</u>	<u>Juvenile Recreation</u>	<u>Lodgers Tax</u>	<u>Law Enforcement Protection</u>	<u>Library Memorial Fund</u>
REVENUES					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-	-
Gas Taxes	-	-	-	-	-
Motor Vehicle Taxes	-	-	-	-	-
Franchise Taxes	-	-	-	-	-
Other Taxes	-	-	291,508	-	-
State Intergovernmental	177,096	-	-	39,200	-
Federal Intergovernmental	-	-	-	-	-
Fines Licenses and Permits	-	-	-	-	-
Charges for Services	-	-	-	-	-
Miscellaneous	-	-	-	-	20,062
TOTAL REVENUES	177,096	-	291,508	39,200	20,062
EXPENDITURES					
Current					
General Government	-	-	-	-	-
Public Safety	198,726	-	-	39,200	-
Public Works	-	-	-	-	-
Health and Welfare	-	-	-	-	-
Culture and Recreation	-	56	526,370	-	16,762
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Loan Issue Costs	-	-	-	-	-
Capital Outlay	51,110	-	-	-	-
TOTAL EXPENDITURES	249,836	56	526,370	39,200	16,762
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(72,740)	(56)	(234,862)	-	3,300
OTHER FINANCING SOURCES (USES)					
Loan Proceeds	-	55	204,909	-	-
Bond Premiums	-	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	55	204,909	-	-
NET CHANGE IN FUND BALANCES	(72,740)	(1)	(29,953)	-	3,300
FUND BALANCE, BEGINNING OF YEAR	72,740	1	(21,745)	18,007	103,483
RESTATEMENT	-	-	51,698	490	17,008
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ -	\$ 18,497	\$ 123,791

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**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS (continued)
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Correction Fees</u>	<u>EMS Grant</u>	<u>Golf Course Surcharge</u>	<u>Drug Task Force</u>	<u>Forward Estate</u>
REVENUES					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-	-
Gas Taxes	-	-	-	-	-
Motor Vehicle Taxes	-	-	-	-	-
Franchise Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
State Intergovernmental	-	38,249	-	-	-
Federal Intergovernmental	30	-	-	-	-
Fines Licenses and Permits	86,383	-	-	-	-
Charges for Services	-	-	46,340	-	-
Miscellaneous	-	-	-	-	115
TOTAL REVENUES	86,413	38,249	46,340	-	115
EXPENDITURES					
Current					
General Government	-	-	-	-	-
Public Safety	245,511	39,789	-	-	-
Public Works	-	-	-	-	-
Health and Welfare	-	-	-	-	-
Culture and Recreation	-	-	5,000	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Loan Issue Costs	-	-	-	-	-
Capital Outlay	-	-	35,709	-	-
TOTAL EXPENDITURES	245,511	39,789	40,709	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(159,098)	(1,540)	5,631	-	115
OTHER FINANCING SOURCES (USES)					
Loan Proceeds	-	-	-	-	-
Bond Premiums	-	-	-	-	-
Transfers In	185,444	-	-	-	-
Transfers Out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	185,444	-	-	-	-
NET CHANGE IN FUND BALANCES	26,346	(1,540)	5,631	-	115
FUND BALANCE, BEGINNING OF YEAR	(26,415)	(190)	38,739	(52,359)	62,449
RESTATEMENT	26,515	1,738	-	52,359	-
FUND BALANCE, END OF YEAR	\$ 26,446	\$ 8	\$ 44,370	\$ -	\$ 62,564

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**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS (continued)
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Tour of the Gila</u>	<u>PRC Fire</u>	<u>EPA Brownfields</u>
REVENUES			
Property Taxes	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-
Gas Taxes	-	-	-
Motor Vehicle Taxes	-	-	-
Franchise Taxes	-	-	-
Other Taxes	-	-	-
State Intergovernmental	47,869	39,657	-
Federal Intergovernmental	-	-	8,616
Fines Licenses and Permits	-	-	-
Charges for Services	-	-	-
Miscellaneous	-	-	539
	<u>47,869</u>	<u>39,657</u>	<u>9,155</u>
TOTAL REVENUES	47,869	39,657	9,155
EXPENDITURES			
Current			
General Government	-	-	-
Public Safety	-	39,657	8,077
Public Works	-	-	-
Health and Welfare	-	-	-
Culture and Recreation	29,374	-	-
Debt Service:			
Principal	-	-	-
Interest	-	-	-
Loan Issue Costs	-	-	-
Capital Outlay	18,495	-	1,078
	<u>18,495</u>	<u>-</u>	<u>1,078</u>
TOTAL EXPENDITURES	<u>47,869</u>	<u>39,657</u>	<u>9,155</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-
OTHER FINANCING SOURCES (USES)			
Loan Proceeds	-	-	-
Bond Premiums	-	-	-
Transfers In	-	-	-
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	-	-
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>
RESTATEMENT	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS (continued)
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Century Cable Capital</u>	<u>Regional Water System</u>	<u>Drug Free Communities</u>	<u>Waterworks Historic Preservation</u>	<u>Total</u>
REVENUES					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-	-
Gas Taxes	-	-	-	-	-
Motor Vehicle Taxes	-	-	-	-	-
Franchise Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	291,508
State Intergovernmental	-	59,114	-	2,900	404,085
Federal Intergovernmental	-	-	-	-	8,646
Fines Licenses and Permits	-	-	-	-	86,383
Charges for Services	-	-	-	-	46,340
Miscellaneous	59,271	-	-	-	79,987
TOTAL REVENUES	<u>59,271</u>	<u>59,114</u>	<u>-</u>	<u>2,900</u>	<u>916,949</u>
EXPENDITURES					
Current					
General Government	-	-	8,000	-	8,000
Public Safety	-	-	-	-	570,960
Public Works	-	72,722	-	-	72,722
Health and Welfare	-	-	-	-	-
Culture and Recreation	59,270	-	-	3,466	640,298
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Loan Issue Costs	-	-	-	-	-
Capital Outlay	-	-	-	-	106,392
TOTAL EXPENDITURES	<u>59,270</u>	<u>72,722</u>	<u>8,000</u>	<u>3,466</u>	<u>1,398,372</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1	(13,608)	(8,000)	(566)	(481,423)
OTHER FINANCING SOURCES (USES)					
Loan Proceeds	-	-	-	-	204,964
Bond Premiums	-	-	-	-	-
Transfers In	-	-	8,000	-	193,444
Transfers Out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>8,000</u>	<u>-</u>	<u>398,408</u>
NET CHANGE IN FUND BALANCES	1	(13,608)	-	(566)	(83,015)
FUND BALANCE, BEGINNING OF YEAR	<u>(15,013)</u>	<u>74,181</u>	<u>-</u>	<u>-</u>	<u>253,878</u>
RESTATEMENT	<u>15,013</u>	<u>(60,573)</u>	<u>-</u>	<u>-</u>	<u>104,248</u>
FUND BALANCE, END OF YEAR	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (566)</u>	<u>\$ 275,111</u>

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**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET (NON-GAAP
BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
SPECIAL REVENUE FUND – FIRE PROTECTION
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	177,096	177,096
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>177,096</u>	<u>177,096</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	258,834	258,834	249,836	8,998
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	51,110	51,110	-
TOTAL EXPENDITURES	<u>258,834</u>	<u>309,944</u>	<u>300,946</u>	<u>8,998</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(258,834)</u>	<u>(309,944)</u>	<u>123,850</u>	<u>168,098</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	(32,400)	(32,400)	-	32,400
TOTAL OTHER FINANCING SOURCES (USES)	<u>(32,400)</u>	<u>(32,400)</u>	<u>-</u>	<u>\$ 32,400</u>
Net Increase (Decrease) in Fund Balance	<u>\$ (291,234)</u>	<u>\$ (342,344)</u>	<u>\$ 123,850</u>	

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**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET (NON-GAAP
BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
SPECIAL REVENUE FUND – LODGERS TAX
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	277,305	291,508	291,508	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>277,305</u>	<u>291,508</u>	<u>291,508</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	276,684	526,371	526,370	1
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>276,684</u>	<u>526,371</u>	<u>526,370</u>	<u>1</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	621	(234,863)	(234,862)	(1)
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	200,000	204,909	204,909	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>200,000</u>	<u>204,909</u>	<u>204,909</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ 200,621</u>	<u>\$ (29,954)</u>	<u>\$ (29,953)</u>	

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**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET (NON-GAAP
BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
SPECIAL REVENUE FUND – LAW ENFORCEMENT PROTECTION
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	39,200	39,200
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>39,200</u>	<u>39,200</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	58,299	58,299	39,200	19,099
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>58,299</u>	<u>58,299</u>	<u>39,200</u>	<u>19,099</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(58,299)</u>	<u>(58,299)</u>	<u>-</u>	<u>20,101</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ (58,299)</u>	<u>\$ (58,299)</u>	<u>\$ -</u>	

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**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET (NON-GAAP
BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
SPECIAL REVENUE FUND – LIBRARY MEMORIAL
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	20,800	27,350	20,062	(7,288)
TOTAL REVENUES	<u>20,800</u>	<u>27,350</u>	<u>20,062</u>	<u>(7,288)</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	130,669	130,669	16,762	113,907
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>130,669</u>	<u>130,669</u>	<u>16,762</u>	<u>113,907</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(109,869)	(103,319)	3,300	(121,195)
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ (109,869)</u>	<u>\$ (103,319)</u>	<u>\$ 3,300</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET (NON-GAAP
BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
SPECIAL REVENUE FUND – CORRECTIONS FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	105,965	105,965	86,383	(19,582)
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>105,965</u>	<u>105,965</u>	<u>86,383</u>	<u>(19,582)</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	75,559	245,511	245,511	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>75,559</u>	<u>245,511</u>	<u>245,511</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	30,406	(139,546)	(159,128)	(19,582)
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	185,544	185,544
Transfers In	-	185,544	-	(185,544)
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>185,544</u>	<u>-</u>	<u>\$ (185,544)</u>
Net Increase (Decrease) in Fund Balance	<u>\$ 30,406</u>	<u>\$ 45,998</u>	<u>\$ (159,128)</u>	

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**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET (NON-GAAP
BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
SPECIAL REVENUE FUND – EMS GRANT
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	38,249	38,249
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>38,249</u>	<u>38,249</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	15,160	39,800	39,789	11
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>15,160</u>	<u>39,800</u>	<u>39,789</u>	<u>11</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(15,160)</u>	<u>(39,800)</u>	<u>(1,540)</u>	<u>38,238</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ (15,160)</u>	<u>\$ (39,800)</u>	<u>\$ (1,540)</u>	

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**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET (NON-GAAP
BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
SPECIAL REVENUE FUND – TOUR OF THE GILA
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	47,869	47,869
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>47,869</u>	<u>47,869</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	47,869	29,374	18,495
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	18,495	(18,495)
TOTAL EXPENDITURES	<u>-</u>	<u>47,869</u>	<u>47,869</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>(47,869)</u>	<u>-</u>	<u>47,869</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	3,869	3,869
Transfers In	-	3,869	-	(3,869)
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>3,869</u>	<u>-</u>	<u>\$ (3,869)</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ (44,000)</u>	<u>\$ -</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET (NON-GAAP
BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
SPECIAL REVENUE FUND – CENTURY CABLE CAPITAL
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	59,271	59,271
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>59,271</u>	<u>59,271</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	58,393	59,270	59,270	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>58,393</u>	<u>59,270</u>	<u>59,270</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(58,393)	(59,270)	1	59,271
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	59,271	59,271
Transfers In	58,393	58,393	-	(58,393)
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>58,393</u>	<u>58,393</u>	<u>-</u>	<u>\$ (58,393)</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ (877)</u>	<u>\$ 1</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET (NON-GAAP
BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
SPECIAL REVENUE FUND – JUVENILE SPECIAL REVENUE
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	56	56	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>56</u>	<u>56</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(56)	56	-
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	55	55
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ (56)</u>	<u>\$ 56</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET (NON-GAAP
BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
SPECIAL REVENUE FUND – GOLF COURSE SURCHARGE
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	46,340	46,340
Miscellaneous	-	-	-	-
TOTAL REVENUES	-	-	46,340	46,340
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	35,709	35,709	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	5,000	5,000	-
TOTAL EXPENDITURES	-	40,709	40,709	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(40,709)	(5,631)	46,340
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	\$ -
Net Increase (Decrease) in Fund Balance	\$ -	\$ (40,709)	\$ (5,631)	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET (NON-GAAP
BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
SPECIAL REVENUE FUND – FORWARD ESTATE
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	115	115
TOTAL REVENUES	-	-	115	115
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	(115)	115
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	\$ -
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (115)</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET (NON-GAAP
BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
SPECIAL REVENUE FUND – PRC FIRE
FOR THE YEAR ENDED JUNE 30, 2015**

	Original Budget	Final Budget	Actual	Variance With Final Budget Favorable (Unfavorable)
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	39,657	39,657
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	-	-	39,657	39,657
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	39,657	39,657	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	-	39,657	39,657	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(39,657)	-	39,657
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	\$ -
Net Increase (Decrease) in Fund Balance	\$ -	\$ (39,657)	\$ -	

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET (NON-GAAP
BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
SPECIAL REVENUE FUND – EPA BROWNFIELD
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	8,616	8,616	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	539	539
TOTAL REVENUES	-	8,616	9,155	539
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	8,077	8,077	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	1,078	1,078	-
TOTAL EXPENDITURES	-	9,155	9,155	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(539)	-	539
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	\$ -
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ (539)</u>	<u>\$ -</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET (NON-GAAP
BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
SPECIAL REVENUE FUND – REGIONAL WATER
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	59,114	59,114	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>59,114</u>	<u>59,114</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	72,722	72,722	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>72,722</u>	<u>72,722</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>(13,608)</u>	<u>13,608</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ (13,608)</u>	<u>\$ 13,608</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET (NON-GAAP
BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
SPECIAL REVENUE FUND – WATER HISTORIC
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	2,900	2,900	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>2,900</u>	<u>2,900</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	3,466	3,466	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>3,466</u>	<u>3,466</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>(566)</u>	<u>566</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ (566)</u>	<u>\$ 566</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES AND EXPENDITURES – BUDGET (NON-GAAP
BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
SPECIAL REVENUE FUND – DRUG FREE COMMUNITIES
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	8,000	8,000	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>8,000</u>	<u>8,000</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>(8,000)</u>	<u>8,000</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	8,000	8,000
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>8,000</u>	<u>\$ 8,000</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ (8,000)</u>	<u>\$ 16,000</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING BALANCE SHEET – NONMAJOR DEBT SERVICE FUNDS
JUNE 30, 2015**

Debt Service Funds are used to account for the long-term debt associated with capital outlay projects.

Special Assessment Paving No. 11 – this fund was initially used to account for the costs of paving certain streets within the Town. Financing is provided by special assessments, donations, and the sale of special assessment bonds. Costs were estimated and property owners are assessed their proportionate share of the total cost. The property owners either pay their assessment within sixty (60) days or in 20 equal semi-annual installments, with interest charged on the unpaid balance at the same rate as being paid with monies provided by payments on the assessments and their related interest.

General Obligation Bond Retirement – to account for the taxes levied specifically for repayments of general obligation bonds, and expenditures thereof.

2002 Refunding Reserve – to account for the State gross receipts taxes levied as authorized by section 7-1-6, 4 NMSA 1978 for repayment of May 1, 2002 bond issue. The bond issue is fully retired at June 30, 2011.

Fire/Ladder Truck – to account for local optional municipal gross receipts taxes levied to repay New Mexico Finance Town.

2011 Retirement and Reserve – to account for the taxes liened specifically for repayment of revenue bonds and expenses therefrom.

2012 Retirement and Reserve – to account for the taxes liened specifically for repayment of revenue bonds and expenses therefrom.

Silco Theatre – to account for state gross receipts tax pledged to repay the loan to NMFA.

NMFA Refueling Station – to account for the gross receipts tax received, and the debt payments therefrom.

NMFA Sports Complex – to account for the gross receipts tax collected, and the debt service payments therefrom.

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING BALANCE SHEET – NONMAJOR DEBT SERVICE FUNDS
JUNE 30, 2015**

	<u>GO Bond Retirement</u>	<u>Paving # 11</u>	<u>2012 Retirement</u>	<u>2002 Reserve</u>	<u>2011 Reserve</u>
ASSETS					
Cash and Cash Equivalents	\$ -	\$ -	\$ 210	\$ 612	\$ -
Inventory	-	-	-	-	-
Interest Receivable	-	-	-	-	-
Taxes Receivable	-	-	-	-	-
Accounts Receivable	-	-	-	-	-
Assessments Receivable	-	2,156	-	-	-
Allowance for Doubtful Accounts	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
Interfund Receivable	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 2,156</u>	<u>\$ 210</u>	<u>\$ 612</u>	<u>\$ -</u>
 LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Payable	-	-	-	-	-
Accrued Salaries and Benefits	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	-	-	-	-	-
 FUND BALANCES					
Non-Spendable:					
Inventory	-	-	-	-	-
Assigned to:					
Public Safety	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Land Acquisition	-	-	-	-	-
Debt Service	-	-	210	612	-
Construction	-	2,156	-	-	-
Unassigned, Reported in:					
Special Revenue Fund	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUND BALANCES	<u>-</u>	<u>2,156</u>	<u>210</u>	<u>612</u>	<u>-</u>
 TOTAL LIABILITIES AND FUND BALANCES	 <u>\$ -</u>	 <u>\$ 2,156</u>	 <u>\$ 210</u>	 <u>\$ 612</u>	 <u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING BALANCE SHEET – NONMAJOR DEBT SERVICE FUNDS -CONTINUED
JUNE 30, 2015**

	2014 Revenue Bonds
ASSETS	
Cash and Cash Equivalents	\$ 1
Inventory	-
Interest Receivable	-
Taxes Receivable	-
Accounts Receivable	-
Assessments Receivable	-
Allowance for Doubtful Accounts	-
Due From Other Governments	-
Interfund Receivable	-
	-
TOTAL ASSETS	\$ 1
 LIABILITIES AND FUND BALANCE	
LIABILITIES	
Accounts Payable	\$ -
Interfund Payable	-
Accrued Salaries and Benefits	-
Unearned Revenue	-
	-
TOTAL LIABILITIES	-
 FUND BALANCES	
Non-Spendable:	
Inventory	-
Assigned to:	
Public Safety	-
Culture and Recreation	-
Land Acquisition	-
Debt Service	1
Construction	-
Unassigned, Reported in:	
Special Revenue Fund	-
	-
TOTAL FUND BALANCES	1
 TOTAL LIABILITIES AND FUND BALANCES	 \$ 1

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING BALANCE SHEET – NONMAJOR DEBT SERVICE FUNDS -CONTINUED
JUNE 30, 2015**

	<u>Ladder Truck</u>	<u>Silco Debt</u>	<u>NMFA Refueling</u>	<u>NMFA Sports</u>	<u>Total</u>
ASSETS					
Cash and Cash Equivalents	\$ -	\$ -	\$ 23,749	\$ 70,758	\$ 95,330
Inventory	-	-	-	-	-
Interest Receivable	-	-	-	-	-
Taxes Receivable	-	51,138	27,519	80,280	158,937
Accounts Receivable	-	-	-	-	-
Assessments Receivable	-	-	-	-	2,156
Allowance for Doubtful Accounts	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
Interfund Receivable	-	-	-	-	-
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 51,138</u>	<u>\$ 51,268</u>	<u>\$ 151,038</u>	<u>\$ 256,423</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	-
Interfund Payable	-	-	-	-	-
Accrued Salaries and Benefits	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-
FUND BALANCES					
Non-Spendable:					
Inventory	-	-	-	-	-
Assigned to:					
Public Safety	-	-	-	-	-
Culture and Recreation	-	-	-	80,280	80,280
Land Acquisition	-	-	-	-	-
Debt Service	-	-	23,749	70,758	95,330
Construction	-	51,138	27,519	-	80,813
Unassigned, Reported in:					
Special Revenue Fund	-	-	-	-	-
TOTAL FUND BALANCES	<u>-</u>	<u>51,138</u>	<u>51,268</u>	<u>151,038</u>	<u>256,423</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 51,138</u>	<u>\$ 51,268</u>	<u>\$ 151,038</u>	<u>\$ 256,423</u>

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES –
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>GO Bond Retirement</u>	<u>Paving # 11</u>	<u>2012 Retirement</u>	<u>2002 Reserve</u>	<u>2011 Reserve</u>
REVENUES					
Property Taxes	\$ 9,861	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-	-
Gas Taxes	-	-	-	-	-
Motor Vehicle Taxes	-	-	-	-	-
Franchise Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
State Intergovernmental	-	-	-	-	-
Federal Intergovernmental	-	-	-	-	-
Fines Licenses and Permits	-	-	-	-	-
Charges for Services	-	-	-	-	-
Miscellaneous	-	-	-	-	-
TOTAL REVENUES	<u>9,861</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES					
Current					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Health and Welfare	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal	-	-	135,000	-	-
Interest	-	-	9,302	-	-
Loan Issue Costs	-	-	-	-	-
Capital Outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>144,302</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	9,861	-	(144,302)	-	-
OTHER FINANCING SOURCES (USES)					
Loan Proceeds	-	-	-	1	-
Bond Premiums	-	-	-	-	-
Transfers In	-	2,156	144,512	-	-
Transfers Out	(9,861)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USE)	<u>(9,861)</u>	<u>2,156</u>	<u>144,512</u>	<u>1</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	2,156	210	1	-
FUND BALANCE, BEGINNING OF YEAR	<u>4,165</u>	<u>-</u>	<u>-</u>	<u>612</u>	<u>474,753</u>
RESTATEMENT	<u>(4,165)</u>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>(474,753)</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ 2,156</u>	<u>\$ 210</u>	<u>\$ 612</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES –
NONMAJOR DEBT SERVICE FUNDS -CONTINUED
FOR THE YEAR ENDED JUNE 30, 2015**

	2014 Revenue Bonds
REVENUES	
Property Taxes	\$ -
Gross Receipts Taxes	-
Gas Taxes	-
Motor Vehicle Taxes	-
Franchise Taxes	-
Other Taxes	-
State Intergovernmental	-
Federal Intergovernmental	-
Fines Licenses and Permits	-
Charges for Services	-
Miscellaneous	-
TOTAL REVENUES	-
EXPENDITURES	
Current	
General Government	-
Public Safety	-
Public Works	-
Health and Welfare	-
Culture and Recreation	-
Debt Service:	
Principal	95,000
Interest	33,466
Loan Issue Costs	-
Capital Outlay	-
TOTAL EXPENDITURES	128,466
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(128,466)
OTHER FINANCING SOURCES (USES)	
Loan Proceeds	-
Bond Premiums	-
Transfers In	128,467
Transfers Out	-
TOTAL OTHER FINANCING SOURCES (USES)	128,467
NET CHANGE IN FUND BALANCES	1
FUND BALANCE, BEGINNING OF YEAR	-
RESTATEMENT	-
FUND BALANCE, END OF YEAR	\$ 1

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES –
NONMAJOR DEBT SERVICE FUNDS -CONTINUED
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Ladder Truck</u>	<u>Silco Debt</u>	<u>NMFA Refueling</u>	<u>NMFA Sports</u>	<u>Total</u>
REVENUES					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ 9,861
Gross Receipts Taxes	-	33,783	23,592	60,101	117,476
Gas Taxes	-	-	-	-	-
Motor Vehicle Taxes	-	-	-	-	-
Franchise Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
State Intergovernmental	-	-	-	-	-
Federal Intergovernmental	-	-	-	-	-
Fines Licenses and Permits	-	-	-	-	-
Charges for Services	-	36,984	-	-	36,984
Miscellaneous	-	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>70,767</u>	<u>23,592</u>	<u>60,101</u>	<u>164,321</u>
EXPENDITURES					
Current					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Health and Welfare	-	-	-	-	-
Culture and Recreation	-	36,984	-	-	36,984
Debt Service:					
Principal	-	30,450	20,143	48,000	328,593
Interest	-	3,333	3,449	12,101	61,651
Loan Issue Costs	-	-	-	-	-
Capital Outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>70,767</u>	<u>23,592</u>	<u>60,101</u>	<u>427,228</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-	(262,907)
OTHER FINANCING SOURCES (USES)					
Loan Proceeds	-	-	-	-	1
Bond Premiums	-	-	-	-	-
Transfers In	-	-	23,749	-	298,884
Transfers Out	-	-	-	-	(9,861)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>23,749</u>	<u>-</u>	<u>289,024</u>
NET CHANGE IN FUND BALANCES	-	-	23,749	-	26,117
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>51,138</u>	<u>27,519</u>	<u>80,280</u>	<u>638,467</u>
RESTATEMENT	<u>-</u>	<u>-</u>	<u>-</u>	<u>70,758</u>	<u>(408,161)</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ 51,138</u>	<u>\$ 51,268</u>	<u>\$ 151,038</u>	<u>\$ 256,423</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – DEBT SERVICE FUND
2002 FUNDING RESERVE
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	9,862	1	(9,861)
Transfers In	-	-	-	-
Transfers Out	-	(9,861)	-	9,861
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(9,861)</u>	<u>-</u>	<u>\$ 9,861</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ (9,861)</u>	<u>\$ -</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – DEBT SERVICE FUND
2012 RETIREMENT
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	135,000	135,000	-
Interest	-	9,302	9,302	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>144,302</u>	<u>144,302</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>(144,302)</u>	<u>(144,302)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	144,512	144,512	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>144,512</u>	<u>144,512</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ 210</u>	<u>\$ 210</u>	

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**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – DEBT SERVICE FUND
NMFA DRINKING WATER
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	217,684	220,819	59,086	161,733
Interest	225,380	225,380	13,358	212,022
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>443,064</u>	<u>446,199</u>	<u>72,444</u>	<u>373,755</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(443,064)	(446,199)	(72,444)	(373,755)
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	177,308	182,495	72,446	(110,049)
Transfers In	353,611	365,757	-	(365,757)
Transfers Out	-	(36,984)	-	36,984
TOTAL OTHER FINANCING SOURCES (USES)	<u>353,611</u>	<u>328,773</u>	<u>-</u>	<u>\$ (328,773)</u>
Net Increase (Decrease) in Fund Balance	<u>\$ (89,453)</u>	<u>\$ (117,426)</u>	<u>\$ (72,444)</u>	

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**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – DEBT SERVICE FUND
PAVING DEBT
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	2,156	2,156	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>2,156</u>	<u>2,156</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ 2,156</u>	<u>\$ 2,156</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – DEBT SERVICE FUND
SPORTS CENTER DEBT
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	60,101	60,101	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>60,101</u>	<u>60,101</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	48,000	48,000	-
Interest	-	12,101	12,101	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>60,101</u>	<u>60,101</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – DEBT SERVICE FUND
REFUELING DEBT
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	23,592	23,592	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>23,592</u>	<u>23,592</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	20,143	20,143	-
Interest	-	3,449	3,449	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>23,592</u>	<u>23,592</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	23,749	23,749	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>23,749</u>	<u>23,749</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ 23,749</u>	<u>\$ 23,749</u>	

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**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – DEBT SERVICE FUND
SILCO DEBT
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	33,783	33,783	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	36,984	36,984	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>70,767</u>	<u>70,767</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	36,984	36,984	-
Debt Service:				
Principal	-	30,450	30,450	-
Interest	-	-	-	-
Loan Issue Costs	-	3,333	3,333	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>70,767</u>	<u>70,767</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – DEBT SERVICE FUND
2014 BONDS
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	95,000	95,000	-
Interest	-	33,466	33,466	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>128,466</u>	<u>128,466</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(128,466)	(128,466)	-
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	128,467	128,467	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>128,467</u>	<u>128,467</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 1</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – DEBT SERVICE FUND
GO BONDS
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ 9,861	\$ 9,861	\$ 9,861	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>9,861</u>	<u>9,861</u>	<u>9,861</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>9,861</u>	<u>9,861</u>	<u>9,861</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	9,861	9,861	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>9,861</u>	<u>9,861</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ 9,861</u>	<u>\$ -</u>	<u>\$ -</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2015**

CDBG/Colonias Projects – to account for federal funds passed through the State Department of Finance and Administration to be used for several infrastructure improvement projects. Authorized by Federal regulation.

Freeport McMoran – to account for the donation to be used for historic preservation. Authorization for this fund was donation agreement.

MAP College/Texas – MAP Black/Texas – to account for the funds received for road construction.

NMDOT Santa Rita – State of New Mexico for road construction.

NM Recycling Development – state sources for development of recycling.

NM EMNED – to account for federal revenue to be used for outdoor recreation projects.

Silco Theatre and Improvement– to account for funds received to purchase and renovate the Silco Theatre.

2011 Bond Project – to account for the bond proceeds and expenditures therefrom for Town improvements.

Scott Park Improvements – to account for the loan proceeds and expenditures therefrom for improvements to Town recreational facilities.

HOPE VI and Vistas de Plata – to account for the federal resources to be used to provide affordable housing to qualifying individuals.

Sewer Development-Transfer fund involving Proprietary.

Park Dedication-Recreation fund.

Blackhawk Sewer-Construction transfer fund.

NHP-Fund involving proceeds for outlay.

Legislative-Funds to hold projects enacted for specific legislative purpose.

Refueling-Additional fund for refueling project funds.

Funds with no expense nor transfer not budgeted.

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2015**

	<u>Sewer Development</u>	<u>Scott Park Improvements</u>	<u>Silco Theatre</u>	<u>Freeport McMoran</u>	<u>NMDOT Santa Rita</u>
ASSETS					
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 2,410	\$ -
Inventory	-	-	-	-	-
Interest Receivable	-	-	-	-	-
Taxes Receivable	-	-	-	-	-
Accounts Receivable	-	-	-	-	-
Assessments Receivable	-	-	-	-	-
Allowance for Doubtful Accounts	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
Interfund Receivable	-	-	-	-	-
TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,410</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Payable	-	-	-	-	-
Accrued Salaries and Benefits	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Non-Spendable:					
Inventory	-	-	-	-	-
Assigned to:					
Public Safety	-	-	-	-	-
Culture and Recreation	-	-	-	2,410	-
Land Acquisition	-	-	-	-	-
Debt Service	-	-	-	-	-
Construction	-	-	-	-	-
Unassigned, Reported in:					
Special Revenue Fund	-	-	-	-	-
TOTAL FUND BALANCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,410</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,410</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECTS FUNDS
CONTINUED
JUNE 30, 2015**

	<u>Vistas de Platas</u>	<u>Park Dedication Fund</u>	<u>Hope VI</u>	<u>NM EMNRD</u>
ASSETS				
Cash and Cash Equivalents	\$ 1	\$ 1	\$ 1	\$ -
Inventory	-	246	-	-
Interest Receivable	-	-	-	-
Taxes Receivable	-	-	-	-
Accounts Receivable	-	-	-	-
Assessments Receivable	-	-	-	-
Allowance for Doubtful Accounts	-	-	-	-
Due From Other Governments	-	-	-	-
Interfund Receivable	-	-	-	-
TOTAL ASSETS	<u>\$ 1</u>	<u>\$ 247</u>	<u>\$ 1</u>	<u>\$ -</u>
 LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Interfund Payable	-	-	-	-
Accrued Salaries and Benefits	-	-	-	-
Unearned Revenue	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 FUND BALANCES				
Non-Spendable:				
Inventory	-	247	-	-
Assigned to:				
Public Safety	-	-	-	-
Culture and Recreation	-	-	-	-
Land Acquisition	-	-	-	-
Debt Service	1	-	-	-
Construction	-	-	1	-
Unassigned, Reported in:				
Special Revenue Fund	-	-	-	-
TOTAL FUND BALANCES	<u>1</u>	<u>247</u>	<u>1</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1</u>	<u>\$ 247</u>	<u>\$ 1</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECTS FUNDS
CONTINUED
JUNE 30, 2015**

	<u>Blackhawk Sewer Line</u>	<u>NHP Waterworks Building</u>	<u>Legislative Allocations 526</u>	<u>Legislative Allocations 527</u>	<u>Silco Improvements</u>
ASSETS					
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ 363,397
Inventory	-	-	-	-	-
Interest Receivable	-	-	-	-	-
Taxes Receivable	-	-	-	-	-
Accounts Receivable	-	-	-	-	-
Assessments Receivable	-	-	-	-	-
Allowance for Doubtful Accounts	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
Interfund Receivable	43,405	-	-	-	-
TOTAL ASSETS	<u>\$ 43,405</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 363,397</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Payable	-	-	-	-	-
Accrued Salaries and Benefits	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Non-Spendable:					
Inventory	-	-	-	-	-
Assigned to:					
Public Safety	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Land Acquisition	-	-	-	-	-
Debt Service	-	-	-	-	-
Construction	43,405	-	-	-	363,397
Unassigned, Reported in:					
Special Revenue Fund	-	-	-	-	-
TOTAL FUND BALANCES	<u>43,405</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>363,397</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 43,405</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 363,397</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECTS FUNDS
CONTINUED
JUNE 30, 2015**

	NMDOT TAP COOPER	Colonias Water Improvements	Colonias WWTP Filter	2014 Colonias
ASSETS				
Cash and Cash Equivalents	\$ 1	\$ -	\$ -	\$ -
Inventory	-	-	-	-
Interest Receivable	-	-	-	-
Taxes Receivable	-	-	-	-
Accounts Receivable	-	-	-	-
Assessments Receivable	-	-	-	-
Allowance for Doubtful Accounts	-	-	-	-
Due From Other Governments	-	-	-	-
Interfund Receivable	-	-	-	-
	-	-	-	-
TOTAL ASSETS	\$ 1	\$ -	\$ -	\$ -
 LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Interfund Payable	-	-	-	-
Accrued Salaries and Benefits	-	-	-	-
Unearned Revenue	-	-	-	-
	-	-	-	-
TOTAL LIABILITIES	-	-	-	-
 FUND BALANCES				
Non-Spendable:				
Inventory	-	-	-	-
Assigned to:				
Public Safety	-	-	-	-
Culture and Recreation	-	-	-	-
Land Acquisition	-	-	-	-
Debt Service	-	-	-	-
Construction	1	-	-	-
Unassigned, Reported in:				
Special Revenue Fund	-	-	-	-
	-	-	-	-
TOTAL FUND BALANCES	1	-	-	-
 TOTAL LIABILITIES AND FUND BALANCES	 \$ 1	 \$ -	 \$ -	 \$ -

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECTS FUNDS
CONTINUED
JUNE 30, 2015**

	<u>2012 Colonias</u>	<u>NMDOT Pavement</u>	<u>Government Refueling</u>	<u>Water Acquisition Fund</u>	<u>Total</u>
ASSETS					
Cash and Cash Equivalents	\$ 217,370	\$ 2,255	\$ 5,947	\$ -	\$ 591,383
Inventory	-	-	-	-	246
Interest Receivable	-	-	-	-	-
Taxes Receivable	-	-	-	-	-
Accounts Receivable	-	-	-	-	-
Assessments Receivable	-	-	-	-	-
Allowance for Doubtful Accounts	-	-	-	-	-
Due From Other Governments	-	-	-	-	-
Interfund Receivable	-	-	-	-	43,405
TOTAL ASSETS	<u>\$ 217,370</u>	<u>\$ 2,255</u>	<u>\$ 5,947</u>	<u>\$ -</u>	<u>\$ 635,034</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Payable	-	-	-	-	-
Accrued Salaries and Benefits	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-
FUND BALANCES					
Non-Spendable:					
Inventory	-	-	-	-	247
Assigned to:					
Public Safety	-	-	-	-	-
Culture and Recreation	-	-	-	-	2,410
Land Acquisition	-	-	-	-	-
Debt Service	-	-	-	-	1
Construction	217,370	2,255	5,947	-	632,376
Unassigned, Reported in:					
Special Revenue Fund	-	-	-	-	-
TOTAL FUND BALANCES	<u>217,370</u>	<u>2,255</u>	<u>5,947</u>	<u>-</u>	<u>635,034</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 217,370</u>	<u>\$ 2,255</u>	<u>\$ 5,947</u>	<u>\$ -</u>	<u>\$ 635,034</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES –
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Sewer Development</u>	<u>Scott Park Improvements</u>	<u>Silco Theatre</u>	<u>Freeport McMoran</u>	<u>NMDOT Santa Rita</u>
REVENUES					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	28,034	-	-
Gas Taxes	-	-	-	-	-
Motor Vehicle Taxes	-	-	-	-	-
Franchise Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
State Intergovernmental	-	-	-	-	-
Federal Intergovernmental	-	-	-	-	-
Fines Licenses and Permits	-	-	-	-	-
Charges for Services	-	-	-	-	-
Miscellaneous	16,047	-	-	-	-
TOTAL REVENUES	<u>16,047</u>	<u>-</u>	<u>28,034</u>	<u>-</u>	<u>-</u>
EXPENDITURES					
Current					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	7,173	-
Health and Welfare	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal	-	-	28,034	-	-
Interest	-	-	-	-	-
Loan Issue Costs	-	-	-	-	-
Capital Outlay	-	1,074,969	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>1,074,969</u>	<u>28,034</u>	<u>7,173</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	16,047	(1,074,969)	-	(7,173)	-
OTHER FINANCING SOURCES (USES)					
Loan Proceeds	-	1,150,000	-	-	-
Bond Premiums	-	-	-	-	-
Transfers In	-	-	-	3,869	-
Transfers Out	(16,047)	(608,130)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(16,047)</u>	<u>541,870</u>	<u>-</u>	<u>3,869</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	(533,099)	-	(3,304)	-
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>533,099</u>	<u>(230)</u>	<u>8,332</u>	<u>-</u>
RESTATEMENT	<u>-</u>	<u>-</u>	<u>230</u>	<u>(2,618)</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,410</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES –
NONMAJOR CAPITAL PROJECTS FUNDS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Vistas de Platas</u>	<u>Park Dedication Fund</u>	<u>Hope VI</u>	<u>NM EMNRD</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	220,968	537	-	-
TOTAL EXPENDITURES	<u>220,968</u>	<u>537</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(220,968)	(537)	-	-
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	783	-	-
Bond Premiums	-	-	-	-
Transfers In	266	-	266	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>266</u>	<u>783</u>	<u>266</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(220,702)	246	266	-
FUND BALANCE, BEGINNING OF YEAR	<u>147,775</u>	<u>-</u>	<u>(265)</u>	<u>(23,438)</u>
RESTATEMENT	<u>72,928</u>	<u>1</u>	<u>-</u>	<u>23,438</u>
FUND BALANCE, END OF YEAR	<u>\$ 1</u>	<u>\$ 247</u>	<u>\$ 1</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES –
NONMAJOR CAPITAL PROJECTS FUNDS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Blackhawk Sewer Line</u>	<u>NHP Waterworks Building</u>	<u>Legislative Allocations 526</u>	<u>Legislative Allocations 527</u>	<u>Silco Improvements</u>
REVENUES					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-	-
Gas Taxes	-	-	-	-	-
Motor Vehicle Taxes	-	-	-	-	-
Franchise Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
State Intergovernmental	-	-	627,012	-	-
Federal Intergovernmental	493,723	-	-	-	318,017
Fines Licenses and Permits	-	-	-	-	-
Charges for Services	-	-	-	-	-
Miscellaneous	57,859	-	-	-	-
TOTAL REVENUES	<u>551,582</u>	<u>-</u>	<u>627,012</u>	<u>-</u>	<u>318,017</u>
EXPENDITURES					
Current					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Health and Welfare	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Loan Issue Costs	-	-	-	-	-
Capital Outlay	566,036	2,500	663,780	105,000	115,456
TOTAL EXPENDITURES	<u>566,036</u>	<u>2,500</u>	<u>663,780</u>	<u>105,000</u>	<u>115,456</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(14,454)	(2,500)	(36,768)	(105,000)	202,561
OTHER FINANCING SOURCES (USES)					
Loan Proceeds	-	-	-	-	71,799
Bond Premiums	-	-	-	-	-
Transfers In	57,859	-	36,768	105,000	-
Transfers Out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>57,859</u>	<u>-</u>	<u>36,768</u>	<u>105,000</u>	<u>71,799</u>
NET CHANGE IN FUND BALANCES	43,405	(2,500)	-	-	274,360
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-	-
RESTATEMENT	-	2,500	-	-	89,037
FUND BALANCE, END OF YEAR	<u>\$ 43,405</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 363,397</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES –
NONMAJOR CAPITAL PROJECTS FUNDS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>NMDOT TAP COOPER</u>	<u>Colonias Water Improvements</u>	<u>Colonias WWTP Filter</u>	<u>2014 Colonias</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	<u>2,256</u>	<u>377,747</u>	<u>57,245</u>	<u>35,713</u>
TOTAL EXPENDITURES	<u>2,256</u>	<u>377,747</u>	<u>57,245</u>	<u>35,713</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,256)	(377,747)	(57,245)	(35,713)
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	377,747	-	-
Bond Premiums	-	-	-	-
Transfers In	2,256	-	57,245	35,713
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>2,256</u>	<u>377,747</u>	<u>57,245</u>	<u>35,713</u>
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
RESTATEMENT	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES –
NONMAJOR CAPITAL PROJECTS FUNDS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>2012 Colonias</u>	<u>NMDOT Pavement</u>	<u>Government Refueling</u>	<u>Water Acquisition Fund</u>	<u>Total</u>
REVENUES					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-	28,034
Gas Taxes	-	-	-	-	-
Motor Vehicle Taxes	-	-	-	-	-
Franchise Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
State Intergovernmental	217,370	52,027	-	-	896,409
Federal Intergovernmental	-	-	-	-	811,740
Fines Licenses and Permits	-	-	-	27,569	27,569
Charges for Services	-	-	-	-	-
Miscellaneous	-	-	-	-	73,906
TOTAL REVENUES	<u>217,370</u>	<u>52,027</u>	<u>-</u>	<u>27,569</u>	<u>1,837,658</u>
EXPENDITURES					
Current					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	7,173
Health and Welfare	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Debt Service:					
Principal	-	-	-	-	28,034
Interest	-	-	-	-	-
Loan Issue Costs	-	-	-	-	-
Capital Outlay	-	52,027	169,144	18,027	3,461,405
TOTAL EXPENDITURES	<u>-</u>	<u>52,027</u>	<u>169,144</u>	<u>18,027</u>	<u>3,496,612</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	217,370	-	(169,144)	9,542	(1,658,954)
OTHER FINANCING SOURCES (USES)					
Loan Proceeds	-	-	-	-	1,600,329
Bond Premiums	-	-	-	-	-
Transfers In	-	2,255	-	-	301,497
Transfers Out	-	-	-	(9,543)	(633,720)
TOTAL OTHER FINANCING SOURCES (U	<u>-</u>	<u>2,255</u>	<u>-</u>	<u>(9,543)</u>	<u>1,268,106</u>
NET CHANGE IN FUND BALANCES	217,370	2,255	(169,144)	(1)	(390,848)
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>175,091</u>	<u>-</u>	<u>840,364</u>
RESTATEMENT	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>185,518</u>
FUND BALANCE, END OF YEAR	<u>\$ 217,370</u>	<u>\$ 2,255</u>	<u>\$ 5,947</u>	<u>\$ -</u>	<u>\$ 635,034</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND
SCOTT PARK PROJECTS
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	1,550,986	3,989,857	1,074,969	2,914,888
TOTAL EXPENDITURES	<u>1,550,986</u>	<u>3,989,857</u>	<u>1,074,969</u>	<u>2,914,888</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,550,986)	(3,989,857)	(1,074,969)	(2,914,888)
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	1,150,000	1,150,000	-
Transfers In	-	-	-	-
Transfers Out	-	(608,130)	(608,130)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(608,130)</u>	<u>(608,130)</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ (1,550,986)</u>	<u>\$ (4,597,987)</u>	<u>\$ (1,683,099)</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND
FREEPORT McMORAN WATERWORK
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	8,508	8,508	7,173	1,335
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>8,508</u>	<u>8,508</u>	<u>7,173</u>	<u>1,335</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(8,508)</u>	<u>(8,508)</u>	<u>(7,173)</u>	<u>(1,335)</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	3,869	3,869
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>3,869</u>	<u>\$ 3,869</u>
Net Increase (Decrease) in Fund Balance	<u>\$ (8,508)</u>	<u>\$ (8,508)</u>	<u>\$ (3,304)</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND
BLACKHAWK SEWER LINE EXTENSION
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	1,032,753	1,141,115	551,582	(589,533)
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>1,032,753</u>	<u>1,141,115</u>	<u>551,582</u>	<u>(589,533)</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	<u>822,565</u>	<u>934,104</u>	<u>566,036</u>	<u>368,068</u>
TOTAL EXPENDITURES	<u>822,565</u>	<u>934,104</u>	<u>566,036</u>	<u>368,068</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	210,188	207,011	(14,454)	(957,601)
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	57,859	57,859
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>57,859</u>	<u>\$ 57,859</u>
Net Increase (Decrease) in Fund Balance	<u>\$ 210,188</u>	<u>\$ 207,011</u>	<u>\$ 43,405</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND
SEWER DEVELOPMENT
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	16,047	16,047	-
TOTAL REVENUES	-	16,047	16,047	-
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	16,047	16,047	-
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	(16,047)	(16,047)	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(16,047)	(16,047)	\$ -
Net Increase (Decrease) in Fund Balance	\$ -	\$ -	\$ -	

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND
SILCO DEVELOPMENT
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	28,034	28,034	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	-	28,034	28,034	-
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	28,034	28,034	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	-	28,034	28,034	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	\$ -
Net Increase (Decrease) in Fund Balance	\$ -	\$ -	\$ -	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND
VISTA-CAPITAL
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	220,968	220,968	-
TOTAL EXPENDITURES	<u>-</u>	<u>220,968</u>	<u>220,968</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(220,968)	(220,968)	-
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	266	266
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>266</u>	<u>\$ 266</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ (220,968)</u>	<u>\$ (220,702)</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND
LEGISLATIVE
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	105,000	105,000	-
TOTAL EXPENDITURES	<u>-</u>	<u>105,000</u>	<u>105,000</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(105,000)	(105,000)	-
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	105,000	105,000	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>105,000</u>	<u>105,000</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND
LEGISLATIVE
FOR THE YEAR ENDED JUNE 30, 2015**

	Original Budget	Final Budget	Actual	Variance With Final Budget Favorable (Unfavorable)
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	627,012	627,012	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	-	627,012	627,012	-
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	663,780	663,780	-
TOTAL EXPENDITURES	-	663,780	663,780	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(36,768)	(36,768)	-
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	36,768	36,768
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	36,768	\$ 36,768
Net Increase (Decrease) in Fund Balance	\$ -	\$ (36,768)	\$ -	

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**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND
PARK DEDICATION
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	537	537	-
TOTAL EXPENDITURES	<u>-</u>	<u>537</u>	<u>537</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(537)	(537)	-
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	783	783	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>783</u>	<u>783</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ 246</u>	<u>\$ 246</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND
HOPE CAPITAL
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	266	266
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>266</u>	<u>\$ 266</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 266</u>	

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND
NHP CAPITAL
FOR THE YEAR ENDED JUNE 30, 2015**

	Original Budget	Final Budget	Actual	Variance With Final Budget Favorable (Unfavorable)
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	2,500	2,500	-
TOTAL EXPENDITURES	<u>-</u>	<u>2,500</u>	<u>2,500</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(2,500)	(2,500)	-
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ (2,500)</u>	<u>\$ (2,500)</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND
SILCO IMPROVEMENTS
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	318,017	318,017	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>318,017</u>	<u>318,017</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	115,456	115,456	-
TOTAL EXPENDITURES	<u>-</u>	<u>115,456</u>	<u>115,456</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	202,561	202,561	-
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	71,799	71,799	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ 202,561</u>	<u>\$ 202,561</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND
COLONIAS WATER CAPITAL
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	8,508	8,508	7,173	1,335
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	377,747	377,747	-
TOTAL EXPENDITURES	<u>8,508</u>	<u>386,255</u>	<u>384,920</u>	<u>1,335</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(8,508)</u>	<u>(386,255)</u>	<u>(384,920)</u>	<u>(1,335)</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	377,747	377,747	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>377,747</u>	<u>377,747</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ (8,508)</u>	<u>\$ (8,508)</u>	<u>\$ (7,173)</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND
2014 COLONIAS CAPITAL
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	35,713	35,713	-
TOTAL EXPENDITURES	<u>-</u>	<u>35,713</u>	<u>35,713</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(35,713)	(35,713)	-
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	35,713	35,713	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>35,713</u>	<u>35,713</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND
2012 COLONIAS CAPITAL
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	217,730	217,730	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>217,730</u>	<u>217,730</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>217,730</u>	<u>217,730</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ 217,730</u>	<u>\$ 217,730</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND
WATER FILTER CAPITAL
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND
REFUELING CAPITAL
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	169,044	169,044	-
TOTAL EXPENDITURES	<u>-</u>	<u>169,044</u>	<u>169,044</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(169,044)	(169,044)	-
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ (169,044)</u>	<u>\$ (169,044)</u>	

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND
NMDOT PAVEMENT
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	52,027	52,027	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>52,027</u>	<u>52,027</u>	<u>-</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	52,027	52,027	-
TOTAL EXPENDITURES	<u>-</u>	<u>52,027</u>	<u>52,027</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	2,255	2,255
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>2,255</u>	<u>\$ 2,255</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,255</u>	

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**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – CAPITAL PROJECTS FUND
WATER ACQUISITION CAPITAL
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes	-	-	-	-
Motor Vehicle Taxes	-	-	-	-
Franchise Taxes	-	-	-	-
Other Taxes	-	-	-	-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits	-	-	27,569	27,569
Charges for Services	-	-	-	-
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>27,569</u>	<u>27,569</u>
EXPENDITURES				
Current				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Health and Welfare	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs	-	-	-	-
Capital Outlay	-	18,027	18,027	-
TOTAL EXPENDITURES	<u>-</u>	<u>18,027</u>	<u>18,027</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>(18,027)</u>	<u>9,542</u>	<u>27,569</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	(9,543)	(9,543)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>(9,543)</u>	<u>\$ (9,543)</u>
Net Increase (Decrease) in Fund Balance	<u>\$ -</u>	<u>\$ (18,027)</u>	<u>\$ (1)</u>	

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**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – ENTERPRISE FUND
WATER AND SEWER
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes				-
Motor Vehicle Taxes				-
Franchise Taxes				-
Other Taxes				-
State Intergovernmental	-	-	-	-
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits				-
Charges for Services	5,312,753	5,312,753	4,801,700	(511,053)
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES	<u>5,312,753</u>	<u>5,312,753</u>	<u>4,801,700</u>	<u>(511,053)</u>
EXPENDITURES				
Personnel	2,542,555	2,604,205	2,604,205	-
Operating	-	2,100,657	2,100,627	30
Debt Service:				
Principal	-	510,407	261,918	248,489
Interest	-	25,812	23,585	2,227
Loan Issue Costs	-	-		-
Capital Outlay	<u>-</u>	<u>40,579</u>	<u>40,579</u>	<u>-</u>
TOTAL EXPENDITURES	<u>2,542,555</u>	<u>5,281,660</u>	<u>5,030,914</u>	<u>250,746</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>2,770,198</u>	<u>31,093</u>	<u>(229,214)</u>	<u>(761,799)</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	<u>813,528</u>	<u>700,945</u>	<u>-</u>	<u>(700,945)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>813,528</u>	<u>700,945</u>	<u>-</u>	<u>\$ (700,945)</u>
Net Increase (Decrease) in Fund Balance	<u>\$ 3,583,726</u>	<u>\$ 732,038</u>	<u>\$ (229,214)</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
STATEMENT OF REVENUES, EXPENDITURES – BUDGET (NON-GAPP BUDGETARY
BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – ENTERPRISE FUND
SOLID WASTE
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Favorable (Unfavorable)</u>
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-
Gas Taxes				-
Motor Vehicle Taxes				-
Franchise Taxes				-
Other Taxes				-
State Intergovernmental	-	-	201,384	201,384
Federal Intergovernmental	-	-	-	-
Fines Licenses and Permits				-
Charges for Services	2,257,199	2,257,199	2,013,559	(243,640)
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL REVENUES	<u>2,257,199</u>	<u>2,257,199</u>	<u>2,214,943</u>	<u>(42,256)</u>
EXPENDITURES				
Personnel	2,125,002	2,125,002	711,622	1,413,380
Operating	-	-	1,250,274	(1,250,274)
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Loan Issue Costs				-
Capital Outlay	<u>-</u>	<u>-</u>	<u>34,121</u>	<u>(34,121)</u>
TOTAL EXPENDITURES	<u>2,125,002</u>	<u>2,125,002</u>	<u>1,996,017</u>	<u>128,985</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	132,197	132,197	218,926	(171,241)
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	<u>132,000</u>	<u>225,153</u>	<u>225,153</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>132,000</u>	<u>225,153</u>	<u>225,153</u>	<u>\$ -</u>
Net Increase (Decrease) in Fund Balance	<u>\$ 264,197</u>	<u>\$ 357,350</u>	<u>\$ 444,079</u>	

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
AGENCY FUNDS - DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2015**

Agency funds are used to account for assets held by the Town as an agent for other governments and/or other funds.

Municipal Court Bond – to account for assets held by the Town in a trustee for appearance bonds posted with the Municipal Court.

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Balance June 30, 2014</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance June 30, 2015</u>
Municipal Court Bond				
Assets				
Cash and Investments	\$ 15,181	\$ 77,945	\$ 88,942	\$ 4,184
Total Assets	<u>\$ 15,181</u>	<u>\$ 77,945</u>	<u>\$ 88,942</u>	<u>\$ 4,184</u>
Liabilities				
Due to Others	<u>\$ 15,181</u>	<u>\$ 88,942</u>	<u>\$ 77,945</u>	<u>\$ 4,184</u>

OTHER SUPPLEMENTARY INFORMATION

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
SCHEDULE OF DEPOSITORY COLLATERAL
JUNE 30, 2015**

	<u>Wells Fargo</u>	<u>Western Bank</u>	<u>First NM Bank</u>	<u>Total</u>
Checking and CDs	\$ 819,521	\$ 50,316	\$ 14,386	\$ 884,223
Less: FDIC Insurance	<u>(250,000)</u>	<u>(50,316)</u>	<u>(14,386)</u>	<u>(314,702)</u>
Total Uninsured Public Funds	<u>\$ 569,521</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 569,521</u>
50% Collateralization Requirement	284,761	-	-	284,761
Pledged Securities:				
FNMA 3138X3XU1 1/1/43	<u>627,035</u>	<u>-</u>	<u>-</u>	<u>627,035</u>
Total Pledged Securities	<u>\$ 627,035</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 627,035</u>
Pledged Securities Over (Under) Requirement	<u>\$ 342,274</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 342,274</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
SCHEDULE OF INDIVIDUAL DEPOSIT ACCOUNTS AND INVESTMENTS
JUNE 30, 2015**

	<u>Type of Account</u>	<u>Bank Balance</u>	<u>Reconciled Balance</u>
<u>Wells Fargo</u>			
General	Checking	\$ 1,011,402	\$ 779,357
General	Savings	40,164	40,164
Total Wells Fargo		<u>\$ 1,051,566</u>	<u>\$ 819,521</u>
<u>LGIP</u>			
Forward Estate	LGIP	\$ 25,877	\$ 25,877
2002 Refunding Reserve	LGIP	587	587
		-	-
Total LGIP		<u>\$ 26,464</u>	<u>\$ 26,464</u>
<u>Edward Jones</u>			
General Fund and Library Memorial	Money Market	\$ 21,744	\$ 21,744
		-	-
Total Edward Jones		<u>\$ 21,744</u>	<u>\$ 21,744</u>
<u>First New Mexico Bank</u>			
General Fund	CD	\$ 14,386	\$ 14,386
		-	-
Total First New Mexico Bank		<u>\$ 14,386</u>	<u>\$ 14,386</u>
<u>Western Bank</u>			
General Fund	CD	\$ 50,316	\$ 50,316
		-	-
Total First Western Bank		<u>\$ 50,316</u>	<u>\$ 50,316</u>
<u>NMFA</u>			
Cash on Deposit with Paying Agent	NMFA	\$ 1,038,001	\$ 1,038,565
Cash on Hand			4,100
		-	-
Total NMFA		<u>\$ 1,038,001</u>	<u>\$ 1,042,665</u>
Total Cash and Investments		<u>\$ 2,202,477</u>	<u>\$ 1,975,096</u>

See Independent Auditors' Report

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
SCHEDULE OF JOINT POWERS AGREEMENTS
JUNE 30, 2015**

Emergency Medical Services

Participants	Town of Silver City Gila Regional Medical Center
Responsible party	Town of Silver City Gila Regional Medical Center
Description within	To provide emergency medical response services within the municipal limits of the Town.
Dates of agreement	indefinitely until terminated by parties.
Amount of project	Varies
Audit responsibility	Town of Silver City Gila Regional Medical Center

Extraterritorial Jurisdiction Advisory Board

Participants	Town of Silver City Grant County
Responsible party	Town of Silver City Grant County
Description	To create a single application for developers and others which would initiate a single procedure for the review and consideration of a request to subdivide land located within the extraterritorial jurisdiction.

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
SCHEDULE OF JOINT POWERS AGREEMENTS - CONTINUED
JUNE 30, 2015**

Dates of agreement	Ongoing
Amount of project	Unknown
Audit responsibility	Unknown
Public Transportation	
Participants	Town of Silver City Grant County
Responsible party	Grant County
Description	To operate public transportation services to as many population areas of the County and Town as resources permit, thereby creating increased access to the enterprises, services and events of the area.
Dates of agreement	Ongoing
Audit responsibility	Grant County
Water Commission	
Participants	Town of Silver City Village of Santa Clara Town of Bayard Town of Hurley Grant County
Responsible party	Town of Silver City Village of Santa Clara Town of Bayard Town of Hurley Grant County
Description	Establishment of a water commission consisting of one member from each jurisdiction.
Dates of agreement	Ongoing

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
SCHEDULE OF JOINT POWERS AGREEMENTS - CONTINUED
JUNE 30, 2015**

Amount of project Unknown

Audit responsibility Unknown

Southwest Solid Waste Town

Participants Southwest Solid Waste Town
 Town of Silver City

Description For the purpose of establishing terms and conditions for a financial investment by way of the loaning of funds to the Town by the Town in order to insure continuing solid waste recycling and disposal services of the Town for the benefit of Town residents.

Dates of agreement 15 years, commencing in April 2004.

Amount of project \$300,000 loan with 4.8% interest, payable

monthly. Audit responsibility Town of Silver City
 Southwest Solid Waste Town

Arenas Valley Water Association

Participants Town of Silver City
 Arenas Valley Water Association

Responsible party Town of Silver City
 Arenas Valley Water Association

Description Town of Silver City shall provide not more than 200 acre feet of water per year to the Association.

Dates of agreement Indefinite

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
SCHEDULE OF JOINT POWERS AGREEMENTS - CONTINUED
JUNE 30, 2015**

Amount of project Arenas Valley Water Association shall pay the Town based on a tiered system ranging from \$6.30 to \$5.29 per varying thousands of gallons of water.

Audit responsibility Town of Silver City

Rosedale Mutual Domestic Water Consumers Association

Participants Town of Silver City
Rosedale Mutual Domestic Water Consumers Association

Responsible party Town of Silver City
Rosedale Mutual Domestic Water Consumers Association

Description Town of Silver City shall provide water to the Association.

Dates of agreement Indefinite

Amount of project Association will pay the Town based on a tiered system ranging from \$7.95 to \$5.30 per varying thousands of gallons of water.

Audit responsibility Town of Silver City

Water and Wastewater Service

Participants Town of Silver City
Tyrone Property Owners Association

Responsible party Town of Silver City
Tyrone Property Owners Association

Description To provide wastewater treatment services to Tyrone Property Owners Association

Dates of agreement Indefinite

Audit responsibility Town of Silver City

Amount of project provided by Tyrone Property Owners Association

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
SCHEDULE OF JOINT POWERS AGREEMENTS - CONTINUED
JUNE 30, 2015**

Pinos Altos Mutual Domestic Water Consumers Association

Participants	Town of Silver City Pinos Altos Mutual Domestic Water Consumers Association
Responsible party	Town of Silver City Pinos Altos Mutual Domestic Water Consumers Association
Description	Town of Silver City shall provide water to the Association.
Dates of agreement	Ongoing
Amount of project	Association will pay the Town based on a tiered system ranging from \$6.99 to \$5.29 per varying thousands of gallons of water.
Audit responsibility	Town of Silver City

Joint Communications Center

Participants	Town of Silver City Town of Bayard Town of Hurley Village of Santa Clara Grant County
Responsible party	Town of Silver City Town of Bayard Town of Hurley Village of Santa Clara Grant County
Description	To establish the Grant County Regional Dispatch Town.
Dates of agreement	Ongoing
Amount of project	Unknown

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
SCHEDULE OF JOINT POWERS AGREEMENTS - CONTINUED
JUNE 30, 2015**

Agency contribution	Provide a member for the Board.
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Audit responsibility	Grant County
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Public Transportation "Corre Caminos"

Participants	Town of Silver City County of Grant County of Luna Town of Deming
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Responsible party	Grant County
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Description	To operate public transportation services within Grant, Luna, Silver City and Deming as resources permit.
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Dates of agreement	Ongoing
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Audit responsibility	Grant County
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**STATE OF NEW MEXICO
TOWN OF SILVER CITY
SCHEDULE OF LEGISLATIVE ALLOCATIONS
JUNE 30, 2015**

	<u>Scott Park Lights</u> <u>13-L-G-1-1715</u>	<u>Scott Park Sidewalks</u> <u>13L-G-1-1714</u>
Original Appropriation	\$ 175,000	\$ 100,000
Additions/Deletions	-	-
Amended Appropriation	<u>\$ 175,000</u>	<u>\$ 100,000</u>
Expended Through June 30 ,2015	\$ 175,000	\$ 100,000
Encumbrances	-	-
Total Committed	<u>\$ 175,000</u>	<u>\$ 100,000</u>
Project Expiration Date	6/30/2017	6/30/2017

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015**

<u>Federal grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
Passed through New Mexico Department of Finance and Administration:		
Community Development Block Grants - States Prgm	14.228	\$ -
Affordable Housing Development in Main Street Projects	14.878	
Passed through New Mexico Mortgage Finance Auth.:		
Home Partnership	14.239	<u>\$ 240,166</u>
Total U.S. Department of Housing and Urban Development		<u><u>\$ 240,166</u></u>
U.S. DEPARTMENT OF JUSTICE		
Passed through New Mexico Department of Pubic Safety:		
Passed through NM Dept. of Children, Youth, & Families and Luna County:		
Juvenile Justice and Delinquency Prevention	16.540	\$ 99,999
Direct:		
Bullet-Proof Vest Partnership Program	16.607	<u>\$ 2,853</u>
Total U.S. Dept. of Justice		<u><u>\$ 102,852</u></u>
U.S. DEPARTMENT OF THE INTERIOR		
Direct:		
Historic Preservation Grant	15.904	<u>\$ 66,825</u>
ENVIRONMENTAL PROTECTION AGENCY		
Direct:		
AARA - Brownsfield Assessment & Cleanup Agreement	66.818	<u>\$ 6,903</u>
U.S. DEPARTMENT OF TRANSPORTATION		
Passed through New Mexico Highway Department:		
Minimum Penalties for Repeat DWI Offenders	20.608	<u>\$ 22,338</u>
U.S. DEPARTMENT OF AGRICULTURE		
Passed through NM Department of Energy, Minerals and Cooperative Forestry Assistance:		
Cooperative Forestry Assistance	10.664	<u>\$ 266</u>
EXECUTIVE OFFICE OF THE PRESIDENT		
Direct:		
High Intensity Drug Trafficking Areas Program	95.001	<u>\$ 403,545</u>
Total Expenditures of Federal Awards:		<u><u>\$ 842,895</u></u>
* Major Program		

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015**

Note 1: Basis of Presentation:

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Silver City, New Mexico (the Town) and is presented on the full accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations.

Sub recipients: The Town did not provide any federal awards to sub recipients during the year.

Note 2: Non-Cash Federal Assistance: The Town received no non-cash assistance during the year.

Note 3: Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements:

Total federal Awards Expended:	\$842,895
Total expenditures by other sources:	<u>\$24,162,908</u>
Total expenditures:	<u>\$25,005,803</u>



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

Independent Auditors' Report

Honorable, Tim Keller
New Mexico State Auditor
Santa Fe, New Mexico
and
Honorable Mayor and Members of the Town Council
Town of Silver City
Silver City, 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, the budgetary comparisons of the general fund and the major special revenue funds, of the State of New Mexico, Town of Silver City (Town), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and the combining and individual funds and related budgetary comparisons of the Town, presented as supplemental information and have issued our report dated November 20, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town'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 of the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town'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 Town'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.

Compliance and other matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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 Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kubiak Melton & Associates, LLC

Kubiak Melton & Associates, LLC
Albuquerque, New Mexico
November 20, 2015



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

Independent Auditors' Report

Honorable Tim Keller
New Mexico State Auditor
Santa Fe, New Mexico
and
Honorable Mayor and Town Council
Town of Silver City
Silver City, New Mexico

Report on Compliance for Each Major Program

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

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the Town's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town'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 with each major federal program. However, our audit does not provide a legal determination of the Town's compliance. However, material weakness may exist that have not been identified.

Opinion on Each Major Program

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

Report on Internal Control Over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town'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 we noted FA 2015-001 as a significant deficiency.

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

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

Kubiak Melton & Associates, LLC

Kubiak Melton & Associates, LLC
Auditors – Business Consultants – CPAs
Albuquerque, New Mexico
November 20, 2015

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2015**

SUMMARY OF AUDIT RESULTS

Financials Statements:

- | | |
|--|-------------------|
| 1. Type of auditors' report issued | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness identified? | No |
| b. Significant deficiencies identified? | No |
| c. Noncompliance material to the financial statements? | No |

Federal Awards:

- | | |
|---|---|
| 3. Type of auditors' report issued | Unmodified |
| 4. Internal control over financial reporting: | |
| d. Material weakness identified? | No |
| e. Significant deficiencies identified? | Yes |
| 5. Any audit findings disclosed in accordance with Section 510(a) Circular A-133? | Yes |
| 6. Major programs? | 95.001 High Intensity Drug Trafficking |
| 7. Dollar threshold Used to distinguish between Type A and Type B Programs? | \$300,000 |
| 8. Auditee qualified as Low risk auditee? | Yes |

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2015**

Schedule II. Federal Award Findings

FA 2015-001 Lack of Control over Disbursements-Significant Deficiency (New Finding)

Federal Program information:

Funding Agency: Executive Office of the President

Title: High Intensity Drug Trafficking Areas or HIDA, 2015, overseen by the Town of Silver City

CFDA Number: 95.001

Condition: During our process of understanding of Disbursements (Related to HIDA), we noted three instances the Town lacked written documentation for expenditures as well as approvals. This amounted to \$156.73.

Criteria: Maintenance of adequate supporting documentation for all disbursements including purchase requisitions, purchase orders, approval for disbursements are integral parts of sound internal control system established by the management to safeguard the assets and accomplish timely preparation and submission of financial reports.

Questioned Costs: The amount in question was \$156.73.

Effect: The Town's internal control over purchasing authorization and approval limits management's ability to monitor the accuracy of transactions and provide assurance with respect to public funds. The employees did not submit the proper documentation to back-up said expenditures.

Cause: Proper review was not in place for the verification of activities in the HIDA program.

Auditors' Recommendation: The Town should exercise more caution with its document retention, purchase authorization, and payment procedure to ensure similar instances do not occur.

Managements Progress: New Finding. Alex Brown will review finding controls.

Managements Response: The Town will comply with the Auditors recommendation. Since the violations have occurred during the course of work by staff of agencies that the Town does not have direct control, the Town will suspend all travel for those who do not comply with Town policies. Alex Brown expects the town to be in compliance by June 30, 2016.

Schedule III. PRIOR YEAR FINDINGS

2013-001

Expenditures in excess of budgetary authority

Resolved

**STATE OF NEW MEXICO
TOWN OF SILVER CITY
EXIT CONFERENCE
FOR THE YEAR ENDED JUNE 30, 2015**

An exit conference was held on November 20, 2015 to discuss the results of the audit. Notice of this meeting was disclosed pursuant to the Open Meeting Act (10-15-1, NMSA 1978). Because the audit report was not yet released by the Office of the State Auditor, the meeting was a closed session. Attending were the following:

Representing the Town: Michael Morones, Mayor, Alex Brown, Town Manager, and Anita Norero, Deputy Finance Director

Representing the Independent Auditors: Geoff Mamerow, Audit Manager

Note: The financial statements in this report were prepared substantially by the Independent Audit firm of Kubiak Melton & Associates, LLC, with the assistance of Town management.