

STATE OF NEW MEXICO  
CITY OF TUCUMCARI  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2016





## **INTRODUCTORY SECTION**

**STATE OF NEW MEXICO  
CITY OF TUCUMCARI**

Official Roster  
June 30, 2016

City Council

Mayor/Commissioner	Robert Lumpkin
Commissioner	Amy J. Gutierrez
Commissioner	Rick Haymaker
Commissioner	Ruth Ann Litchfield
Commissioner	John A. Mihm

Administrative Officials

City Manager	Jared Langenegger
Assistant City Manager	Doug Powers
City Clerk	Angelica Gray
City Finance Director	Dennis Dysart

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
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**STATE OF NEW MEXICO  
CITY OF TUCUMCARI**

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**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**

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**FINANCIAL SECTION**





# Griego Professional Services, LLC

Certified Public Accountants

## INDEPENDENT AUDITORS' REPORT

Tim Keller  
New Mexico State Auditor  
City Manager, Mayor, and  
City Council Members  
City of Tucumcari  
Tucumcari, New Mexico

### Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of City of Tucumcari, New Mexico (the "City"), as of and for the year ended June 30, 2016, which collectively comprise the City's basic financial statements as listed in the table of contents. We have also audited the financial statement of each for the City's nonmajor governmental, and the budgetary comparisons for the major capital project fund, debt service fund, internal service fund, and all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2016, as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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

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

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Tucumcari, New Mexico, as of June 30, 2016, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each non-major governmental of City of Tucumcari, New Mexico as of June 30, 2016, and the respective changes in financial position and cash flows, where applicable, thereof and the financial data schedule and the respective budgetary comparisons for the major capital project fund, debt service funds, internal service fund and all non-major funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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## **Other matters**

### *Required Supplementary Information*

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

Accounting principles generally accepted in the United States of America also require that the Schedule of Proportionate Share of the Net Pension Liability and Schedule of Contributions on page 104 be represented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the *Governmental Accounting Standard Board* who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the City's financial statements and the combining and individual fund financial statements and budgetary comparisons. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code Federal regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the other schedules required by Section 2.2.2.NMAC are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The *Schedule of Expenditures of federal awards and other schedules required by Section 2.2.2 NMAC* are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the *Schedule of Expenditures and other schedules required by Section 2.2.2 NMAC* are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The Schedule of Vendors over \$60,000 (excluding GRT) 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 12, 2016 on our consideration of City of Tucumcari's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

GRIEGO PROFESSIONAL SERVICES, LLC



Albuquerque, New Mexico  
December 12, 2016



**BASIC  
FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2016**

Exhibit A-1

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<b>Assets</b>			
Cash and cash equivalents	\$ 2,187,663	\$ 4,758,243	\$ 6,945,906
Short term investments	424,951	453,170	878,121
Receivables			
Property taxes	10,833	-	10,833
Other taxes	510,968	-	510,968
Intergovernmental	48,449	7,066	55,515
Customers, net of allowance	-	747,463	747,463
Other accounts receivable	169,672	71,937	241,609
Prepaid insurance	79,694	19,456	99,150
Inventory	-	78,748	78,748
Internal balances	104,305	(104,305)	-
Restricted cash and equivalents	55,338	502,862	558,200
Capital assets	28,757,684	51,941,353	80,699,037
Less: accumulated depreciation	(14,586,121)	(19,790,834)	(34,376,955)
Total Capital Assets	14,171,563	32,150,519	46,322,082
Deferred outflow of resources:			
Deferred outflows	442,030	105,321	547,351
Total Assets	<u>18,205,466</u>	<u>38,790,480</u>	<u>56,995,946</u>

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2016**

Exhibit A-1

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<b>Liabilities</b>			
Accounts payable	\$ 87,468	\$ 3,700,983	\$ 3,788,451
Accrued payroll liabilities	89,540	27,955	117,495
Customer deposits payable	-	190,547	190,547
Other accrued liabilities	882	1,669	2,551
Unearned revenue - prepaid rent	-	72,766	72,766
Accrued interest payable	4,797	54,274	59,071
Noncurrent Liabilities:			
Net pension liability	3,441,604	1,066,667	4,508,271
Current portion of accrued compensated absences	14,973	11,906	26,879
Non current portion of accrued compensated absences	73,102	15,929	89,031
Current portion of long term obligatons	174,855	182,162	357,017
Bonds payable	580,000	-	580,000
Notes & Capital Leases Payable	584,323	6,580,780	7,165,103
Landfill liability	-	4,078,473	4,078,473
<b>Total Liabilities</b>	<b>5,051,544</b>	<b>15,984,111</b>	<b>21,035,655</b>
Deferred inflow of resources:			
Deferred inflows	291,661	19,288	310,949
<b>Net Position</b>			
Net investment in capital assets	12,832,385	25,387,577	38,219,962
Restricted for:			
Debt service	236,415	-	236,415
Special revenue funds/other purposes	1,044,202	-	1,044,202
Unrestricted	(1,210,089)	(2,600,496)	(3,810,585)
<b>Total Net Position</b>	<b>12,862,261</b>	<b>22,787,081</b>	<b>35,649,342</b>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO  
CITY OF TUCUMCARI  
STATEMENT OF ACTIVITIES  
JUNE 30, 2016**

	<b>Program Revenues</b>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Functions/Programs:</b>				
<b>Primary Government</b>				
Governmental Activities:				
General government	\$ 1,018,143	\$ 1,420,407	\$ 517,962	\$ -
Public safety	2,885,780	393,236	301,094	-
Culture and recreation	1,501,184	80,353	-	-
Health and welfare	926,976	41,322	571,552	-
Public works	4,624,226	11,376	-	3,008,603
Interest on long-term debt	40,360	-	-	-
	<u>10,996,669</u>	<u>1,946,694</u>	<u>1,390,608</u>	<u>3,008,603</u>
Business-type activities				
Airport	603,749	240,480	-	230,951
Joint Utility	3,164,556	2,643,083	-	-
Sanitation	1,353,464	1,254,589	-	-
Housing Authority	1,249,495	190,398	-	858,342
	<u>6,371,264</u>	<u>4,328,550</u>	<u>-</u>	<u>1,089,293</u>
Total primary government	<u>17,367,933</u>	<u>6,275,244</u>	<u>1,390,608</u>	<u>4,097,896</u>

**General Revenues:**

Taxes

Property taxes

Gross receipts taxes

Franchise Tax

Lodgers Tax

Gas Tax

Other Taxes

Interest income

Transfers in (out)

Gain (loss) on asset disposal

Miscellaneous income

Total General Revenues and Transfers

Change in net position

Total net position - beginning of year

Restatement (Note 16)

Restated net position - beginning of year

Total net position - end of year

The accompanying notes are an integral part of these financial statements

Net (Expenses) Revenues and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ 920,226	\$ -	\$ 920,226
(2,191,450)	-	(2,191,450)
(1,420,831)	-	(1,420,831)
(314,102)	-	(314,102)
(1,604,247)	-	(1,604,247)
(40,360)	-	(40,360)
<u>(4,650,764)</u>	<u>-</u>	<u>(4,650,764)</u>
-	(132,318)	(132,318)
-	(521,473)	(521,473)
-	(98,875)	(98,875)
<u>-</u>	<u>(200,755)</u>	<u>(200,755)</u>
<u>-</u>	<u>(953,421)</u>	<u>(953,421)</u>
		<u>(5,604,185)</u>
426,404	-	426,404
3,320,096	-	3,320,096
130,446	-	130,446
611,904	-	611,904
243,136	-	243,136
149,050	370,481	519,531
1,274	2,491	3,765
(107,446)	107,446	-
(88,356)	-	(88,356)
90,721	30,698	121,419
<u>4,777,229</u>	<u>511,116</u>	<u>5,288,345</u>
<u>126,465</u>	<u>(442,305)</u>	<u>(315,840)</u>
12,735,796	23,229,386	35,965,182
-	-	-
<u>12,735,796</u>	<u>23,229,386</u>	<u>35,965,182</u>
<u>\$ 12,862,261</u>	<u>\$ 22,787,081</u>	<u>\$ 35,649,342</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2016**

	<u>General Fund</u>	<u>Fire Districts Fund</u>	<u>1/8% Economic Development Tax Fund</u>
<b>Assets</b>			
<i>Current:</i>			
Cash and cash equivalents	\$ 1,008,324	\$ 55,281	\$ (21,404)
Short term investments	-	103,552	321,399
Accounts receivable			
Property taxes	10,833	-	-
Other taxes	510,968	-	-
Intergovernmental	744	-	21,820
Miscellaneous	6,244	32	-
Interfund receivable	763,939	-	-
Prepaid expenses	79,694	-	-
Interfund note receivable	-	-	21,544
<i>Total assets</i>	<u>\$ 2,380,746</u>	<u>\$ 158,865</u>	<u>\$ 343,359</u>
<b>Liabilities and fund balances</b>			
<i>Liabilities</i>			
Accounts payable	\$ 49,615	\$ 5,729	\$ -
Accrued payroll liabilities	53,811	-	-
Customer deposits payable	-	-	-
Other accrued liabilities	882	-	-
Interfund payable	-	-	60,000
Interfund note payable	-	-	-
<i>Total liabilities</i>	<u>104,308</u>	<u>5,729</u>	<u>60,000</u>
<b>Fund balances</b>			
Nonspendable	79,694	-	21,544
Restricted	-	153,136	261,815
Committed	-	-	-
Assigned	-	-	-
Unassigned	2,196,744	-	-
<i>Total fund balances</i>	<u>2,276,438</u>	<u>153,136</u>	<u>283,359</u>
<i>Total liabilities and fund balances</i>	<u>\$ 2,380,746</u>	<u>\$ 158,865</u>	<u>\$ 343,359</u>

The accompanying notes are an integral part of these financial statements

Capital Projects Fund	Golf Course Capital Imp. Fund	Lodger's Tax GRT Series 2002 Fund	Other Governmental Funds	Total
\$ -	\$ -	\$ 181,077	\$ 1,019,723	\$ 2,243,001
-	-	-	-	424,951
-	-	-	-	10,833
-	-	-	-	510,968
-	-	-	25,885	48,449
-	12,600	-	150,796	169,672
-	-	-	-	763,939
-	-	-	-	79,694
-	-	-	-	21,544
<u>\$ -</u>	<u>\$ 12,600</u>	<u>\$ 181,077</u>	<u>\$ 1,196,404</u>	<u>\$ 4,273,051</u>
\$ -	\$ -	\$ -	\$ 30,369	\$ 85,713
-	-	-	26,161	79,972
-	-	-	-	-
-	-	-	-	882
407,809	27,825	-	164,000	659,634
-	21,544	-	-	21,544
<u>407,809</u>	<u>49,369</u>	<u>-</u>	<u>220,530</u>	<u>847,745</u>
-	-	-	-	101,238
-	-	181,077	1,139,386	1,735,414
-	-	-	1,441	1,441
-	-	-	-	-
(407,809)	(36,769)	-	(164,953)	1,587,213
<u>(407,809)</u>	<u>(36,769)</u>	<u>181,077</u>	<u>975,874</u>	<u>3,425,306</u>
<u>\$ -</u>	<u>\$ 12,600</u>	<u>\$ 181,077</u>	<u>\$ 1,196,404</u>	<u>\$ 4,273,051</u>

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**RECONCILIATION OF THE BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2016**

Exhibit B-1  
Page 2 of 2

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

Fund balances - total governmental funds	\$	3,425,306
Internal service funds assets and liabilities, included in governmental activities in the statement of net position:		
Current Assets		-
Capital Assets		35,513
Liabilities		(11,323)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		14,136,050
Deferred outflow of resources		442,030
Other long-term assets are not available to pay for current-period expenditures and therefore, are deferred in the funds:		
Accrued interest		(4,797)
Current portion of accrued compensate absences		(14,973)
Deferred inflow of resources		(291,661)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds		
Net pension liability		(3,441,604)
Noncurrent portion of accrued compensated absences		(73,102)
Noncurrent portion of notes payable		(584,323)
Current portion of notes and bonds payable		(37,855)
Bonds payable		(717,000)
Net positon-Governmental Activities	\$	<u>12,862,261</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2016**

	General Fund	Fire Districts Fund	1/8% Economic Development Tax Fund
<i>Revenues:</i>			
Property taxes	\$ 426,404	\$ -	\$ -
Gross receipts taxes	3,320,096	-	-
Other taxes	130,446	-	149,050
State grants	268,423	245,238	250,000
Federal grants	3,440	-	-
Licenses and fees	136,168	-	-
Charges for services	754,073	-	-
Investment income	626	-	604
Miscellaneous	25,420	32	6,810
<i>Total Revenues</i>	<u>5,065,096</u>	<u>245,270</u>	<u>406,464</u>
<i>Expenditures:</i>			
<i>Current:</i>			
General Government	1,116,492	-	347,844
Public safety	1,220,987	176,874	-
Culture and recreation	862,720	-	-
Health and welfare	-	-	-
Public works	627,275	-	-
Capital Outlay	51,049	19,531	93,147
<i>Debt Service:</i>			
Principal	-	-	-
Interest	-	-	-
<i>Total Expenditures</i>	<u>3,878,523</u>	<u>196,405</u>	<u>440,991</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,186,573</u>	<u>48,865</u>	<u>(34,527)</u>
<i>Other financing sources (uses)</i>			
Operating transfers in	-	-	-
Operating transfers (out)	(1,197,397)	-	-
<i>Total other financing sources (uses)</i>	<u>(1,197,397)</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	(10,824)	48,865	(34,527)
<i>Fund balance - beginning of year</i>	2,287,262	104,271	317,886
<i>Fund balance - end of year</i>	<u>\$ 2,276,438</u>	<u>\$ 153,136</u>	<u>\$ 283,359</u>

The accompanying notes are an integral part of these financial statements



Capital Projects Fund	Golf Course Capital Imp. Fund	Lodger's Tax GRT Series 2002 Fund	Other Governmental Funds	Total
\$ -	\$ -	\$ -	\$ -	\$ 426,404
-	-	-	-	3,320,096
-	-	-	855,040	1,134,536
2,618,752	-	-	901,792	4,284,205
-	-	-	111,566	115,006
-	13,562	-	429,519	579,249
-	-	-	21,200	775,273
-	-	-	44	1,274
-	-	-	58,459	90,721
<u>2,618,752</u>	<u>13,562</u>	<u>-</u>	<u>2,377,620</u>	<u>10,726,764</u>
-	-	1,130	206,247	1,671,713
-	-	-	961,185	2,359,046
-	-	-	446,847	1,309,567
-	-	-	587,268	587,268
-	-	-	378,886	1,006,161
2,660,320	7,138	-	846,267	3,677,452
-	1,810	134,000	36,943	172,753
-	469	21,123	20,368	41,960
<u>2,660,320</u>	<u>9,417</u>	<u>156,253</u>	<u>3,484,011</u>	<u>10,825,920</u>
<u>(41,568)</u>	<u>4,145</u>	<u>(156,253)</u>	<u>(1,106,391)</u>	<u>(99,156)</u>
13,604	-	156,253	1,600,382	1,770,239
-	-	-	(680,288)	(1,877,685)
<u>13,604</u>	<u>-</u>	<u>156,253</u>	<u>920,094</u>	<u>(107,446)</u>
(27,964)	4,145	-	(186,297)	(206,602)
(379,845)	(40,914)	181,077	1,162,171	3,631,908
<u>\$ (407,809)</u>	<u>\$ (36,769)</u>	<u>\$ 181,077</u>	<u>\$ 975,874</u>	<u>\$ 3,425,306</u>

The accompanying notes are an integral part of these financial statements



RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDING JUNE 30, 2016

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

Net change in fund balances - total governmental funds	\$ (206,602)
--	--------------

Governmental funds report capital outlays as expenditures. However in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital expenditures	960,091
Depreciation expense	(1,141,407)
Loss on disposal of assets	(88,356)

The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Principal payments on bonds and notes payable	170,943
Bond proceeds	-
Decrease in pension liability	461,658
Decrease in compensated absences	18,245
Decrease in accrued interest expense	326

The activity of the internal service fund is reported with the governmental activities on the statement of activities

Revenue	592,172
Expense	<u>(640,605)</u>

Change in net position of governmental activities	<u><u>\$ 126,465</u></u>
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## STATE OF NEW MEXICO

Exhibit C-1

## CITY OF TUCUMCARI

## GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 3,128,500	\$ 3,260,466	\$ 3,260,471	\$ 5
Intergovernmental	364,800	270,942	270,944	2
Licenses and fees	134,250	153,812	153,812	-
Charges for services	772,600	754,072	754,073	1
Investment income	500	625	626	1
Miscellaneous	12,900	30,099	30,100	1
<i>Total revenues</i>	<u>4,413,550</u>	<u>4,470,016</u>	<u>4,470,026</u>	<u>10</u>
<i>Expenditures:</i>				
Current				
General Government	1,280,856	1,875,673	1,120,345	755,328
Public safety	1,221,545	1,221,254	1,221,221	33
Culture and recreation	863,458	854,764	854,687	77
Health and welfare	-	-	-	-
Public works	643,589	628,235	628,185	50
Education	-	-	-	-
Capital outlay	111,500	50,813	50,812	1
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>4,120,948</u>	<u>4,630,739</u>	<u>3,875,250</u>	<u>755,489</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>292,602</u>	<u>(160,723)</u>	<u>594,776</u>	<u>755,499</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(1,119,318)	(1,081,431)	(1,081,307)	124
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	826,716	1,242,154	-	(1,242,154)
<i>Total other financing sources (uses)</i>	<u>(292,602)</u>	<u>160,723</u>	<u>(1,081,307)</u>	<u>(1,242,030)</u>
<i>Net change in fund balances</i>	-	-	(486,531)	(486,531)
<i>Fund balances - beginning of year</i>	-	-	2,258,794	2,258,794
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,772,263</u>	<u>\$ 1,772,263</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			595,070	
Expenditure accruals			(119,363)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (10,824)</u>	

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

## STATE OF NEW MEXICO

Exhibit C-2

## CITY OF TUCUMCARI

## FIRE DISTRICTS SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	230,000	245,238	245,238	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	(4)	(4)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>230,000</u>	<u>245,238</u>	<u>245,234</u>	<u>(4)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	114,738	172,911	172,900	11
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	19,531	19,531	-
Debt service				
Principal	-	(18)	(19)	1
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>114,738</u>	<u>192,424</u>	<u>192,412</u>	<u>12</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>115,262</u>	<u>52,814</u>	<u>52,822</u>	<u>8</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(115,262)	(52,814)	-	52,814
<i>Total other financing sources (uses)</i>	<u>(115,262)</u>	<u>(52,814)</u>	<u>-</u>	<u>52,814</u>
<i>Net change in fund balances</i>	-	-	52,822	52,822
<i>Fund balances - beginning of year</i>	-	-	106,011	106,011
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 158,833</u>	<u>\$ 158,833</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			36	
Expenditure accruals			(3,993)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 48,865</u>	

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

## STATE OF NEW MEXICO

Exhibit C-3

## CITY OF TUCUMCARI

1/8% ECONOMIC DEVELOPMENT TAX SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 115,000	\$ 126,496	\$ 126,497	\$ 1
Intergovernmental	-	250,000	250,000	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	604	604	-
Miscellaneous	-	6,810	6,810	-
<i>Total revenues</i>	<u>115,000</u>	<u>383,910</u>	<u>383,911</u>	<u>1</u>
<i>Expenditures:</i>				
Current				
General Government	96,344	347,112	347,111	1
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	93,147	93,147	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>96,344</u>	<u>440,259</u>	<u>440,258</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>18,656</u>	<u>(56,349)</u>	<u>(56,347)</u>	<u>2</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(18,656)	56,349	-	(56,349)
<i>Total other financing sources (uses)</i>	<u>(18,656)</u>	<u>56,349</u>	<u>-</u>	<u>(56,349)</u>
<i>Net change in fund balances</i>	-	-	(56,347)	(56,347)
<i>Fund balances - beginning of year</i>	-	-	296,342	296,342
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 239,995</u>	<u>\$ 239,995</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			22,553	
Expenditure accruals			(733)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (34,527)</u>	

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

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2016**

<b>Assets</b>	<u>Airport</u>	<u>Joint Utility</u>
<b>Current Assets:</b>		
Cash and investments	\$ -	\$ 4,620,792
Receivables		
Intergovernmental	-	-
Customers (net of allowance for uncollectibles)	-	619,691
Other receivables	-	41,479
Interfund receivables	(49,600)	(54,705)
Inventory	35,355	37,372
Prepaid insurance	-	14,484
Total current assets	<u>(14,245)</u>	<u>5,279,113</u>
<b>Non-current Assets:</b>		
Capital assets	7,668,008	35,172,978
Less: accumulated depreciation	<u>(3,949,213)</u>	<u>(11,282,879)</u>
Total noncurrent assets	<u>3,718,795</u>	<u>23,890,099</u>
<b>Deferred outflow of resources</b>		
Deferred outflow of resources related to pensions	6,632	65,041
Total assets	<u>3,711,182</u>	<u>29,234,253</u>
 <b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	\$ 539	\$ 3,252,143
Accrued payroll liabilities	1,586	15,979
Other accrued liabilities	-	1,669
Accrued interest expense	-	53,634
Unearned revenue - prepaid rent	-	72,586
Customer/tenant deposits	-	176,390
Current portion of accrued compensated absences	340	8,690
Current portion of bonds and notes payable	-	165,962
Total current liabilities	<u>2,465</u>	<u>3,747,053</u>
<b>Noncurrent Liabilities:</b>		
Net pension liability	56,290	593,614
Noncurrent portion of accrued compensated absences	1,787	10,126
Noncurrent portion of bonds and notes payable	-	5,954,666
Noncurrent portion of landfill liability	-	-
Total non-current liabilities	<u>58,077</u>	<u>6,558,406</u>
<b>Deferred inflow of resources</b>		
Deferred inflow of resources related to pensions	<u>(3,344)</u>	<u>(31,627)</u>
Total liabilities	57,198	10,273,832
 <b>Net Position</b>		
Net investment in capital assets	3,718,795	17,769,471
Restricted	-	51,856
Unrestricted	(64,811)	1,139,094
Total net position	<u>3,653,984</u>	<u>18,960,421</u>

The accompanying notes are an integral part of these financial statements



Solid Waste	Housing Authority	Total	Internal Service Fund
\$ 252,061	\$ 841,422	\$ 5,714,275	\$ -
11,276	-	11,276	-
127,772	-	747,463	-
9,024	17,224	67,727	-
-	-	(104,305)	-
-	6,021	78,748	-
-	4,972	19,456	-
<u>400,133</u>	<u>869,639</u>	<u>6,534,640</u>	<u>-</u>
3,517,554	5,582,813	51,941,353	263,242
(1,542,050)	(3,016,692)	(19,790,834)	(227,729)
<u>1,975,504</u>	<u>2,566,121</u>	<u>32,150,519</u>	<u>35,513</u>
23,689	9,959	105,321	42,214
<u>2,399,326</u>	<u>3,445,719</u>	<u>38,790,480</u>	<u>77,727</u>
\$ 444,258	\$ 4,043	\$ 3,700,983	\$ 1,755
5,451	4,939	27,955	9,568
-	-	1,669	-
-	640	54,274	-
-	180	72,766	-
-	14,157	190,547	-
765	2,111	11,906	-
-	16,200	182,162	-
<u>450,474</u>	<u>42,270</u>	<u>4,242,262</u>	<u>11,323</u>
234,189	182,574	1,066,667	365,949
4,016	-	15,929	610
-	626,114	6,580,780	-
4,078,473	-	4,078,473	-
<u>4,316,678</u>	<u>808,688</u>	<u>11,741,849</u>	<u>366,559</u>
(13,833)	68,092	19,288	(19,646)
<u>4,753,319</u>	<u>919,050</u>	<u>16,003,399</u>	<u>358,236</u>
1,975,504	2,566,121	26,029,891	35,513
-	-	51,856	-
(4,329,497)	(39,452)	(3,294,666)	(316,022)
<u>(2,353,993)</u>	<u>2,526,669</u>	<u>22,787,081</u>	<u>(280,509)</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Airport</u>	<u>Joint Utility</u>
<i>Operating revenues:</i>		
Charges for services	\$ 240,480	\$ 2,643,083
Total operating revenues	<u>240,480</u>	<u>2,643,083</u>
<i>Operating expenses:</i>		
General and administrative	22,599	158,905
Personnel services	158,936	1,028,928
Contractual services	1,219	-
Supplies and purchased power	143,689	87,654
Maintenance and materials	5,360	171,931
Utilities	10,200	226,088
Depreciation	261,746	1,322,937
Miscellaneous	-	-
Total operating expenses	<u>603,749</u>	<u>2,996,443</u>
Operating income (loss)	(363,269)	(353,360)
<i>Non-operating revenues (expenses):</i>		
Taxes	-	295,957
Housing assistance payments	-	-
Interest income	-	233
Interest expense	-	(168,113)
Loss on disposal of assets	-	-
Grant revenue	230,951	-
Miscellaneous	-	5,873
Total non-operating revenues	<u>230,951</u>	<u>133,950</u>
Transfers in	19,960	575,868
Transfers (out)	-	(488,382)
Total transfers	<u>19,960</u>	<u>87,486</u>
<i>Change in net position</i>	(112,358)	(131,924)
<i>Total net position - beginning</i>	3,766,342	19,092,345
<i>Prior period adjustment</i>	-	-
<i>Total net position - restated</i>	<u>3,766,342</u>	<u>19,092,345</u>
<i>Total net position - ending</i>	<u>\$ 3,653,984</u>	<u>\$ 18,960,421</u>

The accompanying notes are an integral part of these financial statements

<u>Solid Waste</u>	<u>Housing Authority</u>	<u>Total</u>	<u>Internal Service Fund</u>
\$ 1,254,589	\$ 190,398	\$ 4,328,550	\$ 592,172
<u>1,254,589</u>	<u>190,398</u>	<u>4,328,550</u>	<u>592,172</u>
256,748	260,916	699,168	2,976
712,659	311,792	2,212,315	588,581
52,042	25,611	78,872	(3,726)
-	-	231,343	14,996
70,568	19,825	267,684	10,738
42,639	84,737	363,664	12,097
206,918	187,495	1,979,096	11,289
4,702	32	4,734	3,654
<u>1,346,276</u>	<u>890,408</u>	<u>5,836,876</u>	<u>640,605</u>
(91,687)	(700,010)	(1,508,326)	(48,433)
74,524	-	370,481	-
-	(350,843)	(350,843)	-
2,083	175	2,491	-
(7,188)	(8,244)	(183,545)	-
-	-	-	-
-	858,342	1,089,293	-
<u>7,610</u>	<u>17,215</u>	<u>30,698</u>	<u>-</u>
<u>77,029</u>	<u>516,645</u>	<u>958,575</u>	<u>-</u>
-	-	595,828	-
-	-	(488,382)	-
-	-	<u>107,446</u>	-
(14,658)	(183,365)	(442,305)	(48,433)
(2,339,335)	2,710,034	23,229,386	(232,076)
-	-	-	-
<u>(2,339,335)</u>	<u>2,710,034</u>	<u>23,229,386</u>	<u>(232,076)</u>
<u>\$ (2,353,993)</u>	<u>\$ 2,526,669</u>	<u>\$ 22,787,081</u>	<u>\$ (280,509)</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	Enterprise Funds	
	Airport Enterprise Fund	Joint Utility Enterprise Fund
<b>Cash Flows From Operating Activities:</b>		
Cash received from customers	\$ 310,515	\$ 2,425,518
Cash paid to suppliers and employees	(561,426)	1,653,328
<b>Net Cash (Used) by Operating Activities</b>	<b>(250,911)</b>	<b>4,078,846</b>
<b>Cash Flows From Non-Capital Financing Activities</b>		
Operating transfers	19,960	87,486
Taxes		295,957
Grant income	230,951	-
Housing assistance payments	-	-
HUD capital subsidy	-	-
Miscellaneous income	-	5,873
<b>Net Cash (Used) by Non-Capital Financing Activities</b>	<b>250,911</b>	<b>389,316</b>
<b>Cash Flows From Capital Financing Activities</b>		
(Purchase)/transfer of capital assets	-	(3,729,588)
Principal paid on capital debt	-	211,150
Disposals and transfers	-	-
Prior period adjustment	-	-
Interest paid on capital debt	-	(168,895)
<b>Net Cash (Used) by Capital Financing Activities</b>	<b>-</b>	<b>(3,687,333)</b>
<b>Cash Flows From Investing Activities:</b>		
Interest income	-	233
<b>Net Cash (Used) by Investing Activities</b>	<b>-</b>	<b>233</b>
Net Increase/(Decrease) in Cash and Cash Equivalents	-	781,062
Cash and Cash Equivalents, Beginning of Year	-	3,839,730
Cash and Cash Equivalents, End of Year	<b>\$ -</b>	<b>\$ 4,620,792</b>
<b>Reconciliation of Operating (Loss) to Net Cash (Used) by Operating Activities:</b>		
Operating income (loss)	\$ (363,269)	\$ (353,360)
Adjustments to reconcile operating (loss) to net cash (used) by operating activities:		
Depreciation	261,746	1,322,937
(Increase)/decrease in accounts receivable	70,035	(311,880)
(Increase)/decrease in interfund balances	(228,970)	54,705
(Increase)/decrease in inventory	-	(13,893)
(Increase)/decrease in prepaids	-	(19,083)
(Increase)/decrease in deferred outflows	(2,274)	(421)
Increase/(decrease) in accounts payable	(24)	3,252,143
Increase/(decrease) in accrued liabilities	(78)	(22,303)
Increase/(decrease) in deposits	-	4,743
Increase/(decrease) in unearned revenue	-	72,586
Increase/(decrease) deferred inflow	(15,080)	(158,770)
Increase/(decrease) in net pension liability	29,947	269,191
Increase/(decrease) in accrued compensated absences	(2,944)	(17,749)
<b>Net Cash (Used) by Operating Activities</b>	<b>\$ (250,911)</b>	<b>\$ 4,078,846</b>

**Summary of Significant Noncash Activities:**

No significant noncash transactions.

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

Enterprise Funds			
Soild Waste Enterprise Fund	Housing Authority Enterprise Fund	Total	Internal Service Fund
\$ 1,141,482	\$ 245,041	\$ 4,122,556	\$ 592,172
(667,700)	(577,216)	(153,014)	(713,320)
<u>473,782</u>	<u>(332,175)</u>	<u>3,969,542</u>	<u>(121,148)</u>
-	-	107,446	-
74,524	-	370,481	-
-	744,720	975,671	-
-	(350,843)	(350,843)	-
-	113,622	113,622	-
7,610	17,215	30,698	-
<u>82,134</u>	<u>524,714</u>	<u>1,247,075</u>	<u>-</u>
(440,555)	(101,098)	(4,271,241)	(11,289)
(24,760)	(14,766)	171,624	-
-	-	-	136,832
-	-	-	-
(7,188)	(8,349)	(184,432)	-
<u>(472,503)</u>	<u>(124,213)</u>	<u>(4,284,049)</u>	<u>125,543</u>
2,083	175	2,491	-
<u>2,083</u>	<u>175</u>	<u>2,491</u>	<u>-</u>
85,496	68,501	935,059	4,395
<u>166,565</u>	<u>772,921</u>	<u>4,779,216</u>	<u>(4,395)</u>
<u>\$ 252,061</u>	<u>\$ 841,422</u>	<u>\$ 5,714,275</u>	<u>\$ -</u>
\$ (91,687)	\$ (700,010)	(1,508,326)	(48,433)
206,918	187,495	1,979,096	11,289
(113,107)	(2,501)	(357,453)	-
-	-	(174,265)	-
-	(32)	(13,925)	-
-	(237)	(19,320)	-
(6,318)	(3,529)	(12,542)	(13,882)
434,718	(3,307)	3,683,530	(95)
(663)	1,696	(21,348)	(1,611)
-	170	4,913	-
-	-	72,586	-
(62,734)	50,586	(185,998)	97,888
109,411	137,654	546,203	(166,304)
(2,756)	(160)	(23,609)	-
<u>\$ 473,782</u>	<u>\$ (332,175)</u>	<u>\$ 3,969,542</u>	<u>\$ (121,148)</u>

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

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

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

City of Tucumcari (the “City”) was incorporated in 1908 under provisions of Chapter 3, Article 1 of NMSA, 1978 as amended and regulated by the constitution of the State of New Mexico. The City operates under a commission-manager form of government and provides the following services as authorized by its charter: public safety (police, fire, emergency medical, etc.), roads, water and sewer services, refuse collection, recreation, fixed base airport, low rent housing assistance, public improvements, planning and zoning, economic development, and general administrative services.

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

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

The summary of significant accounting policies of the City is presented to assist in the understanding of the City’s Financial Statements. The financial statements and notes to the financial statements are the representation of the City’s management who is responsible for their integrity and objectivity. The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

During the year ended June 30, 2016, the District adopted GASB Statements No. 72, *Fair Value Measurement and Application*, No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, No. 79, *Certain External Investment Pools and Pool Participants*, and a portion of No 73, *Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. GASB Statements Nos. 72, 76, and 79, as well as the implemented portion of Statement No. 73, are required to be implemented for the fiscal year ending June 30, 2016.

GASB Statement No. 72 addresses accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The requirements of this Statement will enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This Statement also will enhance fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government’s financial position.

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

**NOTE 1. Summary of Significant Accounting Policies (continued)**

GASB Statement No. 73 establishes accounting and financial reporting standards for defined benefit pensions and defined contribution pensions that are not provided to employees of state and local government employers and are not within the scope of Statement 68. A portion of this pronouncement is effective for June 30, 2016 year end and a portion is effective for June 30, 2017 year end. Effective for June 30, 2016 are the amendments for Statement No.s 67 and 68 and assets accumulated for pensions not administered as trusts. The amendments of this pronouncement clarifies application of certain provisions of GASB 67 and 68 with regards to the following issues: (1) Information that is required to be presented as notes to the 10-year schedules of RSI about investment-related factors that significantly affect trends in reported amounts; (2) Accounting and financial reporting for separately financed specific liabilities of individual employers and nonemployer contributing entities for defined benefit pensions; and (3) Timing of employer recognition of revenue for the support of nonemployer contributing entities not in a special funding situation.

In addition, effective for June 30, 2016 year ends, the requirements of this Statement extend the approach to accounting and financial reporting established in Statement 68 to all pensions, with modifications as necessary to reflect that, for accounting and financial reporting purposes, any assets accumulated for pensions that are provided through pension plans that are not administered through trusts that meet the criteria specified in Statement 68 should not be considered pension plan assets. It also requires that information similar to that required by Statement 68 be included in notes to financial statements and required supplementary information by all similarly situated employers and nonemployer contributing entities.

The objective of GASB Statement No. 76 is to identify-in the context of the current governmental financial reporting environment-the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The requirements in this Statement improve financial reporting by (1) raising the category of GASB Implementation Guides in the GAAP hierarchy, thus providing the opportunity for broader public input on implementation guidance; (2) emphasizing the importance of analogies to authoritative literature when the accounting treatment for an event is not specified in authoritative GAAP; and (3) requiring the consideration of consistency with the GASB Concepts Statements when evaluating accounting treatments specified in nonauthoritative literature. As a result, governments will apply financial reporting guidance with less variation, which will improve the usefulness of financial statement information for making decisions and assessing accountability and enhance the comparability of financial statement information among governments.

GASB Statement No. 79 addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow price. Significant noncompliance prevents the external investment pool for measuring all of its investments at amortized cost for financial reporting purposes. Professional judgement is required to determine if instances of noncompliance with the criteria established by this Statement during the reporting period, individually or in the aggregate, were significant. This Statement will enhance comparability of financial statements among governments by establishing specific criteria used to determine whether a qualifying external investment pool may elect to use an amortized cost exception to fair value measurement. Those criteria will provide for qualifying external investment pools and participants in those pools with consistent application of an amortized cost-based measurement for financial reporting purposes. That measurement approximates fair value and mirrors the operations of external investment pools that transact with participants at a stable net asset value per share.

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

**NOTE 1. Summary of Significant Accounting Policies (continued)**

The more significant of the City's accounting policies are described below.

**A. Financial Reporting Entity**

GASB Statement No. 14 and GASB Statement No. 61, *The Financial Reporting Entity* and *The Financial Reporting Entity – Omnibus – an amendment of GASB No.14 and No. 34*, established criteria for determining the government reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the County is considered a *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14 and GASB Statement No. 61, fiscally independent means that the City may, without the approval or consent of another government entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The City also has no *component units*, as defined by GASB Statement No. 14 and GASB Statement No.61 and/or GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, as there are no other legally separate organizations for which the elected City Commissioners are financial accountable.

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

**A. Financial Reporting Entity (continued)**

in evaluating potential component units is the scope of the public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities.

Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based upon the application of these criteria, the City has no discrete component units, as defined by GASB Statement No. 14 and / or GASB Statement No. 31. There are no other primary governments with which the City Commissioners are financially accountable.

The primary government of the City of Tucumcari includes all funds and functions which are under the City's control and responsibility and which are included in the City's reports to the Local Government Division of the Department of Finance and Administration. Tucumcari Housing Authority is governed by the City's Board of Commissioners. The annual budget is also submitted by the commissioners to the regional office of the Department of Housing and Urban Development (HUD) for approval. The Annual Contribution Contracts (authorizing agreements for funding between Tucumcari Housing Authority and HUD) are signed by the City Commissioners. The Housing Authority provides housing units to the residents of the City of Tucumcari as a departments of the City. Complete financial statements for the department, including the financial data schedule, may be obtained at the department's office: Tucumcari Housing Authority, 323 E Smith Ave., Tucumcari, New Mexico 88401.

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

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



**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

**NOTE 1. Summary of Significant Accounting Policies (continued)**

GASB No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB No. 65, *Items Previously Reported as Assets and Liabilities*, amend GASB No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis for State and Local Governments*, to incorporate deferred outflows of resources and deferred inflows of resources in the financial reporting model.

**Deferred outflows of resources** – a consumption of net assets by the government that is applicable to a future reporting period. It has a positive effect on net position, similar to assets.

**Deferred inflows of resources** – an acquisition of net assets by the government that is applicable to a future reporting period. It has a negative effect on net position, similar to liabilities.

**Net position** – the residual of the net effects of assets, deferred outflows of resources, liabilities, and deferred inflows of resources.

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

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are presented on a consolidated basis by column and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt obligations. The City’s net position is reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position.

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

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

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

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

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

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

**NOTE 1. Summary of Significant Accounting Policies (continued)**

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

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

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

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

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

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

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

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

The *Proprietary Funds* are used to account for activities similar to those found in the private sector where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Under the requirements of GASB No. 34, the City is required to present certain of its governmental funds as major based upon certain criteria. The major funds presented in the fund financial statements include the following (in addition to the General Fund).

The *Fire Districts Special Revenue Fund* is used to account for the operation and capital expenditures of the fire department with revenues received from the State Fire Marshal. Capital expenditures must be approved in advance by the State Fire Marshal. This fund was created under the authority provided by 59A-53-2 NMSA 1978.

The *1/8% Economic Development Tax Special Revenue Fund* is used to account for funds used for Infrastructure Improvements, i.e., Debt, Economic Development Plans and Projects. This fund was created under the authority of 7-19D-11 NMSA 1978 the Gross Receipts and Compensation Tax Act.

The *Golf Course Capital Improvement Project Capital Project Fund* is used to account for improvement of the City's municipal golf course. Funding is primarily from rentals of golf cart sheds. Authority for this fund was granted from the City Council and budget approval.

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

**NOTE 1. Summary of Significant Accounting Policies (continued)**

The *Lodger's Tax / GRT Series 2002 Debt Service Fund* is used to accumulate the Lodger's Tax revenues of the City pledged to service the issue and to account for the retirement of the principal and interest of the issue. The proceeds from this issue were used to defray the cost of refunding, paying, discharging, and liquidation of the City of Tucumcari, New Mexico Municipal Gross Receipts/ Lodger's Tax Improvement Revenue Bonds, Series 1993; the cost of purchasing, constructing, otherwise acquiring, reconstructing, extending, improving, equipping or furnishing tourist-related facilities, including the City's convention center and related buildings; and providing for the issuance, sale and payment of the bond.

The City also reports the following major proprietary funds:

The *Airport Fund* accounts for all activities necessary to provide air services.

The *Joint Utility Fund* accounts for all activities necessary to provide water and sewer services for the residents of the City.

The *Solid Waste Fund* accounts for all activities necessary to provide solid waste refuse collection services provided by the City.

The *Housing Authority Fund* accounts for the revenues and expenditures for the housing department's operations that include U.S. Department of Housing and Urban Development (HUD) programs as well as rural projects through the U.S. Department of Agriculture. Included in this fund are the following individual programs:

Low Rent Public Housing Program

Capital Fund Programs

Section 8 Housing Choice Voucher Program

USDA FmHA Rural Housing Program

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

Additionally, the government reports the following fund types:

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues for the various functions concerned as reported in the Statement of Activities.

Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the City's taxpayer or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the City's general revenues. Program revenues are categorized as (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, (b) program-specific operating grants, which includes revenues received from federal and state sources to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues to be used for capital projects. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes and other items not properly included among programs revenues.

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

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

**NOTE 1. Summary of Significant Accounting Policies (continued)**

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The Principal operating revenues of the Solid Waste and Ambulance funds are charges to the customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

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

**Cash & Cash Equivalents:** The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

**Investments:** State statutes authorize the City to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Local Government Investment Pool (LGIP).

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

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

**Receivables and Payables:** Interfund activity is reported as loans, services provided, reimbursements, or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting funds and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or between proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

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

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

Property taxes are levied on November 1 based on the assessed value of property as listed on the previous January 1 and are due in two payments by November 10<sup>th</sup> and April 10<sup>th</sup>. Property taxes uncollected after November 10<sup>th</sup> and April 10<sup>th</sup> are considered delinquent and the city may assess penalties and interest. The taxes attach as an enforceable lien on property thirty (30) days thereafter, at which time they become delinquent. Property taxes are collected by Quay County and remitted monthly to the City. Quay County cannot provide the City with the amount of property taxes levied over the past ten years that has not been remitted to the City.

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

**NOTE 1. Summary of Significant Accounting Policies (continued)**

Certain Special Revenue funds are administered on a reimbursement method of funding; other funds are operated on a cash advance method of funding. The funds incurred the cost and submitted the necessary request for reimbursement or advance, respectively.

**Inventory:** Inventory is accounted for on a first in first out method under the consumption method. Inventory for the City is valued at cost.

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

**Capital Assets:** Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year per section 12-6-10 NMSA 1978. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Because the City is a Phase III government for purposes of implementing GASB 34, it is not required to retroactively report its major general infrastructure assets. However, it must report all infrastructure assets purchased or built after July 1, 2003. Information Technology Equipment including computer software is included as a capital asset and recorded with furniture, fixtures, and equipment in accordance with NMAC 2.20.1.9C(5). Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction.

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

Property, plant, and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings & Improvements	5-50
Furniture & Fixtures	20
Infrastructure	10-65
Land Improvements	20
Machinery & Equipment	3-30
Vehicles	8-15

**Accrued Expenses:** Accrued expenses are comprised of the payroll expenditures based on amounts earned by the employees through June 30, 2016, along with applicable PERA, FICA, Medicare, and Retiree Health Care contributions.

**Deferred Revenues:** The City recognizes grant revenue at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as deferred revenues. Amounts receivable from the property taxes levied for the current year that are not considered to be “available” under the current financial resources measurement focus are reported as deferred revenues in the governmental fund financial statements. Amounts received from reimbursement basis grants are recorded as deferred revenue in the governmental fund financial statements when received more than 60 days after year end.

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

**NOTE 1. Summary of Significant Accounting Policies (continued)**

**Compensated Absences:** The City's policy regarding compensatory time permits nonexempt employees to accumulate hours worked beyond forty (40) hours of actual work in lieu of overtime payment. Nonexempt police officers, fire fighters and emergency medical personnel may accrue a maximum balance of 240 hours of compensatory time (160 hours of overtime worked) and all other nonexempt employees may accrue a maximum of 120 hours of compensatory time (80 hours of overtime worked). Classified and unclassified full-time and part-time city employees accrue annual leave based upon a graduated scale based upon their date of hire. Employees are permitted to carryover a maximum of 80 hours annual leave from one calendar year to another. Annual leave accrued as of April 12, 1990, is not subject to the accumulated maximum of 80 hours. Sick leave is not paid to employees upon termination except for those employed on or before April 12, 1990, who are paid one-half of their accumulated sick leave. Employees with sick leave in excess of 360 hours may sell back to the City a maximum of 120 hours per year at one-half their hourly rate of pay at the end of the calendar year.

**Pension:** 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.

**Long-term Obligations:** In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method or the straight line method if the difference from using the effective method is inconsequential. Bonds payable are reported net of the applicable bond premium or discount. For fund financial reporting, bond premiums, discounts, as well as issuance costs, are recognized in the period bonds are issued. Bond proceeds are reported as other financing sources net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

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

**Fund Equity:** Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The detail of the City's fund balances is presented in Note 17.

**Equity Classifications:** In the government-wide financial statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted Net Position: Consist of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation. The government-wide statement of net position reports \$1,344,646 of restricted net position.
- c. Unrestricted Net Position: All other net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

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**NOTE 1. Summary of Significant Accounting Policies (continued)**

The City's policy is to apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**Estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates affecting the City's financial statements include management's estimate of the useful lives of capital assets.

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

*Budgetary Information*

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

These budgets are prepared on the non-GAAP budgetary basis. Budgeted expenditures exclude encumbrances. The budget secures appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year. The Housing Department budgets exclude depreciation expenses and include capital asset additions as capital outlay expenditures.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Funds, Internal Service Fund and Capital Projects.

The City is required to balance its budgets each year. Accordingly, amounts that are excess or deficient are presented as changes in cash designated for expenditures, not as an excess or deficiency of revenues over expenditures.

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

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles in the United States of America (GAAP), a reconciliation of resultant basis, perspective, equity and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2016 is presented. Reconciliations between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis by fund can be found on each individual fund budgetary statement.

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**NOTE 3. Deposits & Investments**

**Cash & Cash Equivalents**

State statutes authorize the investment of City funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the City properly followed State investment requirements as of June 30, 2009.

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

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

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

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

According to the Federal Deposit Insurance Corporation (FDIC), public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution. Additionally, from December 31, 2010 through December 31, 2012, all deposits in non-interest bearing transaction accounts (such as non-interest bearing checking accounts) are fully guaranteed, regardless of dollar amount. Also included in this program are low-interest NOW accounts that cannot earn more than 0.5% interest. Some of the City's accounts with balances greater than \$250,000 are covered through the FDIC.



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

	Citizen's Bank	Wells Fargo Bank	1st National Bank	NMFA
Total amounts of deposits*	\$ 1,815,591	\$ 5,501,381	\$ 709,390	\$ 616,524
FDIC Coverage	(250,000)	(250,000)	(250,000)	(616,524)
Total uninsured public funds	<u>\$ 1,565,591</u>	<u>\$ 5,251,381</u>	<u>\$ 459,390</u>	<u>—</u>
Pledge collateral held by pledging bank's trust department or agent in City's name	<u>993,872</u>	<u>3,213,675</u>	<u>366,254</u>	<u>—</u>
Uninsured and uncollateralized	<u>1,565,591</u>	<u>5,251,381</u>	<u>459,390</u>	<u>—</u>
Collateral requirement (50% of uninsured public funds)	782,796	2,625,691	229,695	
Pledged collateral	<u>993,872</u>	<u>3,213,675</u>	<u>366,254</u>	<u>—</u>
Under (Over) collateralized	<u>\$ (211,076)</u>	<u>\$ (587,984)</u>	<u>\$ (136,559)</u>	<u>—</u>
	Everyone's Credit Union	Tucumcari Federal Savings & Loan		Total
Total amounts of deposits*	\$ 50,000	\$ 61,649		\$ 8,754,535
FDIC Coverage	(50,000)	(61,649)	—	(1,478,173)
Total uninsured public funds	<u>—</u>	<u>—</u>	<u>—</u>	<u>\$ 7,276,362</u>
Pledge collateral held by pledging bank's trust department or agent in City's name	<u>—</u>	<u>—</u>	<u>—</u>	<u>4,573,801</u>
Uninsured and uncollateralized	<u>—</u>	<u>—</u>	<u>—</u>	<u>7,276,362</u>
Collateral requirement (50% of uninsured public funds)				3,638,182
Pledged collateral	<u>—</u>	<u>—</u>	<u>—</u>	<u>4,573,801</u>
Under (Over) collateralized	<u>—</u>	<u>—</u>	<u>—</u>	<u>\$ (935,619)</u>

\* - Total amount of deposits per bank includes deposit accounts and certificates of deposit.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2016, \$7,276,362 of \$8,754,535 was exposed to custodial credit risk because it was uninsured and the uncollateralized at June 30, 2016.

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**NOTE 3. Cash & Investments (continued)**

Concentration of Credit risk - *Investments*. For an investment, concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The City has no policy which limit on the amount the City may invest in any one issuer, except to follow the applicable statute at Section 6-10-10 NMSA 1978 regarding allowable government investment. At June 30, 2016, the investments in the U.S. Treasury Money Market mutual Funds are 100% of the City's investment Portfolio.

**NOTE 4. Receivables**

Receivables as of June 30, 2016, are as follows:

	General Fund	Fire Districts Fund	1/8% Economic Development Tax Funds	Capital Project Funds
Property Taxes	\$ 10,833	\$ —	\$ —	\$ —
Other Taxes	510,968	—	—	—
Intergovernmental	744	—	21,820	—
Miscellaneous	6,244	32	—	—
Net Receivables	<u>\$ 528,789</u>	<u>\$ 32</u>	<u>\$ 21,820</u>	<u>\$ —</u>

	Golf Course Capital Imp. Fund	Lodger's Tax GRT Series 2002 Fund	Total Non-Major Fund	Total Governmental Funds
Property Taxes	\$ —	\$ —	\$ —	\$ 10,833
Other Taxes	—	—	—	510,968
Intergovernmental	—	—	25,885	48,449
Miscellaneous	12,600	—	150,796	169,672
Net Receivables	<u>\$ 12,600</u>	<u>\$ —</u>	<u>\$ 176,681</u>	<u>\$ 739,922</u>

	Airport Fund	Joint Utility Fund	Solid Waste Fund	Housing Authority Fund	Total Enterprise Funds
Intergovernmental	\$ —	\$ —	\$ 11,276	\$ —	\$ 11,276
Other	—	41,479	9,024	17,224	67,727
Customers, Gross Allowance	—	619,691	127,772	—	747,463
Net Receivables	<u>\$ —</u>	<u>\$ 661,170</u>	<u>\$ 148,072</u>	<u>\$ 17,224</u>	<u>\$ 826,466</u>

In accordance with GASB #33, property tax receivables should be presented net of deferred revenues. The City is not able to present deferred revenue balances due to Quay County not being able to provide information needed.

**NOTE 5. Interfund Receivables, Payables, and Transfers**

Operating transfers made to close out funds and to supplement other funding sources, were as follows:

Net operating transfers made to close out funds, to supplement other funding sources, and to repay previous transfers were as follows:

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**NOTE 5. Interfund Receivables, Payables, and Transfers (continued)**

Transfers from (to) the General Fund to:	
Recreation Fund	\$ 197,834
EMS Fund	405,603
Airport Fund	19,959
Senior citizens Fund	70,908
Joint Utility Fund	116,090
Dispatch	174,875
Debt Service	44,323
Corrections Fund	38,509
Gas Tax Fund	<u>129,296</u>
Total transfers from the General Fund	<u>\$ 1,197,397</u>
Transfers from the Lodger's Tax Executive Fund to:	
Lodger's Promotion Fund	\$ 337,029
Debt service Fund	156,253
Capital Projects Fund	<u>729</u>
Total transfers from the Lodger's Tax Executive Fund	<u>\$ 494,011</u>
Transfers from the Lodger's Tax Promotional Fund to:	
Convention Fund	<u>\$ 186,277</u>
Total Transfers Governmental	<u>\$ 1,877,685</u>
Transfers to the Airport Fund from:	
General Fund	<u>\$ (19,960)</u>
Total transfers to the Airport Fund	<u>\$ (19,960)</u>
Transfers to the Joint Utility Fund to:	
Joint Utility Fund Internal	<u>\$ (575,868)</u>
Transfers from the Joint Utility Fund to:	
Debt Service Fund	\$ 354,236
Capital Projects Fund	28,604
Joint Utility Fund Internal	<u>105,542</u>
Total transfers from the Joint Utility Fund	<u>\$ 488,382</u>
Total Transfers - Proprietary	<u>\$ (107,446)</u>

Internal balances have primarily been recorded when funds overdraw their share of pooled cash. The composition of interfund balances of June 30, 2016 is as follows:

	Due to Other Funds	Due from Other Funds
General Fund	\$ —	\$ 763,939
1/8% Economic Development Tax Fund	60,000	—
Lodger's Tax Acquisition Fund	11,091	—
EMS Fund	184	—
Senior Citizen's Fund	152,725	—
Capital Project's Fund	407,809	—
Golf Course Cap. Improvement Fund	27,825	—
Joint Utility Fund	54,705	—
Airport Fund	<u>49,600</u>	<u>—</u>
 Total	 <u>\$ 763,939</u>	 <u>\$ 763,939</u>

All interfund balances are short-term in nature.

In addition to the items above, the Golf Course Capital Improvement Fund maintains a inter fund loan from the 1/8% Economic Development Tax Fund at June 30, 2016 in the amount of \$21,544.

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**NOTE 6. Capital Assets**

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows:

<b>Capital Assets used in Governmental Activities:</b>	Balance June 30, 2015	Additions	Deletions	Transfers/Adjts	Balance June 30, 2016
Capital assets not depreciated					
Land	\$ 2,006,600	\$ —	\$ —	\$ —	\$ 2,006,600
Art	10,500	36,296	(4,500)	—	42,296
Construction in Progress	3,766	118,539	—	—	122,305
Total not being depreciated	<u>\$ 2,020,866</u>	<u>\$ 154,835</u>	<u>\$ (4,500)</u>	<u>\$ —</u>	<u>\$ 2,171,201</u>
	Balance June 30, 2015	Additions	Deletions	Transfers/Adjts	Balance June 30, 2016
Capital assets being depreciated					
Buildings & Improvements	\$ 10,486,344	\$ 198,016	\$ —	\$ —	\$ 10,684,360
Infrastructure	10,017,790	30,976	—	—	10,048,766
Machinery & equipment	2,654,160	355,453	(454,768)	—	2,554,845
Vehicles	3,043,407	220,811	(2,000)	36,294	3,298,512
Total being depreciated	<u>\$ 26,201,701</u>	<u>\$ 805,256</u>	<u>\$ (456,768)</u>	<u>\$ 36,294</u>	<u>\$ 26,586,483</u>
Total capital assets	<u>\$ 28,222,567</u>	<u>\$ 960,091</u>	<u>\$ (461,268)</u>	<u>\$ 36,294</u>	<u>\$ 28,757,684</u>
Less accumulated depreciation					
Buildings & Improvements	\$ 8,205,887	\$ 255,145	\$ —	\$ —	\$ 8,461,032
Infrastructure	1,496,946	560,022	—	—	2,056,968
Machinery & equipment	1,583,495	143,672	(370,914)	—	1,356,253
Vehicles	2,495,006	182,568	(2,000)	36,294	2,711,868
Total accumulated depreciation	<u>\$ 13,781,334</u>	<u>\$ 1,141,407</u>	<u>\$ (372,914)</u>	<u>\$ 36,294</u>	<u>\$ 14,586,121</u>
Net capital assets	<u>\$ 14,441,233</u>	<u>\$ (184,316)</u>	<u>\$ (85,354)</u>	<u>\$ 0</u>	<u>\$ 14,171,563</u>

Depreciation expense for the year ended June 30, 2016 was charged to governmental activities as follows:

General Government	\$ 264,018
Public Safety	462,144
Public Works	69,813
Culture and Recreation	345,432
Total	<u>\$ 1,141,407</u>

<b>Capital Assets used in Business-Type Activities:</b>	Balance June 30, 2015	Additions	Deletions	Transfers/Adjts	Balance June 30, 2016
Capital assets not depreciated					
Land	\$ 1,311,829	\$ —	\$ —	\$ —	\$ 1,311,829
Construction in Progress	488,765	2,273,062	(330,001)	(0)	2,431,826
Total not being depreciated	<u>\$ 1,800,594</u>	<u>\$ 2,273,062</u>	<u>\$ (330,001)</u>	<u>\$ (0)</u>	<u>\$ 3,743,655</u>
Capital assets being depreciated					
Buildings & Improvements	\$ 16,430,302	\$ 837,245	\$ (0)	\$ —	\$ 17,267,547
Infrastructure	21,533,137	1,038,279	(0)	—	22,571,416
Machinery & equipment	6,697,884	465,407	(47,781)	—	7,115,510
Vehicles	1,279,519	—	—	(36,294)	1,243,225
Total being depreciated	<u>\$ 45,940,842</u>	<u>\$ 2,340,931</u>	<u>\$ (47,781)</u>	<u>\$ (36,294)</u>	<u>\$ 48,197,698</u>
Total capital assets	<u>\$ 47,741,436</u>	<u>\$ 4,613,993</u>	<u>\$ (377,782)</u>	<u>\$ (36,294)</u>	<u>\$ 51,941,353</u>

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**NOTE 6. Capital Assets (continued)**

Less accumulated depreciation					
Buildings & Improvements	\$ 10,250,565	\$ 495,139	\$ (0)	\$ —	\$ 10,745,704
Infrastructure	2,931,672	782,454	(0)	—	3,714,126
Machinery & Equipment	3,676,396	660,029	(35,030)	—	4,301,395
Vehicles	<u>1,024,429</u>	<u>41,474</u>	<u>(0)</u>	<u>(36,294)</u>	<u>1,029,609</u>
Total accumulated depreciation	<u>\$ 17,883,062</u>	<u>\$ 1,979,096</u>	<u>\$ (35,030)</u>	<u>\$ (36,294)</u>	<u>\$ 19,790,834</u>
Net capital assets	<u>\$ 29,858,374</u>	<u>\$ 2,634,897</u>	<u>\$ (342,752)</u>	<u>\$ —</u>	<u>\$ 32,150,519</u>

Depreciation expense charged to business-type activities for the year ended June 30, 2016 was \$1,979,096.

**NOTE 7. Long-term Debt**

During the year ended June 30, 2016, the following changes occurred in the liabilities reported in the government-wide statement of net position:

	Balance			Balance		Due Within
	June 30, 2015	Additions	Deletions	June 30, 2016	One Year	
<b>Governmental Activities</b>						
Bonds payable	\$ 851,000	\$ —	\$ 134,000	\$ 717,000	\$ 137,000	
Notes payable	659,121	—	36,943	622,178	37,855	
Compensated Absences	<u>106,320</u>	<u>98,521</u>	<u>116,766</u>	<u>88,075</u>	<u>14,973</u>	
Total Long-Term Debt	<u>\$ 1,616,441</u>	<u>\$ 98,521</u>	<u>\$ 287,709</u>	<u>\$ 1,427,253</u>	<u>\$ 189,828</u>	

Interest expense paid on long-term debt for governmental activities totaled \$45,116 for the year ended June 30, 2016.

**Bonds**

At June 30, 2016, the City had the following bonds outstanding:

**Municipal Gross Receipts/Lodger's Tax Refunding Bonds - Series 2011:**

\$1,370,000 serial bonds, due in annual installments through June 1, 2021, bearing interest from 4.25% to 4.75%. The balance is term bonds in the amount of \$1,245,000. The bonds are payable solely from one-half of the 3% occupancy tax pursuant to the Lodger's Tax Act and three-quarters of the revenues derived from the occupancy tax imposed by the City at a rate in excess of 3% and revenues derived from 1/4% of 1% municipal gross receipts tax imposed by the City. The bonds issued refunded the 2002 Bond Series. The net present value of savings generated by the refunding is \$121,213.

The annual requirements to amortize the Bonds as of June 30, 2016, including interest payments are as follows:

Fiscal Year Ending June 30, 2016	Principal	Interest	Total Debt Service
2017	\$ 137,000	\$ 18,857	\$ 155,857
2018	139,000	16,076	155,076
2019	143,000	12,810	155,810
2020	147,000	9,035	156,035
2021	<u>151,000</u>	<u>4,772</u>	<u>155,772</u>
Total	<u>\$ 717,000</u>	<u>\$ 61,550</u>	<u>\$ 778,550</u>

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**NOTE 7. Long-term Debt (continued)**

**Notes Payable**

The City entered into several loan agreements with the New Mexico Finance Authority as follows:

**NMFA Municipal Pool Improvement Loan**

Original principal amount \$265,470, to be paid in monthly installments beginning January 2007, bearing interest from 3.4% to 4.2%, plus an administrative fee of .25%. Payments made from the first 1/16% of 1% of Municipal Infrastructure Gross Receipts Tax. Loan agreement reserve account deposit of \$14,620.

**NMFA Fire Pumper Loan**

Dated July 24, 2009 in amount \$282,415. Annual principal payments and interest at 0.48% to 0.58% due November 1 and May 1, beginning November 1, 2010. Payments made from Fire Protection Fund Revenues distributed to the City of Tucumcari pursuant to Section 59A-53-7, NMSA 1978, which distributions are made annually by the State Treasurer.

**NMFA Police Building and Improvement Loan**

Dated February 21, 2003 in amount \$735,744. Annual principal payments and interest at 1.39% to 4.96% plus an administrative fee of .25% due November 1 and May 1, beginning May 1, 2005. Payments made from 1/8% GRT adopted March 20, 1992. Mandatory reserve required in the amount of \$35,838.

Fiscal Year Ending June 30, 2016	Principal	Interest	Total Debt Service
2017	\$ 37,855	\$ 19,354	\$ 57,209
2018	38,824	18,481	57,305
2019	39,855	17,549	57,404
2020	40,954	16,552	57,506
2021	42,121	15,490	57,611
2022-2026	231,565	59,060	290,625
2027-2031	191,004	23,658	214,662
Total	<u>\$ 622,178</u>	<u>\$ 170,144</u>	<u>\$ 792,322</u>

**Business-Type Activities**

The Joint Utility fund has incurred various forms of debt which were used for the purposes of constructing, expanding, repairing and making improvements to its property, plant and equipment. The following schedule shows the changes to its various forms of debt during the fiscal year ended June 30, 2016:

Business-Type Activities	Balance June 30, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
Notes Payable	\$ 2,025,900	\$ 0	\$ 35,100	\$ 1,990,800	\$ 36,100
Bonds Payable	4,540,658	363,474	131,988	4,772,144	146,062
Landfill Closure & Post Closure	4,103,233	—	24,760	4,078,473	—
Compensated Absences	47,840	26,275	46,280	27,835	11,906
Total Long-Term Debt	<u>\$ 10,717,631</u>	<u>\$ 389,749</u>	<u>\$ 238,128</u>	<u>\$ 10,869,252</u>	<u>\$ 194,068</u>

Interest expense paid on long-term debt for business-type activities totaled \$185,891 for the year ended June 30, 2016.

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**NOTE 7. Long-term Debt (continued)**

**Bonds**

At June 30, 2016, the City had the following bonds outstanding:

**New Mexico Joint Utility System Improvement Revenue Bond - Series 2007A**

Water System Improvements bond original amount \$1,283,000 to be paid back over 40 years in annual installments beginning December 1, 2008 and ending December 1, 2048 with an interest rate of 4.25%. Reserve requirement at least one-tenth of one yearly payment per month.

**New Mexico Joint Utility System Improvement Revenue Bond - Series 2007B**

Water System Improvements bond original amount \$250,000 to be paid back over 40 years in annual installments beginning December 15, 2010 and ending December 15, 2050 with an interest rate of 4.25%. Reserve requirement at least one-tenth of one yearly payment per month.

**New Mexico Joint Utility System Improvement Revenue Bond - Series 2005**

Water System Improvements bond original amount \$615,200 to be paid back over 40 years in annual installments beginning December 15, 2008 and ending December 15, 2048 with an interest rate of 4.38%. Reserve requirement at least one-tenth of one yearly payment per month.

**New Mexico Joint Utility System Improvement Revenue Bond - Series 2008A**

Water System Improvements bond original amount \$564,486 to be paid back over 40 years in annual installments beginning December 15, 2010 and ending December 15, 2050 with an interest rate of 4.50%. Reserve requirement at least one-tenth of one yearly payment per month.

**USDA/RUS Joint Utility System Revenue Bonds – Series 2009**

During the year ended June 30, 2013, the City drew down the entire amount of a \$2,188,000 bond issued through the USDA used to finance further expansion and modernization of the wastewater system. The interest rate on this debt issuance is 2.75% and repayment began in the current year and is payable through March 24, 2050.

The annual requirements to amortize the Bonds as of June 30, 2016, including interest payments are as follows:

Fiscal Year Ending June 30, 2016	Principal	Interest	Total Debt Service
2017	\$ 146,062	\$ 132,447	\$ 278,509
2018	151,901	129,503	281,404
2019	173,005	126,166	299,171
2020	177,208	122,690	299,898
2021	179,261	118,864	298,125
2022-2026	838,679	532,196	1,370,875
2027-2031	934,853	402,468	1,337,321
2032-2036	819,780	220,472	1,040,252
2037-2041	517,739	150,924	668,663
2042-2046	599,080	71,381	670,461
2047-2051	234,576	8,101	242,677
Total	<u>\$ 4,772,144</u>	<u>\$ 2,015,212</u>	<u>\$ 6,787,356</u>

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**NOTE 7. Long-term Debt (continued)**

**Notes Payable**

The City entered into several loan agreements with the New Mexico Finance Authority as follows:

**New Mexico Water Trust Board and the NMFA - Water Project #136**

NM Water Trust Board loan original amount \$50,480 to be paid back over 20 years in annual installments beginning February 1, 2010 and ending February 1, 2030 with no interest rate.

**New Mexico Water Trust Board and the NMFA - Water Project #96**

NM Water Trust Board loan original amount \$350,000 to be paid back over 20 years in annual installments beginning February 1, 2010 and ending February 1, 2030 with no interest rate.

**New Mexico Environmental Department Construction Program Bureau Loan**

Two water wells, NMED loan RIP 2001-03 R, as amended, in the original amount of \$43,125 payable in annual installments of \$2,899 starting December 20, 2005 through December 20, 2023 with an interest rate of 3%.

**NMFA Drinking Water State Revolving Loan**

Drinking Water Program Loan in the original amount of \$483,617 payable from pledged revenues from the first increment of the City's Municipal Infrastructure Gross Receipts Tax imposed pursuant to Section 7-19D-11, NMSA 1978 and City Ordinance No. 843, adopted March 30, 1992. Interest rate is 0.862%. Pledged taxes are intercepted monthly from June 2001 through April 2002 at the rate of \$2,447 and then at \$2,262 through April 2021.

**Clean Water State Revolving Fund Loan # ARRA CWSRF 16**

On November 9, 2009, the City signed a loan agreement with the New Mexico Environment Department for a \$100,000 loan under the Clean Water State Revolving Loan Fund. The interest rate on this debt issuance is 0% and repayment will begin on September 23, 2011.

**NMFA Drinking Water State Revolving Loans**

Drinking Water Program Loan in the original amounts of \$394,750 and \$225,643 payable from pledged revenues from the first increment of the City's Municipal Infrastructure Gross Receipts Tax imposed pursuant to Section 7-1-6.4, NMSA 1978 and City Ordinance No. 1108, adopted March 14, 2013. Interest rate is 0.25%. Pledged taxes are intercepted monthly from June 2016 through June 2034.

**Rural Housing: FmHA Note Payable**

United States Department of Agriculture, assumption of multi-family housing note for the Chaparral Apartments in the amount of \$794,976 through the United States Department of Agriculture. Interest rate is 8.75% with monthly installments of \$5,973 from January 1, 2001 through January 1, 2034. The City receives a monthly subsidy credit of \$4,047 per the multifamily housing interest credit and rental assistance agreement, bringing the unsubsidized payment to \$1,926 per month. Subsidy budgets for Rural Housing Projects are approved and awarded by the FmHA for five year periods. At June 30, 2013, the budget had a remaining balance of approximately \$140,000. Loan and subsidy agreements require monthly contributions to a reserve account, which may only be used to ensure mortgage payments are made timely, or, with the permission of FmHA, make renovations or betterments to the units.

Fiscal Year Ending June 30, 2016	Principal	Interest	Total Debt Service
2017	36,100	54,747	90,847
2018	37,100	53,754	90,854
2019	38,100	52,734	90,834
2020	39,200	51,828	91,028
2021	40,200	50,608	90,808
2022-2026	218,500	235,956	454,456
2027-2031	250,300	204,190	454,490
2032-thereafter	1,331,300	396,390	1,727,690
Total	<u>\$ 1,990,800</u>	<u>\$ 1,100,207</u>	<u>\$ 3,091,007</u>



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**NOTE 7. Long-term Debt (continued)**

**Landfill Closure and Post-Closure Care Costs**

The City of Tucumcari is required by state and federal environment regulations to place a final cover over its sanitary landfill closure and to perform certain maintenance and monitoring functions of the landfill site for thirty years after closure. Generally accepted accounting principles applicable to governments require that an expense provision and a related liability be recorded to recognize the future closure and post-closure cost that will be incurred near or after the date the landfill stops accepting waste. Costs recognized during the fiscal year are based on the portion of the landfill used during the year.

Closure and post-closure costs are extended over a lengthy period. Because of changes in the regulation, the closure methods and procedures to be used, and the assumptions upon which the closure and post-closure costs are estimated, cost estimates are subject to change.

The liability for closure and post-closure care costs reflected in the Solid Waste fund of \$4,078,473 is an estimate of the remaining liability as of June 30, 2016 for closure and post-closure cost of the landfill currently in operation. At June 30, 2011, it was estimated that the City had utilized 99% of the landfill's total usable capacity. The City opened its new landfill during the year ended June 30, 2012. The closure and post-closure costs of the new landfill are estimated to be \$2,866,600. The total closure and post-closure costs for both landfills are estimated to be \$4,078,473.

**NOTE 8. Risk Management**

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries and natural disasters. The City participates in the New Mexico Self-Insurer's Fund risk pool.

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

At June 30, 2016, no unpaid claims have been filed which exceed the policy limits and to the best of management's knowledge and belief all known and unknown claims will be covered by insurance. No major lawsuits have been filed against City of Tucumcari.

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

**NOTE 9. Other Required Individual Fund Disclosures**

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

A. Deficit fund balance of individual funds:

There following funds maintained a deficit fund balance as of June 30, 2016:

**Major Funds**

Capital Projects Fund	\$ 407,809
Golf Course Capital Improvements Fund	36,769
<b>Total Major Funds</b>	<b><u>\$ 444,578</u></b>

**Non-Major Funds**

Gas Tax Fund	\$ 17,713
Senior Citizens Fund	136,149
Lodgers Tax Acquisition Fund	11,091
<b>Total Non-Major Funds</b>	<b><u>\$ 164,953</u></b>

**Proprietary Funds**

Solid Waste	\$ 2,353,993
Internal Service Fund	280,509
<b>Total Proprietary Funds</b>	<b><u>\$ 2,634,502</u></b>

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**NOTE 9. Other Required Individual Fund Disclosures (continued)**

These funds have a deficit fund balance because expenditures were in excess of revenues and available cash and there were not sufficient transfers to cover the deficit. The City will monitor the budget and expenditures on a monthly basis to ensure effective budgeting control and accountability, and will make appropriate budget adjustments to alleviate the deficit fund balances.

B. Excess of expenditures over appropriations:

There were no funds which exceeded approved budgetary authority for the year ended June 30, 2016.

C. Designated cash appropriations exceeded prior year available balances:

Capital Project's Fund	\$	112,379
Senior Citizens Fund		157,498
Golf Course Cap. Improvement Fund		<u>3,558</u>
<b>Total</b>	<b>\$</b>	<b><u>273,435</u></b>

**NOTE 10. PERA Pension Plan**

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

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

*Benefits provided.* For a description of the benefits provided and recent changes to the benefits see Note 1 in the PERA audited financial statements for the fiscal year ended June 30, 2015 available at [http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366\\_Public\\_Employees\\_Retirement\\_Association\\_2015.pdf](http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366_Public_Employees_Retirement_Association_2015.pdf).

*Contributions.* The contribution requirements of defined benefit plan members and the (name of employer) are established in state statute under Chapter 10, Article 11, NMSA 1978. The contribution requirements may be amended by acts of the legislature. For the employer and employee contribution rates in effect for FY14 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on pages 29 through 31 of the PERA FY15 annual audit report at [http://osanm.org/media/audits/366\\_Public\\_Employees\\_Retirement\\_Association\\_2015.pdf](http://osanm.org/media/audits/366_Public_Employees_Retirement_Association_2015.pdf). The PERA coverage options that apply to the City are the Municipal General Division and Municipal Police Division.

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**NOTE 10. PERA Pension Plan (Continued)**

Statutorily required contributions to the pension plan from the City were \$373,515 and employer did not pay member benefits that were “picked up” by the employer for the year ended June 30, 2016.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:* The PERA pension liability amounts, net pension liability amounts, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2015.

The assets of the PERA fund are held in one trust, but there are six distinct membership groups (municipal general members, municipal police members, municipal fire members, state general members, state police members and legislative members) for whom separate contribution rates are determined each year pursuant to chapter 10, Article 11 NMSA 1978. Therefore, the calculations of the net pension liability, pension expense and deferred Inflows and Outflows were performed separately for each of the membership groups: municipal general members; municipal police members; municipal fire members; state general members; state police members and legislative members. The City’s proportion of the net pension liability for each membership group that the employer participates in is based on the employer contributing entity’s percentage of that membership group’s total employer contributions for the fiscal year ended June 30, 2015. Only employer contributions for the pay period end dates that fell within the period of July 1, 2015 to June 30, 2016 were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to FY 2015 are included in the total contribution amounts. In the event that an employer is behind in reporting to PERA its required contributions, an estimate (receivable) was used to project the unremitted employer contributions. This allowed for fair and consistent measurement of the contributions with the total population. This methodology was used to maintain consistent measurement each year in determining the percentages to be allocated among all the participating employers.

For PERA Fund Division Municipal General Division, at June 30, 2016, the City reported a liability of \$3,401,341 for its proportionate share of the net pension liability. At June 30, 2015, the City’s proportion was .3336 percent, which was unchanged from its proportion measured as of June 30, 2014, due to the insignificance of the difference.

For the year ended June 30, 2016, the City recognized PERA Fund Municipal General Division pension expense of \$276,672. At June 30, 2016, the City reported PERA Fund Municipal General Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

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**NOTE 10. PERA Pension Plan (Continued)**

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ —	\$ 176,316
Changes of assumptions	—	1,325
Net difference between projected and actual Earnings on pension plan investments	—	10,760
Changes in proportion and differences between the City's contributions and proportionate Share of contributions	81,609	—
City's contributions subsequent to the measurement date	<u>303,115</u>	<u>—</u>
Total	<u>\$ 384,724</u>	<u>\$ 188,401</u>

\$384,724 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 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:

<u>Fiscal Year Ending June 30,</u>	
2017	\$ (90,088)
2018	(90,088)
2019	(90,088)
2020	182,838
2021	-

For PERA Fund Division Municipal Police Division, at June 30, 2016, the City reported a liability of \$1,106,931 for its proportionate share of the net pension liability. At June 30, 2015, the City's proportion was .2302 percent, which was a .00296 decrease from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the City recognized PERA Fund Division Municipal Police Members pension expense of \$96,843. At June 30, 2016, the City reported PERA Fund Division Municipal Police Members deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

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**NOTE 10. PERA Pension Plan (Continued)**

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences between expected and actual experience	\$ 77,348	\$ —
Changes of assumptions	—	45,796
Net difference between projected and actual Earnings on pension plan investments	—	3,071
Changes in proportion and differences between the City's contributions and proportionate Share of contributions	—	73,681
City's contributions subsequent to the measurement date	<u>85,279</u>	<u>—</u>
Total	<u>\$ 162,627</u>	<u>\$ 122,548</u>

\$162,627 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 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:

<u>Fiscal Year Ending June 30,</u>	
2017	\$ (9,425)
2018	(9,425)
2019	(9,425)
2020	(9,425)
2021	56,757

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

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**NOTE 10. PERA Pension Plan (Continued)**

Actuarial valuation date	June 30, 2014
Actuarial cost method	Entry age normal
Amortization method	Level percentage of pay
Amortization period	Solved for based on statutory rates
Asset valuation method	Fair value
Actuarial assumptions:	
<input type="checkbox"/> Investment rate of return	7.75% annual rate, net of investment expense
<input type="checkbox"/> Payroll growth	3.50% annual rate
<input type="checkbox"/> Projected salary increases	3.50% to 14.25% annual rate
<input type="checkbox"/> 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:

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

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

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

Fiscal Year Ending June 30,	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
City's proportionate share of the net pension liability	\$ 5,791,134	\$ 3,401,341	\$ 1,414,390

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**NOTE 10. PERA Pension Plan (Continued)**

Fiscal Year	1% Decrease	Current Discount	1% Increase
<u>Ending June 30,</u>	<u>(6.75%)</u>	<u>Rate (7.75%)</u>	<u>(8.75%)</u>
City's proportionate share of the net pension liability	\$ 1,828,029	\$ 1,106,931	\$ 515,386

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

**NOTE 11. Post-Employment Benefits – State Retiree Health Care Plan**

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

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

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

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

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

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**NOTE 11. Post-Employment Benefits – State Retiree Health Care Plan (continued)**

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that established the required contributions of participating employers and their employees. For employees who are members of an enhanced retirement plan (state police and adult correctional officer coverage plan 1; municipal police member coverage plans 3, 4 and 5; municipal fire member coverage plan 3, 4 and 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act), during the fiscal year ended June 30, 2013, 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 annual salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2013 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 1987, 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.

City of Tucumcari's contributions to the RHCA for the years ended June 30, 2016, 2015 and 2014 were \$71,118, \$60,912, and \$61,707 respectively, which equal the required contributions for each year.

**NOTE 12. Commitments**

The City had various construction and purchase commitments in the governmental funds. The funding to cover the various commitments was both city expenditures and grants.

**NOTE 13. Contingent Liabilities**

The City is exposed to various claims and lawsuits in the normal course of business. Management and the City's manager are unaware of any material pending or threatened litigation, claims, or assessments against the City which are not covered by the City's insurance.

**NOTE 14. Federal and State Grants**

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

**NOTE 15. Subsequent Accounting Standard Pronouncements**

In February 2015, GASB Statement No. 72 *Fair Value Measurement and Application*, was issued. Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2015. Earlier application is encouraged. The County will implement this standard during the fiscal year ended June 30, 2016. The County is still evaluating how this pronouncement will affect the financial statements.

In June 2015, GASB Statement No. 73 *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, was issued. Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2016. Earlier application is encouraged. The County is still evaluating how this pronouncement will affect the financial statements.

In June 2015, GASB Statement No. 74 *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, was issued. Effective Date: The provisions of this Statement are effective for fiscal years beginning after June 15, 2016. This pronouncement will not affect the County's financial statements.



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**NOTE 15      Subsequent Accounting Standard Pronouncements (continued)**

In June 2015, GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, was issued. Effective Date: The provisions of this Statement are effective for fiscal years beginning after June 15, 2017. The standard will be implemented during the fiscal year ended June 30, 2018. The County is still evaluating how this pronouncement will affect the financial statements.

In June 2015, GASB Statement No. 76 *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, was issued. Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2015. Earlier application is encouraged. The County will implement this standard during the fiscal year ended June 30, 2016. The County expects the pronouncement to have a material effect on the financial statements.

In August 2015, GASB Statement No. 77 *Tax Abatement Disclosures*, was issued. Effective Date: The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2015. Earlier application is encouraged. The County will implement this standard during the fiscal year ended June 30, 2017. The County is still evaluating how this pronouncement will affect the financial statements.

**NOTE 17      Governmental Fund Balance**

**Fund Balance:** In the fund financial statements, governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Some governments may not have policies or procedures that are comparable to those policies that underlie the classifications and therefore would not report amounts in all possible fund balance classifications.

In the governmental financial statements, fund balance is classified and is displayed in five components:

*Nonspendable:* Consists of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

*Restricted:* Consists of amounts that are restricted to specific purposes as a result of a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

*Committed:* Consist of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

*Assigned:* Consist of amounts that are constrained by the government's *intent* to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

*Unassigned:* Represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

Detail relating to the fund balance classifications is displayed below:

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**NOTE 17      Governmental Fund Balance**

	General Fund	Fire Districts Fund	1/8% Economic Development Tax Fund	Capital Projects Fund	Golf Course Capital Improvements	Lodger's Tax/ GRT Series 2002 Fund	Other Governmental Funds
<b>Fund balances</b>							
Nonspendable							
Prepaid Items	\$ 79,694	\$ -	\$ 21,544	\$ -	\$ -	\$ -	\$ -
Restricted							
Capital Projects	-	-	261,815	-	-	-	323,920
Debt Service	-	-	-	-	-	181,077	55,338
Fire Departments	-	153,136	-	-	-	-	916
Roadways	-	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	-	18,856
Recreation	-	-	-	-	-	-	45,489
Emergency Services	-	-	-	-	-	-	85,431
Convention Center	-	-	-	-	-	-	42,129
Promotion	-	-	-	-	-	-	567,690
Education	-	-	-	-	-	-	1,058
Senior Citizens	-	-	-	-	-	-	(136,149)
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	2,196,744	-	-	(407,809)	(36,769)	-	(28,804)
<i>Total fund balances</i>	\$ 2,276,438	\$ 153,136	\$ 283,359	(407,809)	(36,769)	181,077	\$ 975,874

**SUPPLEMENTARY INFORMATION**



**NONMAJOR GOVERNMENTAL FUNDS**

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**CITY OF TUCUMCARI**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2016**

Statement A-1

	Special Revenue	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
<b>Assets</b>				
<i>Current:</i>				
Cash and cash equivalents	\$ 640,322	\$ 324,063	\$ 55,338	\$ 1,019,723
Short term investments	-	-	-	-
Accounts receivable				
Property taxes	-	-	-	-
Other taxes	-	-	-	-
Intergovernmental	25,885	-	-	25,885
Miscellaneous	150,796	-	-	150,796
Interfund receivable	-	-	-	-
Prepaid expenses	-	-	-	-
<i>Total assets</i>	<u>\$ 817,003</u>	<u>\$ 324,063</u>	<u>\$ 55,338</u>	<u>\$ 1,196,404</u>
<b>Liabilities and fund balances</b>				
<i>Liabilities</i>				
Accounts payable	\$ 30,226	\$ 143	\$ -	\$ 30,369
Accrued payroll liabilities	26,161	-	-	26,161
Customer deposits payable	-	-	-	-
Other accrued liabilities	-	-	-	-
Interfund payable	152,909	11,091	-	164,000
<i>Total liabilities</i>	<u>209,296</u>	<u>11,234</u>	<u>-</u>	<u>220,530</u>
<b>Fund balances</b>				
Nonspendable	-	-	-	-
Restricted	760,128	323,920	55,338	1,139,386
Committed	1,441	-	-	1,441
Assigned	-	-	-	-
Unassigned	(153,862)	(11,091)	-	(164,953)
<i>Total fund balances</i>	<u>607,707</u>	<u>312,829</u>	<u>55,338</u>	<u>975,874</u>
<i>Total liabilities and fund balances</i>	<u>\$ 817,003</u>	<u>\$ 324,063</u>	<u>\$ 55,338</u>	<u>\$ 1,196,404</u>

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

## STATE OF NEW MEXICO

Statement A-2

## CITY OF TUCUMCARI

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	Special Revenue	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts taxes	-	-	-	-
Other taxes	855,040	-	-	855,040
State and local sources	514,441	387,351	-	901,792
Federal sources	109,066	2,500	-	111,566
Licenses and fees	429,519	-	-	429,519
Charges for services	21,200	-	-	21,200
Investment income	44	-	-	44
Miscellaneous	58,459	-	-	58,459
<i>Total revenues</i>	<u>1,987,769</u>	<u>389,851</u>	<u>-</u>	<u>2,377,620</u>
<i>Expenditures:</i>				
Current				
General Government	204,217	-	2,030	206,247
Public safety	961,185	-	-	961,185
Culture and recreation	446,847	-	-	446,847
Health and welfare	587,268	-	-	587,268
Education	-	-	-	-
Public works	378,886	-	-	378,886
Capital outlay	423,854	422,413	-	846,267
Debt service				
Principal	13,419	-	23,524	36,943
Interest	1,600	-	18,768	20,368
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>3,017,276</u>	<u>422,413</u>	<u>44,322</u>	<u>3,484,011</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,029,507)</u>	<u>(32,562)</u>	<u>(44,322)</u>	<u>(1,106,391)</u>
<i>Other financing sources (uses):</i>				
Proceeds of bond/note issuance	-	-	-	-
Operating transfers in	1,540,331	15,729	44,322	1,600,382
Operating transfers (out)	(680,288)	-	-	(680,288)
<i>Total other financing sources (uses)</i>	<u>860,043</u>	<u>15,729</u>	<u>44,322</u>	<u>920,094</u>
<i>Net change in fund balances</i>	<u>(169,464)</u>	<u>(16,833)</u>	<u>-</u>	<u>(186,297)</u>
<i>Fund balances - beginning of year</i>	<u>777,171</u>	<u>329,662</u>	<u>55,338</u>	<u>1,162,171</u>
<i>Fund balances - end of year</i>	<u>\$ 607,707</u>	<u>\$ 312,829</u>	<u>\$ 55,338</u>	<u>\$ 975,874</u>

The accompanying notes are an integral part of these financial statements





**NONMAJOR SPECIAL REVENUE FUNDS**

## NONMAJOR SPECIAL REVENUE FUNDS

### **Lodger's Tax Executive Fund**

To account for monies received through a specific tax levy on area motels and hotels. Expenditures, including transfers to its promotion fund, are strictly subject to state statute requirements and are further subject to bond ordinance requirements. This fund is authorized by 3-38-15 NMSA 1978.

### **Lodger's Tax Promotion Fund**

To account for the operation of promotional activity for the City of Tucumcari, mostly through payment to the Tucumcari Chamber of Commerce and other promotion oriented agencies. Financing is provided primarily by a specific tax levy on area motels and hotels. This fund is authorized by NMSA 3-38-15.

### **Fire/Emergency Management Fund**

To account for funds provided by an Emergency Management Performance Grant and the County. The Program is for a comprehensive emergency preparedness system for all hazards via: planning, training, and exercises for emergency response. Authorized by FY2012 EMPG Program, Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

### **EMS Fund**

To account for the operations of the City's Emergency Medical Services Unit. The source of funding is the State of New Mexico Mental Health and Environment Department, Emergency Medical Services Bureau and charges for services. Expenditures are subject to approval of the state agency and the City Commission. This fund is authorized by NMSA 1978 24-10A-1.

### **Gasoline Tax Fund**

To account for funds used to maintain roads for which the City is responsible. Financing sources include gasoline taxes imposed by Chapter 7, Article 13 NMSA 1978 and distributed to the City pursuant to 7-1-6.9 NMSA 1978 and New Mexico State Highway Department Cooperative Agreement Funds as provided for in 67-3-28 NMSA 1978. Expenditures are restricted for the purpose of construction, reconstruction, resurfacing or other improvement of public roads, streets, alleys or bridges, including right-of-way and materials acquisition.

### **Corrections Fund**

To account for the collection of fees and fines. Funds are expended on the incarceration of prisoners. This fund is authorized by 33-3-25 and 35-14-11 NMSA1978.

### **Recreation Fund**

To account for the operations of the City Recreation Department. Revenues are derived from a portion of the cigarette tax collected by the state and fees charged for recreational activities sponsored by the City. Expenditures are subject to City Council approval. This fund is authorized by 7-12-15 NMSA 1978.

### **Law Enforcement Grant Fund**

To account for the partial maintenance and development of the City's police force. Financing is provided by a grant from the State of New Mexico. Such revenue provided for the purchase and repairs of equipment as well as training of police personnel and may be used only for these purposes. This fund is authorized by 29-13-3 through 29-13-9 Chapter 289 Laws of 1983.

### **E-911 Grant Fund**

To account for funds used to preserve the historic Route 66 which runs through the City of Tucumcari. This is a 3 year program funded by the State of New Mexico. This program funds comprehensive history training, research, and preservation of the historic Route 66. Authority for this fund was granted from the City Council and budget approval.

### **Traffic Safety Education and Enforcement Fund**

To account for monies received from an allocation of traffic fines. Funds are to be used by the local law enforcement agencies to purchase equipment and support services as are necessary to establish and promote a traffic safety program. This fund is authorized by NMSA 66-7-512.

### **Convention Center Operation and Maintenance Fund**

To account for monies received and expended for the operations and maintenance of the Convention Center. Additional funding comes from the Lodger's Tax Fund. This fund is authorized by NMSA 3-38-15.

## NONMAJOR SPECIAL REVENUE FUNDS

### **John D. Hoffman Endowment**

To account for monies received from the John D. Endowment to aid in research of materials science and engineering. Authority for this fund was granted from the City Council and budget approval. Police Narcotics Fund  
To account for monies collected as a result of police raids and other gatherings of evidence. Authority for this fund was granted from the City Council and budget approval.

### **Police Narcotics Fund**

This fund is a contingency fund for drug enforcement used to purchase equipment and confidential enforcement. Generally funded by drug enforcement recovery. Authority for the fund is the "Forfeiture Act", 31-27-1 to 31-27-8 NMSA 1978.

### **Senior Citizen's Center Fund**

To account for a portion of the operations of the City's Senior Citizens Center. The sales of ceramics, fees, and dues are accounted for in this fund and a portion of the operating expenses. Authority for this fund was granted from the City Council and budget approval.

### **Dispatch Fund**

To account for the operations of the City's Dispatch Services. The source of funding is the charges for dispatch services. Expenditures are subject to approval of the City Commission. This fund is authorized by NMSA 1978.

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2016**

	Lodger's Tax Executive Fund	Lodger's Tax Promotion Fund	Fire/Emergency Management Fund
<b>ASSETS</b>			
<i>Current:</i>			
Cash and cash equivalents	\$ 417,828	\$ 81,947	\$ 916
Short term investments	-	-	-
Accounts receivable			
Other taxes	-	-	-
Intergovernmental	-	-	-
Other receivables	68,274	-	-
Interfund balances	-	-	-
Prepaid expenses	-	-	-
	\$ 486,102	\$ 81,947	\$ 916
<i>Total current assets</i>	\$ 486,102	\$ 81,947	\$ 916
 <b>LIABILITIES AND FUND BALANCE</b>			
<i>Current Liabilities:</i>			
Accounts payable	\$ 359	\$ -	\$ -
Accrued payroll liabilities	-	-	-
Customer deposits payable	-	-	-
Other accrued liabilities	-	-	-
Interfund balances	-	-	-
Deferred revenue	-	-	-
Deferred revenue - property taxes	-	-	-
	359	-	-
<i>Total current liabilities</i>	359	-	-
 <i>Fund balance:</i>			
Nonspendable	-	-	-
Restricted	485,743	81,947	916
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
	485,743	81,947	916
<i>Total fund balance</i>	485,743	81,947	916
 <i>Total liabilities and fund balance</i>	\$ 486,102	\$ 81,947	\$ 916

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

EMS Fund	Corrections Fund	Recreation Fund	Gas Tax Fund	Law Enforcement Grant Fund
\$ -	\$ 2,400	\$ 54,793	\$ 14,624	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
104,415	-	-	(23,549)	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 104,415</u>	<u>\$ 2,400</u>	<u>\$ 54,793</u>	<u>\$ (8,925)</u>	<u>\$ -</u>
\$ 11,701	\$ 177	\$ 4,906	\$ 5,631	\$ -
9,635	-	4,398	3,157	-
-	-	-	-	-
-	-	-	-	-
184	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>21,520</u>	<u>177</u>	<u>9,304</u>	<u>8,788</u>	<u>-</u>
-	-	-	-	-
82,895	2,223	45,489	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	(17,713)	-
<u>82,895</u>	<u>2,223</u>	<u>45,489</u>	<u>(17,713)</u>	<u>-</u>
<u>\$ 104,415</u>	<u>\$ 2,400</u>	<u>\$ 54,793</u>	<u>\$ (8,925)</u>	<u>\$ -</u>

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

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2016**

	E-911 Fund	Traffic Safety Education and Enforcement Fund	Convention Center Operation and Maintenance Fund
<b>ASSETS</b>			
<i>Current:</i>			
Cash and cash equivalents	\$ 1,095	\$ 1,186	\$ 48,665
Short term investments	-	-	-
Accounts receivable			
Other taxes	-	-	-
Intergovernmental	-	-	-
Other receivables	-	-	-
Due from other funds	-	-	-
Prepaid expenses	-	-	-
	-	-	-
<i>Total current assets</i>	\$ 1,095	\$ 1,186	\$ 48,665
 <b>LIABILITIES AND FUND BALANCE</b>			
<i>Current Liabilities:</i>			
Accounts payable	\$ -	\$ -	\$ 4,709
Accrued payroll liabilities	-	-	1,827
Customer deposits payable	-	-	-
Other accrued liabilities	-	-	-
Due to other funds	-	-	-
Deferred revenue	-	-	-
Deferred revenue - property taxes	-	-	-
	-	-	-
<i>Total current liabilities</i>	-	-	6,536
<i>Fund balance:</i>			
Nonspendable	-	-	-
Restricted	1,095	1,186	42,129
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
	-	-	-
<i>Total fund balance</i>	1,095	1,186	42,129
<i>Total liabilities and fund balance</i>	\$ 1,095	\$ 1,186	\$ 48,665

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

<u>John D. Hoffman Fund</u>	<u>Police Narcotics Fund</u>	<u>Senior Citizen's Center Fund</u>	<u>Dispatch Fund</u>	<u>Total</u>
\$ 1,058	\$ 15,447	\$ 363	\$ -	\$ 640,322
-	-	-	-	-
-	-	-	-	-
-	-	25,885	-	25,885
-	-	-	1,656	150,796
-	-	-	-	-
-	-	-	-	-
<u>\$ 1,058</u>	<u>\$ 15,447</u>	<u>\$ 26,248</u>	<u>\$ 1,656</u>	<u>\$ 817,003</u>
\$ -	\$ -	\$ 2,528	\$ 215	\$ 30,226
-	-	7,144	-	26,161
-	-	-	-	-
-	-	-	-	-
-	-	152,725	-	152,909
-	-	-	-	-
-	-	-	-	-
-	-	162,397	215	209,296
-	-	-	-	-
1,058	15,447	-	-	760,128
-	-	-	1,441	1,441
-	-	-	-	-
-	-	(136,149)	-	(153,862)
<u>1,058</u>	<u>15,447</u>	<u>(136,149)</u>	<u>1,441</u>	<u>607,707</u>
<u>\$ 1,058</u>	<u>\$ 15,447</u>	<u>\$ 26,248</u>	<u>\$ 1,656</u>	<u>\$ 817,003</u>

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

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	Lodger's Tax Executive Fund	Lodger's Tax Promotion Fund	Fire/Emergency Management Fund
<i>Revenues:</i>			
Property taxes	\$ -	\$ -	\$ -
Gross receipts taxes	-	-	-
Other taxes	611,904	-	-
State grants	-	-	-
Federal grants	-	-	-
Licenses and fees	300	-	-
Charges for services	-	-	-
Investment income	-	-	-
Miscellaneous	-	-	-
<i>Total revenues</i>	<u>612,204</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>			
Current			
General Government	54,408	149,809	-
Public safety	-	-	-
Culture and recreation	-	-	-
Health and welfare	-	-	-
Public works	-	-	-
Capital outlay	-	31,095	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>54,408</u>	<u>180,904</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>557,796</u>	<u>(180,904)</u>	<u>-</u>
<i>Other financing sources (uses):</i>			
Proceeds from note payable	-	-	-
Operating transfers in	-	337,029	-
Operating transfers (out)	(494,011)	(186,277)	-
<i>Total other financing sources (uses)</i>	<u>(494,011)</u>	<u>150,752</u>	<u>-</u>
<i>Net change in fund balances</i>	63,785	(30,152)	-
<i>Fund balances - beginning of year</i>	<u>421,958</u>	<u>112,099</u>	<u>916</u>
<i>Fund balances - end of year</i>	<u>\$ 485,743</u>	<u>\$ 81,947</u>	<u>\$ 916</u>

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



EMS Fund	Corrections Fund	Recreation Fund	Gas Tax Fund	Law Enforcement Fund
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	243,136	-
25,955	-	-	-	26,000
-	-	-	-	-
351,610	16,071	19,379	-	-
-	-	-	-	-
-	-	-	-	-
365	-	500	-	-
<u>377,930</u>	<u>16,071</u>	<u>19,879</u>	<u>243,136</u>	<u>26,000</u>
-	-	-	-	-
653,677	54,219	-	-	-
-	-	203,365	-	-
-	-	-	-	-
-	-	-	378,886	-
109,275	-	-	7,833	26,000
-	-	13,419	-	-
-	-	1,600	-	-
<u>762,952</u>	<u>54,219</u>	<u>218,384</u>	<u>386,719</u>	<u>26,000</u>
<u>(385,022)</u>	<u>(38,148)</u>	<u>(198,505)</u>	<u>(143,583)</u>	<u>-</u>
-	-	-	-	-
405,603	38,509	197,834	129,296	-
-	-	-	-	-
<u>405,603</u>	<u>38,509</u>	<u>197,834</u>	<u>129,296</u>	<u>-</u>
20,581	361	(671)	(14,287)	-
62,314	1,862	46,160	(3,426)	-
<u>\$ 82,895</u>	<u>\$ 2,223</u>	<u>\$ 45,489</u>	<u>\$ (17,713)</u>	<u>\$ -</u>

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

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	E-911 Fund	Traffic Safety Education and Enforcement Fund	Convention Center Operation and Maintenance Fund
<i>Revenues:</i>			
Property taxes	\$ -	\$ -	\$ -
Gross receipts taxes	-	-	-
Other taxes	-	-	-
State grants	-	-	-
Federal grants	-	-	-
Licenses and fees	-	-	42,159
Charges for services	-	-	16,629
Investment income	-	-	-
Miscellaneous	-	-	2,210
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>60,998</u>
<i>Expenditures:</i>			
Current			
General Government	-	-	-
Public safety	-	-	-
Culture and recreation	-	-	243,482
Health and welfare	-	-	-
Public works	-	-	-
Capital outlay	-	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>243,482</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(182,484)</u>
<i>Other financing sources (uses):</i>			
Proceeds from note payable	-	-	-
Operating transfers in (out)	-	-	186,277
Operating transfers in (out)	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>186,277</u>
<i>Net change in fund balances</i>	-	-	3,793
<i>Fund balances - beginning of year</i>	<u>1,095</u>	<u>1,186</u>	<u>38,336</u>
<i>Fund balances - end of year</i>	<u>\$ 1,095</u>	<u>\$ 1,186</u>	<u>\$ 42,129</u>

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

John D. Hoffman Fund	Police Narcotics Fund	Senior Citizens Fund	Dispatch Fund	Total
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	855,040
-	-	462,486	-	514,441
-	-	109,066	-	109,066
-	-	-	-	429,519
-	-	-	4,571	21,200
-	44	-	-	44
-	6,574	48,810	-	58,459
-	6,618	620,362	4,571	1,987,769
-	-	-	-	204,217
-	17,066	-	236,223	961,185
-	-	-	-	446,847
-	-	587,268	-	587,268
-	-	-	-	378,886
-	12,768	236,883	-	423,854
-	-	-	-	13,419
-	-	-	-	1,600
-	29,834	824,151	236,223	3,017,276
-	(23,216)	(203,789)	(231,652)	(1,029,507)
-	-	-	-	-
-	-	70,908	174,875	1,540,331
-	-	-	-	(680,288)
-	-	70,908	174,875	860,043
-	(23,216)	(132,881)	(56,777)	(169,464)
1,058	38,663	(3,268)	58,218	777,171
\$ 1,058	\$ 15,447	\$ (136,149)	\$ 1,441	\$ 607,707

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

## STATE OF NEW MEXICO

Statement B-3

## CITY OF TUCUMCARI

## LODGER'S TAX EXECUTIVE SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 550,000	\$ 606,058	\$ 606,058	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	300	500	500	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>550,300</u>	<u>606,558</u>	<u>606,558</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	20,000	54,052	54,049	3
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>20,000</u>	<u>54,052</u>	<u>54,049</u>	<u>3</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>530,300</u>	<u>552,506</u>	<u>552,509</u>	<u>3</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(505,135)	(460,014)	(460,011)	3
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(25,165)	(92,492)	-	92,492
<i>Total other financing sources (uses)</i>	<u>(530,300)</u>	<u>(552,506)</u>	<u>(460,011)</u>	<u>92,495</u>
<i>Net change in fund balances</i>	-	-	92,498	92,498
<i>Fund balances - beginning of year</i>	-	-	325,330	325,330
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 417,828</u>	<u>\$ 417,828</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			5,646	
Expenditure accruals			(34,359)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 63,785</u>	

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

## STATE OF NEW MEXICO

Statement B-4

## CITY OF TUCUMCARI

LODGER'S TAX PROMOTION SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current				
General Government	153,230	151,251	151,249	2
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	28,195	31,096	31,095	1
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	181,425	182,347	182,344	3
<i>Excess (deficiency) of revenues over expenditures</i>	(181,425)	(182,347)	(182,344)	3
<i>Other financing sources (uses):</i>				
Operating transfers in	275,000	303,029	303,029	-
Operating transfers (out)	(216,698)	(186,296)	(186,277)	19
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	123,123	65,614	-	(65,614)
<i>Total other financing sources (uses)</i>	181,425	182,347	116,752	(65,595)
<i>Net change in fund balances</i>	-	-	(65,592)	(65,592)
<i>Fund balances - beginning of year</i>	-	-	147,539	147,539
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 81,947	\$ 81,947
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			35,440	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (30,152)	

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

## STATE OF NEW MEXICO

Statement B-5

## CITY OF TUCUMCARI

FIRE/EMERGENCY MANAGEMENT SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	916	916
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 916	\$ 916
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

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

## STATE OF NEW MEXICO

Statement B-6

## CITY OF TUCUMCARI

## EMS SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	25,955	25,955	25,955	-
Licenses and fees	320,002	324,749	324,746	(3)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	384	365	(19)
<i>Total revenues</i>	<u>345,957</u>	<u>351,088</u>	<u>351,066</u>	<u>(22)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	701,181	647,415	647,394	21
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	3,041	109,275	109,275	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>704,222</u>	<u>756,690</u>	<u>756,669</u>	<u>21</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(358,265)</u>	<u>(405,602)</u>	<u>(405,603)</u>	<u>(1)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	371,864	405,602	405,603	1
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(13,599)	-	-	-
<i>Total other financing sources (uses)</i>	<u>358,265</u>	<u>405,602</u>	<u>405,603</u>	<u>1</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	(184)	(184)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (184)</u>	<u>\$ (184)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			26,864	
Expenditure accruals			(6,283)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 20,581</u>	

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

## STATE OF NEW MEXICO

Statement B-7

## CITY OF TUCUMCARI

## CORRECTION SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	11,000	15,710	15,710	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>11,000</u>	<u>15,710</u>	<u>15,710</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	54,000	54,219	54,219	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>54,000</u>	<u>54,219</u>	<u>54,219</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(43,000)</u>	<u>(38,509)</u>	<u>(38,509)</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	43,000	38,509	38,509	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>43,000</u>	<u>38,509</u>	<u>38,509</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	2,400	2,400
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,400</u>	<u>\$ 2,400</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			361	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 361</u>	

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



## STATE OF NEW MEXICO

Statement B-8

## CITY OF TUCUMCARI

## RECREATION SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	15,100	19,379	19,379	-
Charges for services	-	-	-	-
Investment income	-	(121)	(121)	-
Miscellaneous	2,000	500	500	-
<i>Total revenues</i>	<u>17,100</u>	<u>19,758</u>	<u>19,758</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	265,115	202,716	202,694	22
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	13,419	12,223	12,222	1
Interest	1,757	2,676	2,676	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>280,291</u>	<u>217,615</u>	<u>217,592</u>	<u>23</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(263,191)</u>	<u>(197,857)</u>	<u>(197,834)</u>	<u>23</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	263,191	197,857	197,834	(23)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>263,191</u>	<u>197,857</u>	<u>197,834</u>	<u>(23)</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	54,793	54,793
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 54,793</u>	<u>\$ 54,793</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			121	
Expenditure accruals			(792)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (671)</u>	

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

## STATE OF NEW MEXICO

Statement B-9

## CITY OF TUCUMCARI

## GAS TAX SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 265,000	\$ 266,685	\$ 266,685	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>265,000</u>	<u>266,685</u>	<u>266,685</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	347,738	388,155	388,148	7
Capital outlay	-	7,833	7,833	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>347,738</u>	<u>395,988</u>	<u>395,981</u>	<u>7</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(82,738)</u>	<u>(129,303)</u>	<u>(129,296)</u>	<u>7</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	82,738	129,303	129,296	(7)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>82,738</u>	<u>129,303</u>	<u>129,296</u>	<u>(7)</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	14,624	14,624
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,624</u>	<u>\$ 14,624</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			(23,549)	
Expenditure accruals			9,262	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (14,287)</u>	

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

## STATE OF NEW MEXICO

Statement B-10

## CITY OF TUCUMCARI

## LAW ENFORCEMENT GRANT SPECIAL REVENUE FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	25,400	26,000	26,000	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>25,400</u>	<u>26,000</u>	<u>26,000</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	25,400	26,000	26,000	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>25,400</u>	<u>26,000</u>	<u>26,000</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

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

## STATE OF NEW MEXICO

Statement B-11

## CITY OF TUCUMCARI

## E-911 SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	1,095	1,095
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,095</u>	<u>\$ 1,095</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

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

## CITY OF TUCUMCARI

TRAFFIC SAFETY EDUCATION AND ENFORCEMENT SPECIAL REVENUE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	1,186	1,186
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,186</u>	<u>\$ 1,186</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

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

## CITY OF TUCUMCARI

## CONVENTION CENTER OPERATION AND MAINTENANCE SPECIAL REVENUE FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	31,000	42,158	42,159	1
Charges for services	15,000	13,590	13,590	-
Investment income	-	-	-	-
Miscellaneous	1,500	2,210	2,210	-
<i>Total revenues</i>	<u>47,500</u>	<u>57,958</u>	<u>57,959</u>	<u>1</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	264,198	244,255	244,236	19
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>264,198</u>	<u>244,255</u>	<u>244,236</u>	<u>19</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(216,698)</u>	<u>(186,297)</u>	<u>(186,277)</u>	<u>20</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	216,698	186,296	186,277	(19)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	1	-	(1)
<i>Total other financing sources (uses)</i>	<u>216,698</u>	<u>186,297</u>	<u>186,277</u>	<u>(20)</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	48,665	48,665
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,665</u>	<u>\$ 48,665</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			3,039	
Expenditure accruals			<u>754</u>	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 3,793</u>	

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

## STATE OF NEW MEXICO

Statement B-14

## CITY OF TUCUMCARI

## JOHN D. HOFFMAN SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	1,058	1,058
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,058</u>	<u>\$ 1,058</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

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

## STATE OF NEW MEXICO

Statement B-15

## CITY OF TUCUMCARI

## POLICE NARCOTICS SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	43	44	1
Miscellaneous	-	6,574	6,574	-
<i>Total revenues</i>	<u>-</u>	<u>6,617</u>	<u>6,618</u>	<u>1</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	17,067	17,066	1
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	12,768	12,768	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>29,835</u>	<u>29,834</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(23,218)</u>	<u>(23,216)</u>	<u>2</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	23,218	-	(23,218)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>23,218</u>	<u>-</u>	<u>(23,218)</u>
<i>Net change in fund balances</i>	-	-	(23,216)	(23,216)
<i>Fund balances - beginning of year</i>	-	-	38,663	38,663
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,447</u>	<u>\$ 15,447</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (23,216)</u>	

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



## STATE OF NEW MEXICO

Statement B-16

## CITY OF TUCUMCARI

## SENIOR CITIZENS' CENTER SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	811,037	545,647	545,649	2
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	53,823	48,809	48,810	1
<i>Total revenues</i>	<u>864,860</u>	<u>594,456</u>	<u>594,459</u>	<u>3</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	615,006	586,048	585,981	67
Public works	-	-	-	-
Capital outlay	347,690	236,884	236,883	1
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>962,696</u>	<u>822,932</u>	<u>822,864</u>	<u>68</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(97,836)</u>	<u>(228,476)</u>	<u>(228,405)</u>	<u>71</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	97,836	70,978	70,908	(70)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	157,498	-	(157,498)
<i>Total other financing sources (uses)</i>	<u>97,836</u>	<u>228,476</u>	<u>70,908</u>	<u>(157,568)</u>
<i>Net change in fund balances</i>	-	-	(157,497)	(157,497)
<i>Fund balances - beginning of year</i>	-	-	5,135	5,135
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (152,362)</u>	<u>\$ (152,362)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			25,903	
Expenditure accruals			(1,287)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (132,881)</u>	

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

## STATE OF NEW MEXICO

Statement B-17

## CITY OF TUCUMCARI

## DISPATCH SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	30,542	41,311	41,311	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>30,542</u>	<u>41,311</u>	<u>41,311</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	204,040	240,507	240,498	9
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>204,040</u>	<u>240,507</u>	<u>240,498</u>	<u>9</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(173,498)</u>	<u>(199,196)</u>	<u>(199,187)</u>	<u>9</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	173,498	174,884	174,875	9
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	24,312	-	(24,312)
<i>Total other financing sources (uses)</i>	<u>173,498</u>	<u>199,196</u>	<u>174,875</u>	<u>(24,303)</u>
<i>Net change in fund balances</i>	-	-	(24,312)	(24,312)
<i>Fund balances - beginning of year</i>	-	-	24,312	24,312
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			(36,740)	
Expenditure accruals			4,275	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (56,777)</u>	

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

**NONMAJOR CAPITAL PROJECT FUNDS**



## NONMAJOR CAPITAL PROJECTS FUNDS

### **Lodger's Tax Acquisition Project**

This fund is to account for the expenditure of the proceeds of the Municipal Gross Receipts and Lodger's Tax Refunding and Improvement Revenue Bonds, Series 2002 pursuant to Sections 3-31-1C and 3-31-4A, NMSA 1978.

### **Convention Center Capital Improvements Project**

This fund is required by the Lodger's Tax Improvement Bonds Ordinance. The City is required to transfer 5% of annual pledged Lodger's Tax Revenues to this fund until \$200,000 is accumulated. This fund may only be used for improving or bettering the convention center facility. Authority for this fund was granted from the City Council and budget approval.

### **NMRDRC Capital Projects Fund**

To account for funds used to develop a city industrial park. Funding is primarily from an anticipated federal government grant. Authority for this fund was granted from the City Council and budget approval.

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**COMBINING BALANCE SHEET**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**JUNE 30, 2016**

<b>ASSETS</b>	Lodger's Tax Acquisition	Convention Center Capital Improvements	Mapping	Capital Grant Fund	CDBG Grant Fund
<i>Current:</i>					
Cash and cash equivalents	\$ -	\$ 7,918	\$ 30,067	\$ 5	\$ 167,598
Accounts receivable					
Property taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Other receivables	-	-	-	-	-
Interfund balances	-	-	-	-	-
<i>Total current assets</i>	<u>\$ -</u>	<u>\$ 7,918</u>	<u>\$ 30,067</u>	<u>\$ 5</u>	<u>\$ 167,598</u>
 <b>LIABILITIES AND FUND BALANCE</b>					
<i>Current Liabilities:</i>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 143
Accrued payroll liabilities	-	-	-	-	-
Interfund balances	11,091	-	-	-	-
Deferred revenue	-	-	-	-	-
Deferred revenue - property taxes	-	-	-	-	-
<i>Total current liabilities</i>	<u>11,091</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>143</u>
<i>Fund balance:</i>					
Nonspendable	-	-	-	-	-
Restricted	-	7,918	30,067	5	167,455
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(11,091)	-	-	-	-
<i>Total fund balance</i>	<u>(11,091)</u>	<u>7,918</u>	<u>30,067</u>	<u>5</u>	<u>167,455</u>
<i>Total liabilities and fund balance</i>	<u>\$ -</u>	<u>\$ 7,918</u>	<u>\$ 30,067</u>	<u>\$ 5</u>	<u>\$ 167,598</u>

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

Statement C-1

<u>NMRDRC Grant Fund</u>	<u>Total</u>
\$ 118,475	\$ 324,063
-	-
-	-
-	-
<u>-</u>	<u>-</u>
<u>\$ 118,475</u>	<u>\$ 324,063</u>
\$ -	\$ 143
-	-
-	11,091
-	-
<u>-</u>	<u>-</u>
<u>-</u>	<u>11,234</u>
-	-
118,475	323,920
-	-
-	-
<u>-</u>	<u>(11,091)</u>
<u>118,475</u>	<u>312,829</u>
<u>\$ 118,475</u>	<u>\$ 324,063</u>

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

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

	Lodger's Tax Acquisition	Convention Center Capital Improvements	Mapping	Capital Grant Fund	CDBG Grant Fund
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross receipts taxes	-	-	-	-	-
Other taxes	-	-	-	-	-
State grants	110,268	59,536	217,547	-	-
Federal grants	-	-	-	-	2,500
Licenses and fees	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment income	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<i>Total revenues</i>	<u>110,268</u>	<u>59,536</u>	<u>217,547</u>	<u>-</u>	<u>2,500</u>
<i>Expenditures:</i>					
Current					
General Government	-	-	-	-	-
Public safety	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Health and welfare	-	-	-	-	-
Public works	-	-	-	-	-
Education	-	-	-	-	-
Capital outlay	118,539	60,265	238,972	-	4,637
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>118,539</u>	<u>60,265</u>	<u>238,972</u>	<u>-</u>	<u>4,637</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(8,271)</u>	<u>(729)</u>	<u>(21,425)</u>	<u>-</u>	<u>(2,137)</u>
<i>Other financing sources (uses):</i>					
Proceeds from bond/note	-	-	-	-	-
Operating transfers in	-	729	15,000	-	-
Operating transfers(out)	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>729</u>	<u>15,000</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	(8,271)	-	(6,425)	-	(2,137)
<i>Fund balances - beginning of year</i>	<u>(2,820)</u>	<u>7,918</u>	<u>36,492</u>	<u>5</u>	<u>169,592</u>
<i>Fund balances - end of year</i>	<u>\$ (11,091)</u>	<u>\$ 7,918</u>	<u>\$ 30,067</u>	<u>\$ 5</u>	<u>\$ 167,455</u>

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



Statement C-2

NMRDRC Grant Fund	Total
\$ -	\$ -
-	-
-	-
-	387,351
-	2,500
-	-
-	-
-	-
-	-
<u>-</u>	<u>389,851</u>
-	-
-	-
-	-
-	-
-	-
-	-
-	422,413
-	-
-	-
<u>-</u>	<u>422,413</u>
-	(32,562)
-	-
-	15,729
-	-
<u>-</u>	<u>15,729</u>
-	(16,833)
<u>118,475</u>	<u>329,662</u>
<u>\$ 118,475</u>	<u>\$ 312,829</u>

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

## STATE OF NEW MEXICO

Statement C-3

## CITY OF TUCUMCARI

## CAPITAL PROJECTS CAPITAL PROJECT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,220,210	2,618,751	2,618,752	1
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>3,220,210</u>	<u>2,618,751</u>	<u>2,618,752</u>	<u>1</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	2,904,040	2,744,735	2,744,732	3
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>2,904,040</u>	<u>2,744,735</u>	<u>2,744,732</u>	<u>3</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>316,170</u>	<u>(125,984)</u>	<u>(125,980)</u>	<u>4</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	13,605	13,604	(1)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(316,170)	112,379	-	(112,379)
<i>Total other financing sources (uses)</i>	<u>(316,170)</u>	<u>125,984</u>	<u>13,604</u>	<u>(112,380)</u>
<i>Net change in fund balances</i>	-	-	(112,376)	(112,376)
<i>Fund balances - beginning of year</i>	-	-	(295,433)	(295,433)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (407,809)</u>	<u>\$ (407,809)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			84,412	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (27,964)</u>	

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

## STATE OF NEW MEXICO

Statement C-4

## CITY OF TUCUMCARI

## GOLF COURSE IMPROVEMENT CAPITAL PROJECT FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

## FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	17,125	5,861	5,861	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>17,125</u>	<u>5,861</u>	<u>5,861</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	7,139	7,138	1
Debt service				
Principal	7,014	1,811	1,810	1
Interest	650	469	469	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>7,664</u>	<u>9,419</u>	<u>9,417</u>	<u>2</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>9,461</u>	<u>(3,558)</u>	<u>(3,556)</u>	<u>2</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(9,461)	3,558	-	(3,558)
<i>Total other financing sources (uses)</i>	<u>(9,461)</u>	<u>3,558</u>	<u>-</u>	<u>(3,558)</u>
<i>Net change in fund balances</i>	-	-	(3,556)	(3,556)
<i>Fund balances - beginning of year</i>	-	-	(24,269)	(24,269)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (27,825)</u>	<u>\$ (27,825)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			7,701	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 4,145</u>	

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

## STATE OF NEW MEXICO

Statement C-5

## CITY OF TUCUMCARI

LODGER'S TAX ACQUISITION CAPITAL PROJECT FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	40,854	110,268	110,268	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>40,854</u>	<u>110,268</u>	<u>110,268</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	40,854	118,539	118,539	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>40,854</u>	<u>118,539</u>	<u>118,539</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(8,271)</u>	<u>(8,271)</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	8,271	-	(8,271)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>8,271</u>	<u>-</u>	<u>(8,271)</u>
<i>Net change in fund balances</i>	-	-	(8,271)	(8,271)
<i>Fund balances - beginning of year</i>	-	-	(2,820)	(2,820)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,091)</u>	<u>\$ (11,091)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (8,271)</u>	

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

## STATE OF NEW MEXICO

Statement C-6

## CITY OF TUCUMCARI

CONVENTION CENTER IMPROVEMENT CAPITAL PROJECT FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	59,536	59,536	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	59,536	59,536	-
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	75,000	60,266	60,265	1
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	75,000	60,266	60,265	1
<i>Excess (deficiency) of revenues over expenditures</i>	(75,000)	(730)	(729)	1
<i>Other financing sources (uses):</i>				
Operating transfers in	75,000	730	729	(1)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	75,000	730	729	(1)
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	7,918	7,918
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 7,918	\$ 7,918
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

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

## STATE OF NEW MEXICO

Statement C-7

## CITY OF TUCUMCARI

## MAPPING GRANT CAPITAL PROJECT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	217,547	217,547	217,547	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>217,547</u>	<u>217,547</u>	<u>217,547</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	269,491	243,514	243,514	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>269,491</u>	<u>243,514</u>	<u>243,514</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(51,944)</u>	<u>(25,967)</u>	<u>(25,967)</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	15,000	15,000	15,000	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	36,944	10,967	-	(10,967)
<i>Total other financing sources (uses)</i>	<u>51,944</u>	<u>25,967</u>	<u>15,000</u>	<u>(10,967)</u>
<i>Net change in fund balances</i>	-	-	(10,967)	(10,967)
<i>Fund balances - beginning of year</i>	-	-	41,034	41,034
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,067</u>	<u>\$ 30,067</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			4,542	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (6,425)</u>	

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

## STATE OF NEW MEXICO

Statement C-8

## CITY OF TUCUMCARI

## CAPITAL GRANT CAPITAL PROJECT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	5	5
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5</u>	<u>\$ 5</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

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

## STATE OF NEW MEXICO

Statement C-9

## CITY OF TUCUMCARI

## CDBG GRANT CAPITAL PROJECT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	500,000	2,500	2,500	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>500,000</u>	<u>2,500</u>	<u>2,500</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	526,353	9,854	9,853	1
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>526,353</u>	<u>9,854</u>	<u>9,853</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(26,353)</u>	<u>(7,354)</u>	<u>(7,353)</u>	<u>1</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	26,353	7,354	-	(7,354)
<i>Total other financing sources (uses)</i>	<u>26,353</u>	<u>7,354</u>	<u>-</u>	<u>(7,354)</u>
<i>Net change in fund balances</i>	-	-	(7,353)	(7,353)
<i>Fund balances - beginning of year</i>	-	-	174,951	174,951
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 167,598</u>	<u>\$ 167,598</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			5,216	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (2,137)</u>	

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



## STATE OF NEW MEXICO

Statement C-10

## CITY OF TUCUMCARI

## NMRDRC GRANT CAPITAL PROJECT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	118,475	118,475
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 118,475</u>	<u>\$ 118,475</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

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



**NONMAJOR DEBT SERVICE FUNDS**

## **Nonmajor Debt Service Funds**

### **GRT Police Building Fund**

To accumulate the intercepted Gross Receipts Tax (GRT) used to service the issue and to account for the retirement of the principal and interest of the issue as well as account for the required debt service reserve in the amount of \$35,744. The proceeds from this issue are being used for the construction of a new Tucumcari Police Department Building. The intercepted GRT funds are from the distribution of the revenues of the third one-sixteenth of one percent increment of Municipal Infrastructure Gross Receipts Tax, enacted pursuant to Section 7-19D-11 and City of Tucumcari Ordinance No. 843, adopted by the City of Tucumcari on March 30, 1992, as amended by Ordinance No. 970, adopted by the City on October 24, 2002, which distributions are made monthly by the New Mexico Taxation and Revenue Department.

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**COMBINING BALANCE SHEET**  
**NONMAJOR DEBT SERVICE FUNDS**  
**JUNE 30, 2016**

Statement D-1

	GRT Police Building	Total
<b>ASSETS</b>		
Current:		
Short term investments	\$ 55,338	\$ 55,338
Accounts receivable		
Property taxes	-	-
Intergovernmental	-	-
Other receivables	-	-
Interfund balances	-	-
<i>Total current assets</i>	\$ 55,338	\$ 55,338
 <b>LIABILITIES AND FUND BALANCE</b>		
<i>Current Liabilities:</i>		
Accounts payable	\$ -	\$ -
Accrued payroll liabilities	-	-
Interfund balances	-	-
Deferred revenue	-	-
Deferred revenue - property taxes	-	-
<i>Total current liabilities</i>	-	-
 <i>Fund balance:</i>		
Nonspendable	-	-
Restricted	55,338	55,338
Committed	-	-
Assigned	-	-
Unassigned	-	-
<i>Total fund balance</i>	55,338	55,338
<i>Total liabilities and fund balance</i>	\$ 55,338	\$ 55,338

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

## STATE OF NEW MEXICO

Statement D-2

## CITY OF TUCUMCARI

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2016

	GRT Police Building	Total
<i>Revenues:</i>		
Property taxes	\$ -	\$ -
Gross receipts taxes	-	-
Other taxes	-	-
State grants	-	-
Federal grants	-	-
Licenses and fees	-	-
Charges for services	-	-
Investment income	-	-
Miscellaneous	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>		
Current		
General Government	2,030	2,030
Public safety	-	-
Culture and recreation	-	-
Health and welfare	-	-
Public works	-	-
Education	-	-
Capital outlay	-	-
Debt service		
Principal	23,524	23,524
Interest	18,768	18,768
<i>Total expenditures</i>	<u>44,322</u>	<u>44,322</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(44,322)</u>	<u>(44,322)</u>
<i>Other financing sources (uses):</i>		
Operating transfers in	44,322	44,322
Operating transfers (out)	-	-
<i>Total other financing sources (uses)</i>	<u>44,322</u>	<u>44,322</u>
<i>Net change in fund balance</i>	-	-
<i>Fund balances - beginning of year</i>	<u>55,338</u>	<u>55,338</u>
<i>Fund balances - end of year</i>	<u>\$ 55,338</u>	<u>\$ 55,338</u>

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

## STATE OF NEW MEXICO

Statement D-3

## CITY OF TUCUMCARI

LODGER'S TAX/ GRT SERIES 2002 DEBT SERVICE FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	(1,130)	(1,130)	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	(1,130)	(1,130)	-
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	134,000	134,334	134,334	-
Interest	21,135	20,790	20,789	1
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	155,135	155,124	155,123	1
<i>Excess (deficiency) of revenues over expenditures</i>	(155,135)	(156,254)	(156,253)	1
<i>Other financing sources (uses):</i>				
Operating transfers in	155,135	156,254	156,253	(1)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	155,135	156,254	156,253	(1)
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	181,077	181,077
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 181,077	\$ 181,077
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			1,130	
Expenditure accruals			(1,130)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

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

## STATE OF NEW MEXICO

Statement D-4

## CITY OF TUCUMCARI

## GRT POLICE BUILDING DEBT SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	(296)	(295)	1
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>(296)</u>	<u>(295)</u>	<u>1</u>
<i>Expenditures:</i>				
Current				
General Government	1,252	1,735	1,735	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	23,524	18,859	18,858	1
Interest	18,415	23,435	23,434	1
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>43,191</u>	<u>44,029</u>	<u>44,027</u>	<u>2</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(43,191)</u>	<u>(44,325)</u>	<u>(44,322)</u>	<u>3</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	43,191	44,325	44,322	(3)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>43,191</u>	<u>44,325</u>	<u>44,322</u>	<u>(3)</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	55,338	55,338
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 55,338</u>	<u>\$ 55,338</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			295	
Expenditure accruals			(295)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

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



## STATE OF NEW MEXICO

Statement E-1

## CITY OF TUCUMCARI

## AIRPORT PROPRIETARY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
NET POSITION - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Operating revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and fees	-	-	-	-
Charges for services	289,050	241,020	241,018	(2)
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total operating revenues</i>	<u>289,050</u>	<u>241,020</u>	<u>241,018</u>	<u>(2)</u>
<i>Operating expenses:</i>				
General and administrative	30,099	22,602	22,599	3
Personnel services	85,504	82,661	82,657	4
Contractual services	1,000	1,220	1,219	1
Supplies and purchased power	201,147	143,706	143,703	3
Maintenance and materials	174,664	5,362	5,360	2
Utilities	12,000	10,212	10,210	2
Depreciation	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total operating expenses</i>	<u>504,414</u>	<u>265,763</u>	<u>265,748</u>	<u>15</u>
<i>Operating income (loss)</i>	<u>(215,364)</u>	<u>(24,743)</u>	<u>(24,730)</u>	<u>13</u>
<i>Non-operating income (expenses) and transfers:</i>				
Operating transfers in	44,000	19,973	19,960	13
Operating transfers (out)	-	-	-	-
Intergovernmental	342,372	230,951	230,951	-
Interest expense	-	-	-	-
Designated cash (budgeted increase in cash)	(171,008)	(226,181)	-	226,181
<i>Total non-operating income (expenses)</i>	<u>215,364</u>	<u>24,743</u>	<u>250,911</u>	<u>226,194</u>
<i>Net change in net position</i>	-	-	226,181	226,181
<i>Net position - beginning of year</i>	-	-	(275,781)	(275,781)
<i>Net position - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (49,600)</u>	<u>\$ (49,600)</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			(538)	
Expense accruals			(338,001)	
Change in net position			<u>\$ (112,358)</u>	

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

## STATE OF NEW MEXICO

Statement E-2

## CITY OF TUCUMCARI

## JOINT UTILITY PROPRIETARY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
NET POSITION - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Operating revenues:</i>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Licenses and fees	-	-	-	-
Charges for services	2,488,695	2,475,449	2,475,451	2
<i>Total operating revenues</i>	<u>2,488,695</u>	<u>2,475,449</u>	<u>2,475,451</u>	<u>2</u>
<i>Operating expenses:</i>				
General and administrative	221,495	158,608	158,607	1
Personnel services	931,120	909,096	909,070	26
Contractual services	488,718	496,886	496,879	7
Supplies and purchased power	97,850	86,820	86,813	7
Maintenance and materials	68,379	171,820	171,813	7
Utilities	370,376	271,033	271,025	8
Miscellaneous	96,210	108,832	107,332	1,500
Depreciation	-	-	-	-
<i>Total operating expenditures</i>	<u>2,274,148</u>	<u>2,203,095</u>	<u>2,201,539</u>	<u>1,556</u>
<i>Operating income (loss)</i>	<u>214,547</u>	<u>272,354</u>	<u>273,912</u>	<u>1,558</u>
<i>Non-operating income (expenses) and transfers:</i>				
Operating transfers in	484,969	459,783	459,778	(5)
Operating transfers (out)	(499,969)	(488,388)	(488,382)	6
Taxes	-	-	250,854	250,854
Investment income	500	1,269	233	(1,036)
Miscellaneous	1,289	(3,385)	3,386	6,771
Interest expense	(168,971)	(171,896)	(168,895)	3,001
Designated cash (budgeted increase in cash)	(32,365)	(69,737)	-	69,737
<i>Total non-operating income (expenses)</i>	<u>(214,547)</u>	<u>(272,354)</u>	<u>56,974</u>	<u>329,328</u>
<i>Net change in net position</i>	-	-	330,886	330,886
<i>Prior period adjustment</i>	-	-	-	-
<i>Net position - beginning of year</i>	-	-	4,114,345	4,114,345
<i>Net position - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,445,231</u>	<u>\$ 4,445,231</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			215,222	
Expense accruals			(678,032)	
Change in net position			<u>\$ (131,924)</u>	

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

## STATE OF NEW MEXICO

Statement E-3

## CITY OF TUCUMCARI

## SOLID WASTE PROPRIETARY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
NET POSITION - BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Operating revenues:</i>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Licenses and fees	-	-	-	-
Charges for services	1,178,575	1,232,491	1,232,482	(9)
<i>Total operating revenues</i>	<u>1,178,575</u>	<u>1,232,491</u>	<u>1,232,482</u>	<u>(9)</u>
<i>Operating expenses:</i>				
General and administrative	261,790	256,751	256,748	3
Personnel services	330,540	329,665	329,659	6
Contractual services	51,703	52,043	52,042	1
Supplies and purchased power	9,150	6,213	6,211	2
Maintenance and materials	121,266	94,214	94,212	2
Utilities	54,850	43,382	43,381	1
Depreciation	-	-	-	-
Miscellaneous	5,162	4,048	4,048	-
<i>Total operating expenditures</i>	<u>834,461</u>	<u>786,316</u>	<u>786,301</u>	<u>15</u>
<i>Net income (loss)</i>	<u>344,114</u>	<u>446,175</u>	<u>446,181</u>	<u>6</u>
<i>Non-operating income (expenses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Taxes	-	-	63,248	63,248
Investment income	1,600	2,082	2,083	1
Miscellaneous	1,000	7,610	7,610	-
Loss on disposal of assets	-	-	-	-
Interest expense	7,842	(7,843)	(7,842)	1
Designated cash (budgeted increase in cash)	(354,556)	(448,024)	-	(63,256)
<i>Total non-operating income (expenses)</i>	<u>(344,114)</u>	<u>(446,175)</u>	<u>65,099</u>	<u>(6)</u>
<i>Net change in net position</i>	-	-	511,280	511,280
<i>Prior period adjustment</i>	-	-	-	-
<i>Net position - beginning of year</i>	-	-	(259,219)	(259,219)
<i>Net position - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 252,061</u>	<u>\$ 252,061</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			33,383	
Expenditure accruals			(559,321)	
Change in net position			<u>\$ (14,658)</u>	

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

## STATE OF NEW MEXICO

Statement E-4

## CITY OF TUCUMCARI

HOUSING AUTHORITY PROPRIETARY FUND  
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN  
 NET POSITION - BUDGET AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Operating revenues:</i>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Licenses and fees	-	-	-	-
Charges for services	-	190,398	190,398	-
Miscellaneous	-	17,215	17,215	-
<i>Total operating revenues</i>	-	207,613	207,613	-
<i>Operating expenses:</i>				
General and administrative	-	260,916	260,916	-
Personnel services	-	127,179	127,179	-
Contractual services	-	25,611	25,611	-
Supplies and purchased power	-	-	-	-
Maintenance and materials	-	19,825	19,825	-
Utilities	-	84,737	84,737	-
Depreciation	-	187,495	187,495	-
Miscellaneous	-	32	32	-
<i>Total operating expenditures</i>	-	705,795	705,795	-
<i>Net income (loss)</i>	-	(498,182)	(498,182)	-
<i>Non-operating income (expenses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Grant income	-	858,342	858,342	-
Investment income	-	175	175	-
Housing assistance payments	-	350,843	(350,843)	(701,686)
Interest expense	-	(8,244)	(8,244)	-
Designated cash (budgeted increase in cash)	-	(702,934)	-	702,934
<i>Total non-operating income (expenses)</i>	-	498,182	499,430	1,248
<i>Net change in net position</i>	-	-	1,248	1,248
<i>Net position - beginning of year</i>	-	2,710,037	840,174	(1,869,863)
<i>Net position - end of year</i>	\$ -	\$ 2,710,037	\$ 841,422	\$ (1,868,615)
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expense accruals			(184,613)	
Change in net position			\$ (183,365)	

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

## STATE OF NEW MEXICO

Statement E-5

## CITY OF TUCUMCARI

## INTERNAL SERVICE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Licenses and fees	\$ -	\$ -	\$ -	\$ -
Charges for services	590,206	592,233	592,172	(61)
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>590,206</u>	<u>592,233</u>	<u>592,172</u>	<u>(61)</u>
<i>Expenditures:</i>				
Current				
General and administrative	3,532	2,980	2,976	4
Personnel services	536,860	535,687	535,658	29
Contractual services	7,364	7,569	7,563	6
Supplies and purchased power	25,850	19,944	19,938	6
Maintenance and materials	4,100	10,515	10,510	5
Utilities	11,750	11,948	11,938	10
Depreciation	-	-	-	-
Miscellaneous	750	3,590	3,589	1
<i>Total expenditures</i>	<u>590,206</u>	<u>592,233</u>	<u>592,172</u>	<u>61</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

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



**REQUIRED SUPPLEMENTARY INFORMATION**

## STATE OF NEW MEXICO

Schedule I

CITY OF TUCUMCARI  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
OF PERA FUND DIVISIONPublic Employees retirement Association (PERA) Plan  
Last 10 Fiscal Years\*  
JUNE 30, 2016

	2016 Municipal General	2015 Municipal General	2016 Municipal Police	2015 Municipal Police
Proportion of the net pension liability	0.3336%	0.3199%	0.2598%	0.2598%
Proportionate share of the net pension liability	3,401,341	2,495,563	1,106,931	846,920
Covered-employee payroll	3,187,779	3,148,428	613,272	545,296
Proportionate share of the net pension liability (asset) as a percentage of it's covered-employee payroll	107%	79%	180%	155%
Plan fiduciary net position as a percentage of the total pension liability	1.92%	1.41%	0.84%	0.64%

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

SCHEDULE OF AUTHORITY'S CONTRIBUTIONS  
Public Employees Retirement Association (PERA) Plan  
PERA Fund Division  
Last 10 Fiscal Years\*\*

Contractually required contribution	276,672	213,825	96,843	136,707
Contributions in relation to the contractually required contributor	263,750	213,825	85,279	136,707
Contribution deficiency (excess)	12,922	-	11,564	-
Authority's covered-employee payroll	3,187,779	3,148,428	613,272	545,296
Contributions as a percentage of covered-employee payroll	9%	7%	16%	25%

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

**Changes of benefit terms.** The PERA Fund COLA and retirement eligibility benefits changes in recent years are described in Note 1 of the PERA FY15 audit available at [http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366\\_Public\\_Employees\\_Retirement\\_Association\\_2015.pdf](http://www.pera.state.nm.us/pdf/AuditFinancialStatements/366_Public_Employees_Retirement_Association_2015.pdf).

**Changes of assumptions.** The Public Employees Retirement Association (PERA) of New Mexico Annual Actuarial Valuation as of June 30, 2015 report is available at <http://www.nmpera.org/assets/uploads/downloads/retirement-fund-valuation-reports/6-30-2015-PERA-Valuation-Report-FINAL.pdf>. See appendix B on pages 53-61 of the report which summarizes actuarial assumptions and methods effective with the June 30, 2014 valuation.

Changes in assumption resulted in a decrease of \$91.8 million to the total pension liability for the PERA Fund and an increase of 0.42% to the funded ratio for the year ended June 30, 2015. See more details of actuarial methods and assumptions on Note 2 on page 34 of PERA's Schedule of Employer Allocations and Pension amounts at [http://osanm.org/media/audits/366-B\\_PERA\\_Schedule\\_of\\_Employer\\_Allocations\\_FY2015.pdf](http://osanm.org/media/audits/366-B_PERA_Schedule_of_Employer_Allocations_FY2015.pdf)

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



**SUPPORTING SCHEDULES**



**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY**  
**FOR THE YEAR ENDED JUNE 30, 2016**

Security Description	CUSIP Number	Fair Market Value	Maturity Date	Name and Location of Safekeeper
<b>Wells Fargo</b>				
FMAC FGPC 3.500% - Housir	3128MJXK1	456,940	12/1/1945	Bank of New York Mellon
FMAC FGRM 1.500% - Housi	3137AT2L5	6,622	6/15/2027	Bank of New York Mellon
FMAC FGRM 3.000% - Housi	3137AYSF9	12,625	12/15/1942	Bank of New York Mellon
FMAC FGPC 3.000%	3128P73SO	20,805	6/1/2033	Bank of New York Mellon
FNMA FNMS 2.500%	3138ETFL5	634,071	6/1/2030	Bank of New York Mellon
FNMA FNMS 3.000%	31418ACQ9	<u>2,082,612</u>	2/1/2027	Bank of New York Mellon
<b>Total - Wells Fargo</b>		<u>\$ 3,213,675</u>		
<b>Citizens Bank</b>				
FNMA	3138EHR61	<u>993,872</u>	1/1/2027	Amarillo National Bank, TX
<b>Total - Citizen's Bank</b>		<u>\$ 993,872</u>		
<b>1st National Bank</b>				
Dulce NM ISD 4.25%	264430HJ1	53,086	3/1/2018	FHLB, Dallas
Bernalillo NM MSD 3.50%	085279PH4	<u>313,168</u>	8/1/2017	FHLB, Dallas
<b>Total - 1st National Bank</b>		<u>\$ 366,254</u>		
	<b>Total</b>	<u><u>\$ 4,573,801</u></u>		

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**SCHEDULE OF DEPOSITORES**  
**FOR THE YEAR ENDED JUNE 30, 2016**

Schedule III

<u>Bank Name/Account Name</u>	<u>Acct. Type</u>	<u>Bank Balance</u>	<u>Reconciling Items</u>	<u>Carrying Balance</u>
<b>Wells Fargo Bank</b>				
General Operating Account	Checking	4,357,582	188,208	4,169,374
EMS Account	Checking	75,287	-	75,287
1/8% Economic Development Infrastructure	Savings	78,566	-	78,566
CDBG Account	Checking	1	-	1
John D Hoffman Endowment Account	Savings	1,009	-	1,009
Seizure Account	Checking	41,604	-	41,604
Savings Account	Savings	2,541	-	2,541
Certificate of Deposit	CD	166,434	-	166,434
Housing-General Operating Fund	Checking	566,596	-	566,596
Housing-CIAP Savings Account	Savings	0	-	-
Housing-CIAP Operating Account	Checking	382	-	382
Housing-Section 8 Account	Checking	114,278	-	114,278
Housing-Certificate of Deposit	CD	23,017	-	23,017
Housing-Operating Account-Chaparral Apartments	Checking	74,084	9,238	64,846
<b>Citizens Bank</b>				
Bank Two	Checking	\$ 1,486,556	\$ (1,493)	\$ 1,488,049
USDA Account	Checking	-	-	-
Sanitation Capital Improvement	Savings	269,035	-	269,035
Certificate of Deposit	CD	60,000	-	60,000
<b>First National Bank</b>				
Sanitation Department Account	Checking	112,444	(200)	112,644
Princess Theatre Account	Savings	4,556	-	4,556
Logan Meal Site Donations Account	Checking	1,463	(51)	1,514
Certificate of Deposit	CD	155,712	-	155,712
Certificate of Deposit	CD	155,978	-	155,978
Certificate of Deposit	CD	103,808	-	103,808
Certificate of Deposit	CD	103,110	-	103,110
Housing-Security Deposit Account	Checking	72,319	216	72,103
<b>Everyone's Credit Union</b>				
Narcotics Account	Checking	-	-	-
Certificate of Deposit	CD	50,000	-	50,000
<b>Tucumcari Federal Savings &amp; Loan</b>				
Certificate of Deposit	CD	61,649	-	61,649
				-

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**SCHEDULE OF DEPOSITORES**  
**FOR THE YEAR ENDED JUNE 30, 2016**

Schedule III

<u>Bank Name/Account Name</u>	<u>Acct. Type</u>	<u>Bank Balance</u>	<u>Reconciling Items</u>	<u>Carrying Balance</u>
<b>NMFA Bank</b>				
2011 Series Debt Reserve	Trust	79	-	79
PD Debt Service	Trust	22,621	-	22,621
PD Debt Service Reserve	Trust	36,075	-	36,075
Pool Debt Service	Trust	5,315	-	5,315
Pool Debt Service Reserve	Trust	14,951	-	14,951
Lodgers Tax Service and Program	Trust	19,533	-	19,533
Lodgers Tax Debt Service Reserve	Trust	138,267	-	138,267
WTB Program	Trust	363,672	-	363,672
Water Tank	Trust	3,436	-	3,436
Water Conversion Reuse Project	Trust	12,575	-	12,575
Drinking Water	Trust	-	-	-
Total cash in bank		<u>\$ 8,754,535</u>	<u>\$ 195,918</u>	<u>\$ 8,558,617</u>
Petty Cash - Housing & Chaparral				<u>200</u>
Total Cash				<u>8,558,817</u>
Cash in Busines-Type Activities Per Ex A-1				5,714,475
Cash in Governmental Activities Per Ex A-1				2,844,342

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**SCHEDULE OF JOINT POWERS AGREEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2016**

<b>Participants</b>	<b>Responsible Party</b>	<b>Description</b>
City of Clovis, City of Texico, Village of Melrose, County of Quay, City of Tucumcari, City of Logan, Village of San Jon, County of DeBaca, City of Ft. Sumner, County of Roosevelt, City of Portales, Eastern New Mexico University, Village of Elida, Guadalupe County, City of Santa Rosa and Village of Vaughn, and New Mexico State Police	NM State Police	Establish a joint Multi Jurisdictional Task Force for the prevention, investigation, control and prosecution as unlawful drugs, narcotics and controlled substances within the region.
City of Tucumcari and Quay County Government	All Agencies	Establish the Tucumcari/Quay 911 Regional Emergency Communications Center
Cities of Clovis, Tucumcari, Portales, San Jon, Logan, Texico, Melrose, Elida, and Grady; Counties of Curry, Roosevelt, and Quay.	All Agencies	Ute Reservoir Water Commission
City of Tucumcari, San Jon, and Logan; and County of Quay		Tucumcari Quay County Regional Water Authority (TQCRWA)
Quay County and City of Tucumcari	All Agencies	Housing of City Prisoners by Quay County Detention
City of Logan, Village of San Jon, City of Tucumcari, and Quay County	All Agencies	Establish the Quay County Gaming Authority in order to pursue the acquisition of a licence and ownership of a race track and casino to spur economic development in Quay County
City of Tucumcari and Quay County	All Agencies	Jointly purchase, operate, and maintain Dura-Patcher road equipment.

The accompanying notes are an integral part of these financial statements

<b>Beginning Date</b>	<b>Ending Date</b>	<b>Total Estimated Project Amount</b>	<b>Net Amount Received (Contributed) by City During Fiscal Year</b>	<b>Audit Responsibility</b>	<b>Fiscal Agent/ Responsible Reporting Entity</b>
2/3/2006	Indefinite	Unknown	\$ -	None	None / Each individual law enforcement agency
9/15/2009	Indefinite	Unknown	\$ 35,569	None	City / Dispatch Center
6/30/1989, 7/1/1992	Indefinite	Unknown	\$ -	None	None / Each individual governmental agency
12/19/2011	Indefinite	Unknown	\$ -	None	None / Each individual governmental agency
1/1/2014	1/1/2018	Annual	\$ (54,000)	None	None / Both
4/17/2007	Indefinite	Unknown	\$ -	None	None / Each individual governmental agency
12/1/2005	Indefinite	Unknown	\$ -	None	None / Both

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
 CITY OF TUCUMCARI  
 SCHEDULE OF VENDOR INFORMATION  
 JUNE 30, 2016

<i>Agency Number</i>	<i>Agency Name</i>	<i>Agency Type</i>	<i>RFB#/RFP# (if applicable)</i>	<i>Type of Procurement</i>	<i>Vendor Name</i>	<i>Did Vendor Win Contract?</i>
6178			N/A	IFB	Coronado Wrecking & Salvage Co., Inc.	
6178			N/A	IFB	Wagner Caterpillar	
6178			N/A	IFB	Forsgren Associates Inc	



STATE OF NEW MEXICO  
CITY OF TUCUMCARI  
SCHEDULE OF VENDOR INFORMATION  
JUNE 30, 2016

Schedule V

<i>\$ Amount of Awarded Contract</i>	<i>\$ Amount of Amended Contract</i>	<i>Physical address of vendor (City, State)</i>	<i>Did the Vendor provide documentation of eligibility for in-state preference?</i>	<i>Did the Vendor provide documentation of eligibility for veterans' preference?</i>	<i>Brief Description of the Scope of Work</i>	<i>If the procurement is attributable to a Component Unit, Name of Component Unit</i>
\$176,467.00		Coronado Wrecking & Sa 4200 Broadway Blvd. SE Albuquerque, NM 87105	Y	N/A	Sands Dorsey Building Demolition Project	
		Gran Cor 2121 Menaul Blvd. NE Keers	Y	N/A		
		5904 Florence Ave. NE Albuquerque, NM 87113	Y	N/A		
		GWC Construcion, Inc. 504 E. Ave. D Lovington, NM 88260	Y	N/A		
\$440,555.00		Wagner Caterpillar 4000 Osuna Rd. NE Albuquerque, NM 87109	Y	N/A	Equipment	
		Aljon Mfg. 15075 Aljon Ave Ottumwa, IA 52501	Y	N/A		
\$166,786.13		Forsgren Associates Inc 4110 Cutler Ave., Suite 100 Albuquerque, NM 87110	Y	N/A	Enginneering, Sands Dorsey, Streets, etc.	



**COMPLIANCE SECTION**





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

**Auditor's Report**

Tim Keller  
New Mexico State Auditor  
City Manager, Mayor, and  
City Council Members  
City of Tucumcari  
Tucumcari, New Mexico

We have audited, in accordance with the auditing standard generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons of the general fund and major special revenue funds, of the City of Tucumcari as for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City of Tucumcari's basic financial statements, and the combining and individual funds and related budgetary comparisons of City of Tucumcari, presented as supplementary information, and have issued our report thereon dated November 12, 2016.

**Internal Control over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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 preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs, which we consider to be a significant deficiency. FS 2014-004.

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## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items FS 2014-001 and FS 2016-001.

## **The City's Responses to Findings**

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

## **Purpose of this Report**

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

GRIEGO PROFESSIONAL SERVICES, LLC

A handwritten signature in cursive script that reads "Griego Professional Services, LLC".

Albuquerque, New Mexico  
December 12, 2016





**FEDERAL FINANCIAL ASSISTANCE**





# Griego Professional Services, LLC

Certified Public Accountants

## **REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVERCOMPLIANCE IN ACCORDANCE WITH OMB UNIFORM GUIDANCE**

Tim Keller  
New Mexico State Auditor  
City Manager, Mayor, and  
City Council Members  
City of Tucumcari  
Tucumcari, New Mexico

### **Report on Compliance for Each Major Federal Program**

We have audited City of Tucumcari's (the "City") compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2016. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility**

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

### **Auditor's Responsibility**

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

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

### **Opinion on Each Major Federal Program**

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

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## Report on Internal Control over Compliance

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

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

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

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

GRIEGO PROFESSIONAL SERVICES, LLC



Albuquerque, New Mexico  
November 12, 2016



**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2016**

Schedule V

Federal Grantor or Pass-Through Grantor / Program Title	Passthrough Grant Number	Federal CFDA Number	Federal Expenditures
<b>U.S. Department of Agriculture</b>			
Water and Waste Disposal Systems for Rural Communities (1)	DW 2876	10.760	622,350
Rural Rental Assistance Payments	NM 990419271	10.427	\$ 139,832
<b>Total U.S. Department of Agriculture</b>			<u>\$ 762,182</u>
<b>U.S. Department of Housing &amp; Urban Development (HUD)</b>			
<i>Direct Funding</i>			
Public and Indian Housing		14.850	\$ 274,475
Section 8 Housing Choice Vouchers (1)		14.871	368,973
Capital Fund Projects		14.872	113,622
<b>Total U.S. Department of Housing &amp; Urban Development (HUD)</b>			<u>\$ 757,070</u>
<b>U.S. Department of Transportation</b>			
Airport Improvement Program		20.106	\$ 20,973
<b>Total U.S. Department of Transportation</b>			<u>\$ 20,973</u>
<b>U.S. Department of Health and Human Services</b>			
Senior Citizens Title IIIB	2010-07-6840	93.044	\$ 6,048
Senior Citizens Title IIIC1	2010-07-6840	93.045	46,096
Senior Citizens Title IIIC2	2010-07-6840	93.045	19,319
Senior Citizens NSIP	2010-07-6840	93.053	37,603
<b>Total U.S. Department of Health and Human Services</b>			<u>\$ 109,066</u>
<b>Total Federal Financial Assistance</b>			<u>\$ 1,649,291</u>
(1) Denotes major program			

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2016**

Schedule V

**Notes to Schedule of Expenditures of Federal Awards**

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of City of Tucumcari and is presented on the modified 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 Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

2. Subrecipients

The City did not provide any federal awards to subrecipients during the year.

3. Debt Service Subsidy

The Authority did not receive any noncash assistance. However, a debt service subsidy payment was received and applied against interest payments due in the amount of \$79,252. This amount has been included in the amount reflected under the USDA FmHA program.

4. Indirect Cost Rate

The District has not elected to use the 10% de minimus indirect cost rate as allowed under the Uniform Guidance.

5. Loan Amount

The City owed \$4,469,286 to USDA at June 30, 2016.  
The Authority owed \$642,314 to FmHA at June 30, 2016.

**Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements:**

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 1,649,291
Total expenditures funded by other sources	<u>9,130,931</u>
Total expenditures	<u><u>\$ 10,780,222</u></u>

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2016**

**Schedule VI**

**Section I – Summary of Audit Results**

*Financial Statements:*

- |   |            |
|---|------------|
| 1. Type of auditors’ report issued  | Unmodified |
| 2. Internal Control over Financial Reporting and on Compliance and Other Matters: |            |
| a. Material weakness identified?  | No         |
| b. Significant deficiency identified not considered to be a material weaknesses?  | Yes        |
| c. Noncompliance material to the financial statements noted?                      | No         |

*Federal Awards:*

- |  |            |
|--|------------|
| 1. Internal control over major programs:   |            |
| a. Material weaknesses identified?   | No         |
| b. Significant deficiency identified not considered to be material weaknesses?   | No         |
| c. Control deficiency identified not considered to be significant deficiency?  | No         |
| 2. Type of auditors’ opinion issued on the <i>Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in accordance with OMB Uniform Guidance</i> |            |
|  | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Uniform Guidance?  |            |
|  | No         |
| 4. Identification of major programs:   |            |

CFDA Number	Federal Program
14.871	Section 8 Housing Choice Vouchers
10.760	Water and Waste Disposal Systems for Rural Communities

- |   |           |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$750,000 |
| 6. Auditee qualified as low-risk auditee?                                   | Yes       |

STATE OF NEW MEXICO  
CITY OF TUCUMCARI  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2016

Schedule VI

**Section II – Financial Statement Findings**

**City of Tucumcari (Primary Government) Findings:**

**FS 2014-001 — Personnel Files (Compliance and Other Matter)**

*Condition:* Twenty-five personnel files were examined during payroll testing. We noted the following items in reviewing the personnel files:

- a. Four employees did not maintain updated pay rate documentation in the personnel file.
- b. One personnel file was missing I-9 and W-4 forms.
- c. Five employee files did not maintain evidence authorizing overtime.

The City has reduced the number of instances due to an internal review of personnel files.

*Criteria:* Federal regulations require that a properly completed Form I-9 be on file for every employee hired after November 6, 1986. Good internal controls include that rates of pay be properly authorized and documented. Good internal controls include documenting authorization for payroll deductions.

*Effect:* The City is not in compliance with federal regulations governing proper completion of the Form I-9. Employees could be paid at a rate which is not properly authorized. Employees could be having a payroll deduction for which they did not authorize.

*Cause:* Personnel files are not being reviewed for accuracy and completeness.

*Auditors' Recommendations:* All personnel files should be reviewed and updated as needed.

*Responsible Officials' Views:* The City Manager will review the Human Resources processes and implement procedures to ensure Personnel files are complete and maintained properly.

*Corrective Action:* The human resource department has been charged with reviewing all personnel file and insuring compliance by June 30, 2016.

**FS 2014-004 — Accounts Receivable (Significant Deficiency)**

*Condition:* The City was unable to provide the auditors with detailed information on what makes up the accounts receivable balances in the general ledger at year end. The City is in the process of soliciting and eventually implementing new accounting software which it hopes will address this issue.

*Criteria:* Good internal controls include having subsidiary ledgers or reports which support the amounts booked in the general ledger.

*Effect:* The accounts receivable balances on the general ledger could be misstated.

*Cause:* The software used to record cash receipts does not interface with the accounting software used by the City. The accounts receivable on the general ledger are estimates made by finance department personnel.

*Auditors' Recommendations:* The City is currently considering updating accounting software so that the cash receipts module and the general ledger interface with one another. The auditors recommend that the City update its accounting software. If this is not possible, the City needs to develop internal reports which support the accounts receivable balances as presented in the general ledger.

*Responsible Officials' Views:* The City has an RFP in process for new and updated software technology which will support our "cash" basis Book of Records.

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2016**

**Schedule VI**

**Section II – Financial Statement Findings (continued)**

*Corrective Action:* The finance and CFO is currently attempting to clear this issue in the sub-ledgers and general ledger. It is hopeful that this will be cleared in conjunction with implementation of new accounting software within the next year.

**FS 2016-001 Late Audit Report – Compliance and Other Matter**

*Condition:* The City’s audit report for the year ended June 30, 2016 was not submitted by the required due date, December 15, 2016.

*Criteria:* Audit reports not received on or before the due date, December 15, are considered to be in non-compliance with requirements of Section 2.2.2.9.A of the State Audit Rule.

*Effect:* The submission of late audit reports may adversely affect funding, bond ratings and possibly effect compliance requirements.

*Cause:* The City report was completed. The City’s report was inadvertently not submitted with the Housing Authority report by the deadline. The City and the auditor realized the mistake on January 7, 2017 and filed the report immediately.

*Auditor’s Recommendation:* The City and the auditor insure both reports are submitted to the State Auditor’s Office concurrently.

*Responsible Official’s Views:* The City will monitor the submission more stringently in the future and make every attempt to submit no less than two weeks prior to the deadline. This may include preparation of their own financial statements..

*Corrective Action:* The City has assigned the Finance Director this responsibility to be corrected by June 30, 2017 as this was a clerical error that will not re-occur.

**Housing Authority (Department) Findings:**

**None**

**Section III – Federal Award Findings**

**City of Tukumcari (Primary Government) Federal Award Findings:**

**None**

**Section III – Federal Award Findings**

**Housing Authority (Department) Federal Award Findings:**

**None**

**Section IV – Prior Year Audit Findings**

**Primary Government (City):**

- FS 2014-001 — Personnel Files (Compliance and Other Matter) – Repeated.
- FS 2014-002 — Late Payment of Invoice (Compliance and Other Matter) -Resolved
- FS 2014-004 — Accounts Receivable (Significant Deficiency) - Repeated

**STATE OF NEW MEXICO**  
**CITY OF TUCUMCARI**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2016**

**Schedule VI**

**Section V – Other Disclosures**

Auditor Prepared Financials

Griego Professional Services, LLC assisted in the preparation of the financial statements presented in this report. The City’s management has reviewed and approved the financial statements and related notes and they believe that their records adequately support the financial statements.

Exit Conference-Primary Government

The contents of this report were discussed on December 12, 2016 as a part of executive session. The following individuals were in attendance.

<u>City of Tucumcari</u>	<u>Griego Professional Services, LLC</u>
Jared Langenegger, City Manager	J.J. Griego, CPA
Dennis Dysart, City Finance Director	
Robert Lumpkin, Mayor	
Amy Guitierrez, Commissioner	
Rick Haymaker, Commissioner	
John Mihm, Commissioner	
Vicki Strand, Human Resources Director	
Angelica Gray, City Clerk	
Viki Riddle, Housing Authority Executive Director	

**FINANCIAL DATA SCHEDULE**

RptLn	FDS Act #	Description	HCV 14.871
1		<b>Balance Sheet</b>	
2	111	Cash-unrestricted	116,832
3	112	Cash-restricted-modernization and development	
4	113	Cash-other restricted	24,603
5	114	Cash-tenant security deposits	
6	115	Cash - Restricted for payment of current liability	
7	<b>100</b>	<b>Total Cash</b>	<b>\$141,435</b>
8	121	Accounts receivable - PHA projects	
9	122	Accounts receivable - HUD other projects	
10	124	Account receivable - other government	
11	125	Account receivable - miscellaneous	0
12	126	Accounts receivable - tenants	
13	126.1	Allowance for doubtful accounts - tenants	
14	126.2	Allowance for doubtful accounts - other	0
15	127	Notes, Loans, & Mortgages Receivable - Current	
16	128	Fraud recovery	1,135
17	128.1	Allowance for doubtful accounts - fraud	0
18	129	Accrued interest receivable	
19	<b>120</b>	<b>Total receivables, net of allowance for doubtful accounts</b>	<b>\$1,135</b>
20	131	Investments - unrestricted	
21	132	Investments - restricted	
22	135	Investments - Restricted for payment of current liability	
23	142	Prepaid expenses and other assets	
24	143	Inventories	
25	143.1	Allowance for obsolete inventories	
26	144	Inter program - due from	
27	145	Assets held for sale	
28	<b>150</b>	<b>Total Current Assets</b>	<b>\$142,570</b>
29	161	Land	
30	162	Buildings	
31	163	Furniture, equipment and machinery - dwellings	
32	164	Furniture, equipment and machinery - administration	9,315
33	165	Leasehold improvements	
34	166	Accumulated depreciation	(1,743)
35	167	Construction in progress	
36	168	Infrastructure	
37	<b>160</b>	<b>Total capital assets, net of accumulated depreciation</b>	<b>\$7,572</b>
38	171	Notes, Loans, & mortgages receivable - Non-current	
39	172	Notes, Loans, & mortgages receivable - Non-current - past due	
40	173	Grants receivable - Non-current	
41	174	Other assets	
42	176	Investment in joint venture	
43	<b>180</b>	<b>Total Non-current Assets</b>	<b>\$7,572</b>
44	<b>190</b>	<b>Total Assets</b>	
45	311	Bank overdraft	
46	312	Accounts payable <= 90 days	
47	313	Accounts payable > 90 days past due	
48	321	Accrued wage/payroll taxes payable	
49	322	Accrued compensated absences - current portion	
50	324	Accrued contingency liability	
51	325	Accrued interest payable	
52	331	Accounts payable - HUD PHA Programs	
53	332	Accounts payable - PHA Projects	

RptLn	FDS Act #	Description	HCV 14.871
54	333	Accounts payable - other government	
55	341	Tenant security deposits	
56	342	Deferred revenue	
57	343	Current portion of long-term debt - capital projects/mortgage revenue bonds	
58	344	Current portion of long-term debt - operating borrowings	
59	345	Other current liabilities	
60	346	Accrued liabilities - other	
61	347	Inter program - due to	
62	348	Loan liability - current	
63	<b>310</b>	<b>Total Current Liabilities</b>	<b>\$0</b>
64	351	Capital Projects/ Mortgage Revenue Bonds	
65	352	Long-term debt, net of current - operating borrowings	
66	353	Non-current liabilities - other	
67	354	Accrued compensated absences- Non-current	
68	355	Loan liability - Non-current	
69	356	FASB 5 Liabilities	
70	357	Accrued Pension and OPEB Liability	
71	<b>350</b>	<b>Total Non-current liabilities</b>	<b>\$0</b>
72	<b>300</b>	<b>Total Liabilities</b>	<b>\$0</b>
73	508.1	Invested in capital assets, net of related debt	
74	511.1	Restricted Net Assets	
75	512.1	Unrestricted Net Assets	
76	509.2	Fund Balance Reserved	
77	511.2	Unreserved, Designated Fund Balance	
78	512.2	Unreserved, Undesignated Fund Balance	
79	<b>513</b>	<b>Total Equity/Net Assets</b>	<b>\$150,142</b>
80	<b>600</b>	<b>Total Liabilities and Equity/Net assets</b>	<b>\$150,142</b>
81		<b>Income Statement</b>	
82	70300	Net tenant rental revenue	
83	70400	Tenant revenue - other	
84	<b>70500</b>	<b>Total Tenant Revenue</b>	<b>\$0</b>
85	70600-010	Housing assistance payments	378,389
86	70600-020	Ongoing administrative fees earned	46,456
87	70600-030	Hard to house fee revenue	0
88	70600-031	FSS Coordinator	0
89	70600-040	Actual independent public accountant audit costs	0
90	70600-050	Total preliminary fees earned	0
91	70600-060	All other fees	0
92	70600-070		
93	<b>70600</b>	<b>HUD PHA operating grants</b>	<b>424,845</b>
94	70610	Capital grants	
95	70800	Other government grants	
96	71100-010	Housing Assistance Payment	
97	71100-020	Administrative Fee	12
98	<b>71100</b>	<b>Investment income - unrestricted</b>	<b>12</b>
99	71200	Mortgage interest income	
100	71300	Proceeds from disposition of assets held for sale	
101	71310	Cost of sale of assets	
102	71400-010	Housing Assistance Payment - Fraud recovery	303
103	71400-020	Administrative Fee - Fraud recovery	303
104	71400	Fraud recovery	606

RptLn	FDS Act #	Description	HCV 14.871
105	71500	Other revenue	
106	71600	Gain or loss on sale of capital assets	
107	72000-010	Housing Assistance Payment - Investment income - restricted	
108	72000-020	Administrative Fee - Investment income - restricted	
109	<b>72000</b>	<b>Investment income - restricted</b>	
110	<b>70000</b>	<b>Total Revenue</b>	<b>\$425,463</b>
111	91100	Administrative salaries	19,960
112	91200	Auditing fees	3,000
113	91300	Management Fee	
114	91310	Book-Keeping Fee	2,300
115	91400	Advertising and Marketing	
116	91500	Employee benefit contributions - administrative	5,225
117	91600	Office Expenses	4,417
118	91700	Legal Expense	
119	91800	Travel	540
120	91810	Allocated Overhead	
121	91900	Other	4,157
122	<b>91000</b>	<b>Total Operating-Administrative</b>	<b>\$39,599</b>
123	<b>92000</b>	<b>Asset Management Fee</b>	
124	92100	Tenant services - salaries	
125	92200	Relocation Costs	
126	92300	Employee benefit contributions - tenant services	
127	92400	Tenant services - other	
128	<b>92500</b>	<b>Total Tenant Services</b>	<b>\$0</b>
129	93100	Water	
130	93200	Electricity	
131	93300	Gas	
132	93400	Fuel	
133	93500	Labor	
134	93600	Sewer	
135	93700	Employee benefit contributions - utilities	
136	93800	Other utilities expense	
137	<b>93000</b>	<b>Total Utilities</b>	<b>\$0</b>
138	94100	Ordinary maintenance and operations - labor	
139	94200	Ordinary maintenance and operations - materials and other	
140	94300	Ordinary Maintenance and Operations Contracts	
141	94500	Employee benefit contribution - ordinary maintenance	
142	<b>94000</b>	<b>Total Maintenance</b>	<b>\$0</b>
143	95100	Protective services - labor	
144	95200	Protective services - other contract costs	
145	95300	Protective services - other	
146	95500	Employee benefit contributions - protective services	
147	<b>95000</b>	<b>Total Protective Services</b>	<b>\$0</b>
148	96110	Property Insurance	
149	96120	Liability Insurance	
150	96130	Workmen's Compensation	
151	96140	All Other Insurance	700
152	<b>96100</b>	<b>Total Insurance Premiums</b>	<b>\$700</b>
153	96200	Other general expenses	
154	96210	Compensated absences	
155	96300	Payments in lieu of taxes	



RptLn	FDS Act #	Description	HCV 14.871
156	96400	Bad debt - tenant rents	
157	96500	Bad debt - mortgages	
158	96600	Bad debt - other	
159	96800	Severance expense	
160	<b>96000</b>	<b>Total Other General Expenses</b>	<b>\$0</b>
161	96710	Interest of Mortgage (or Bonds) Payable	
162	96720	Interest on Notes Payable (Short and Long Term)	
163	96730	Amortization of Bond Issue Costs	
164	<b>96700</b>	<b>Total Interest Expense and Amortization Cost</b>	<b>\$0</b>
165	<b>96900</b>	<b>Total Operating Expenses</b>	<b>\$40,299</b>
166	<b>97000</b>	<b>Excess Revenue Over Operating Expenses</b>	<b>\$385,164</b>
167	97100	Extraordinary maintenance	
168	97200	Casualty losses- Non-capitalized	
169	97300-010	Mainstream 1	
170	97300-020	Home-Ownership	
171	97300-025	Litigation	
172	97300-030	Hope IV	
173	97300-035	Moving to Work	
174	97300-040	Tenant Protection	
175	97300-050	All Other	302,550
176	97300	Housing Assistance Payments	354,089
177	97350	HAP Portability-in	
178	97400	Depreciation expense	1,743
179	97500	Fraud losses	
180	97800	Dwelling units rent expense	
181	<b>90000</b>	<b>Total Expenses</b>	<b>\$396,131</b>
182	10010	Operating transfer in	
183	10020	Operating transfer out	
184	10030	Operating transfers from/to primary government	
185	10040	Operating transfers from/to component unit	
186	10070	Extraordinary items, net gain/loss	
187	10080	Special items, net gain/loss	
188	10093	Transfers between Programs and Projects - in	
189	10094	Transfers between Programs and Projects - out	
190	<b>10100</b>	<b>Total Other Financing Sources (Uses)</b>	<b>\$0</b>
191	<b>10000</b>	<b>Excess (Deficiency) of Revenue Over (Under) Expenses</b>	<b>\$29,332</b>
192		<b>Memo Account Information</b>	
193	11020	Required Annual Debt Principal Payments	0
194	11030	Beginning equity	120,811
195	11040-010	Prior Period Adjustments and Correction of Errors	(1)
196	11040-020	Prior Period Adjustments and Correction of Errors	
197	11040-030	Prior Period Adjustments and Correction of Errors	
198	11040-040	Prior Period Adjustments and Correction of Errors	
199	11040-050	Prior Period Adjustments and Correction of Errors	
200	11040-060	Prior Period Adjustments and Correction of Errors	
201	<i>Description</i>	<i>*Description of Prior Period Adjustment &amp; Correction of Errors available in FASS System.</i>	
202	11040-070	Equity Transfers	
203	11040-080	Equity Transfers	
204	11040-090	Equity Transfers	
205	11040-100	Equity Transfers	
206	11040-110	Equity Transfers	

RptLn	FDS Act #	Description	HCV 14.871
207	<i>Description</i>	<i>*Description of Equity Transfers available in FASS System.</i>	
208	<b>11040</b>	<b>Prior Period Adjustments, Equity Transfers, and Correction of Errors</b>	<b>(\$1)</b>
209	11050	Changes in Compensated Absence Balance (*Modified Accrual Only)	
210	11060	Changes in Contingent Liability Balance (*Modified Accrual Only)	
211	11070	Changes in Unrecognized Pension Transition Liability (*Modified Accrual)	
212	11080	Changes in Special Terms/Serverance Benefits Liability (*Modified Accrual Only)	
213	11090	Changes in Allowanance for Doubtful Accounts - Dwelling Rents (*Modified Accrual Only)	
214	11100	Changes in Allowanance for Doubtful Accounts - Other (*Modified Accrual Only)	
215	11170-001	Administrative Fee Equity- Beginning Balance	120,811
216	11170-010	Administrative Fee Revenue	46,456
217	11170-020	Hard to House Fee Revenue	0
218	11170-021	FSS Coordinator Grant	0
219	11170-030	Audit Costs	0
220	11170-040	Investment Income	12
221	11170-045	Fraud Recovery Revenue	303
222	11170-050	Other Revenue	0
223	11170-051		
224	11170-060	Total Admin Fee Revenues	46,782
225	11170-080	Total Operating Expenses	40,299
226	11170-090	Depreciation	1,743
227	11170-095	Housing Assistance Portability In	
228	11170-100	Other Expenses	1
229	11170-101		
230	11170-110	Total Expenses	42,043
231	11170-002	Net Administrative Fee	4,728
232	11170-003	Administrative Fee Equity- Ending Balance	125,539
233	<b>11170</b>	<b>Administrative Fee Equity</b>	<b>\$125,539</b>
234	11180-001	HAP - Begining Balance	0
235	11180-010	Housing Assistance Payment Revenues	378,389
236	11180-015	Fraud Recovery Revenue	303
237	11180-020	Other Revenue	0
238	11180-021		
239	11180-025	Investment Income	
240	11180-030	Total HAP Revenues	378,692
241	11180-080	Housing Assistance Payments	354,089
242	11180-090	Other Expenses	0
243	11180-091		
244	11180-100	Total Housing Assistance Payments Expenses	354,089
245	11180-002	Net Housing Assistance Payments	24,603
246	11180-003	Housing Assistance Payments Equity-Ending Balance	24,603
247	<b>11180</b>	<b>Housing Assistance Payments Equity</b>	<b>\$24,603</b>
248	11190-210	Total ACC HCV Units	1,680
249	11190-220	Unfunded Units	
250	11190-230	Other Adjustments	
251	<b>11190</b>	<b>Unit Months Available</b>	<b>1,680</b>

<b>RptLn</b>	<b>FDS Act #</b>	<b>Description</b>	<b>HCV 14.871</b>
252	11210	Unit Months Leased	<b>969</b>