

**STATE OF NEW MEXICO
TORRANCE COUNTY**

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

FOR THE YEAR ENDED JUNE 30, 2020

**STATE OF NEW MEXICO
TORRANCE COUNTY
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2020**

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**STATE OF NEW MEXICO
TORRANCE COUNTY
OFFICIAL ROSTER (UNAUDITED)
AS OF JUNE 30, 2020**

ELECTED OFFICIALS

Kevin McCall County Commissioner – District 1
Ryan Schwebach County Commissioner – District 2
Javier Sanchez..... County Commissioner – District 3
Jesse Lucero County Assessor
Linda Jaramillo County Clerk
Martin Rivera County Sheriff
Tracy L. Sedillo County Treasurer
Josie Chavez..... County Probate Judge

ADMINISTRATIVE OFFICIAL

Wayne Johnson County Manager
Janice Y. Barela Deputy County Manager
Jeremy Oliver Finance Director
Noah J. Sedillo Chief Procurement Officer



INDEPENDENT AUDITORS' REPORT

Honorable Brian S. Colón, Esq.
New Mexico State Auditor
Santa Fe, New Mexico
and
Honorable Members of the Board of County Commissioners
Torrance County
Estancia, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue fund of Torrance County, New Mexico (the "County"), as of and for the year ended June 30, 2020, and the related notes to the financial statements which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2020, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund and major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

The County has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. 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 the 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 require that the *County's Proportionate Share of the Net Pension Liability* and their *Proportionate Share of the OPEB Liability* on pages 51, 52 and 55, the *Schedule of the County's Contributions* on pages 53, 54 and 56, and the notes to the required supplementary information, on page 57 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic and historical context. We have applied certain limited procedures to the Schedule of the *County's Proportionate Share of the Net Pension Liability* and *County's Proportionate Share of the OPEB Liability* 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 financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements for all nonmajor funds 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 combining and individual fund financial statements and other schedules required by Section 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the other schedules required by Section 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2020 on our consideration of the County'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 County's internal control over financial reporting and compliance.

Kubiak Melton & Associates, LLC

Kubiak Melton & Associates, LLC
Auditors – Business Consultants - CPAs

Albuquerque, New Mexico
November 25, 2020

**STATE OF NEW MEXICO
TORRANCE COUNTY
STATEMENT OF NET POSITION
AS OF JUNE 30, 2020**

| | Governmental Activities |
|--|------------------------------------|
| ASSETS | |
| Current Assets: | |
| Cash and Cash Equivalents | \$ 4,726,312 |
| Investments | 2,034,556 |
| Receivables: | |
| Property Tax Receivable | 1,285,168 |
| Other Taxes | 1,404,950 |
| Other Receivables, Net | 2,302,793 |
| Prepaid Expenses | 197,215 |
| Total Current Assets | 11,950,994 |
| Noncurrent assets: | |
| Restricted Cash and Cash Equivalents | 178,069 |
| Capital Assets Not Being Depreciated | 839,334 |
| Capital Assets Being Depreciated | 26,093,919 |
| Less: Accumulated Depreciation | (13,607,807) |
| Total Noncurrent Assets | 13,503,515 |
| Deferred Outflows of Resources of Resources: | |
| Deferred Outflows - Pension Related | 1,344,477 |
| Deferred Outflows - OPEB Related | 224,541 |
| Total Deferred Outflows of Resources | 1,569,018 |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | \$ 27,023,527 |
| LIABILITIES AND NET POSITION | |
| Current Liabilities: | |
| Accounts Payable | \$ 2,512,940 |
| Accrued Salaries and Benefits | 164,861 |
| Accrued Interest Payable | 17,015 |
| Accrued Compensated Absences | 232,855 |
| Current Portion of Capital Lease Payable | 36,079 |
| Current Portion of Long-term Debt | 499,065 |
| Total Current Liabilities | 3,462,815 |
| Noncurrent Liabilities: | |
| Capital Lease Payable | 76,811 |
| Net Pension Liability | 6,911,847 |
| Net OPEB Liability | 2,739,494 |
| Long-term Debt Due After One Year | 2,389,346 |
| Total Noncurrent Liabilities | 12,117,498 |
| TOTAL LIABILITIES | 15,580,313 |
| Deferred Inflows of Resources: | |
| Deferred Inflows - Pension Related | 281,907 |
| Deferred Inflows - OPEB Related | 1,697,813 |
| Total Deferred Inflows of Resources | 1,979,720 |
| NET POSITION | |
| Net Investment in Capital Assets | 10,324,145 |
| Restricted | 7,369,282 |
| Unrestricted | (8,229,933) |
| Total Net Position | 9,463,494 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION | \$ 27,023,527 |

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TORRANCE COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

| Functions and Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position |
|--|----------------------|-------------------------|--|--|---|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| PRIMARY GOVERNMENT | | | | | |
| Governmental Activities | | | | | |
| General Government | \$ 5,747,988 | \$ 203,433 | \$ 937,674 | \$ 72,589 | \$ (4,534,292) |
| Public Safety | 25,497,240 | 20,424,074 | 1,086,011 | 72,802 | (3,914,353) |
| Public Works | 3,228,843 | 24,526 | 1,720,397 | 658,031 | (825,889) |
| Culture and Recreation | 237,221 | - | - | - | (237,221) |
| Health and Welfare | 354,855 | 200 | - | 25,618 | (329,037) |
| Interest on Long-term Debt | 94,650 | - | - | - | (94,650) |
| Total Governmental Activities | <u>\$ 35,160,797</u> | <u>\$ 20,652,233</u> | <u>\$ 3,744,082</u> | <u>\$ 829,040</u> | <u>(9,935,442)</u> |
| General Revenues: | | | | | |
| Taxes: | | | | | |
| Property Taxes levied for general purposes | | | | | 4,913,026 |
| Gross Receipts Taxes | | | | | 4,001,071 |
| Gasoline and Motor Vehicle Taxes | | | | | 654,584 |
| Other Taxes | | | | | 98,250 |
| Payments in Lieu of Taxes | | | | | 350,561 |
| Investment Income | | | | | 192,709 |
| Miscellaneous Income | | | | | 434,423 |
| Subtotal, General Revenues | | | | | <u>10,644,624</u> |
| Change in Net Position | | | | | 709,182 |
| Net Position, Beginning | | | | | 8,553,168 |
| Restatement | | | | | 201,144 |
| Net Position, As Restated | | | | | <u>8,754,312</u> |
| Net Position, Ending | | | | | <u>\$ 9,463,494</u> |

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TORRANCE COUNTY
BALANCE SHEET – GOVERNMENTAL FUNDS
AS OF JUNE 30, 2020**

| | <u>General Fund</u> | <u>ICE Inmate Care</u> | <u>Total Nonmajor Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|---------------------|----------------------------|--|---|
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 135,153 | \$ 789 | \$ 4,590,370 | \$ 4,726,312 |
| Restricted Cash | - | - | 178,069 | 178,069 |
| Investments | 2,034,556 | - | - | 2,034,556 |
| Receivables: | | | | |
| Property Taxes | 1,186,920 | - | 98,248 | 1,285,168 |
| Other Taxes | 189,496 | - | 1,215,454 | 1,404,950 |
| Other Receivables, Net | - | 2,101,429 | 201,364 | 2,302,793 |
| Prepaid Expenses | 180,529 | - | 16,686 | 197,215 |
| TOTAL ASSETS | <u>\$ 3,726,654</u> | <u>\$ 2,102,218</u> | <u>\$ 6,300,191</u> | <u>\$ 12,129,063</u> |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | |
| LIABILITIES | | | | |
| Accounts Payable | \$ 49,787 | \$ 2,103,010 | \$ 360,143 | \$ 2,512,940 |
| Accrued Salaries and Benefits | 102,432 | - | 62,429 | 164,861 |
| TOTAL LIABILITIES | <u>152,219</u> | <u>2,103,010</u> | <u>422,572</u> | <u>2,677,801</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable Revenue: | | | | |
| Property Taxes | 1,101,490 | - | 91,535 | 1,193,025 |
| TOTAL DEFERRED INFLOWS | <u>1,101,490</u> | <u>-</u> | <u>91,535</u> | <u>1,193,025</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>1,253,709</u> | <u>2,103,010</u> | <u>514,107</u> | <u>3,870,826</u> |
| FUND BALANCES | | | | |
| Nonspendable: | | | | |
| Prepaid Expenses | 180,529 | - | 16,686 | 197,215 |
| Restricted For: | | | | |
| Special Revenue Funds | - | - | 4,206,384 | 4,206,384 |
| Debt Service Funds | - | - | 569,959 | 569,959 |
| Capital Projects Funds | - | - | 828,347 | 828,347 |
| Minimum Fund Balance | 1,594,161 | - | 170,431 | 1,764,592 |
| Unassigned | 698,255 | (792) | (5,723) | 691,740 |
| TOTAL FUND BALANCES | <u>2,472,945</u> | <u>(792)</u> | <u>5,786,084</u> | <u>8,258,237</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES | <u>\$ 3,726,654</u> | <u>\$ 2,102,218</u> | <u>\$ 6,300,191</u> | <u>\$ 12,129,063</u> |

**STATE OF NEW MEXICO
TORRANCE COUNTY
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
AS OF JUNE 30, 2020**

| | |
|--|---------------------|
| Total Fund Balance - Governmental Funds | \$ 8,258,237 |
|--|---------------------|

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds

| | |
|---------------------|------------|
| Capital Assets, Net | 13,325,446 |
|---------------------|------------|

Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in funds:

| | |
|---|-------------|
| Deferred Outflows of Resources Related to GASB 68 - Pension | 1,344,477 |
| Deferred Outflows of Resources Related to GASB 75 - OPEB | 224,541 |
| Deferred Inflows of Resources Related to GASB 68 - Pension | (281,907) |
| Deferred Inflows of Resources Related to GASB 75 - OPEB | (1,697,813) |

| | |
|---|-----------|
| Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be unavailable revenue in the fund financial statements, but are considered revenue in the Statement of Activities | 1,193,025 |
|---|-----------|

Special assessment district revenue not collected within sixty days after year end are not considered "available" revenues and are considered to be unavailable revenue in the fund financial statements, but are considered revenue in the Statement of Activities

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

| | |
|-----------------------------------|-------------|
| Accrued Interest Payable | (17,015) |
| Accrued Compensated Absences | (232,855) |
| Current Portion of Long-term Debt | (499,065) |
| Capital Leases Payable | (112,890) |
| Long-term Debt | (2,389,346) |
| Net Pension Liability (GASB 68) | (6,911,847) |
| Net OPEB Liability (GASB 75) | (2,739,494) |

| | |
|--|----------------------------|
| Total Net Position of Governmental Activities | \$ <u>9,463,494</u> |
|--|----------------------------|

**STATE OF NEW MEXICO
TORRANCE COUNTY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2020**

| | <u>General Fund</u> | <u>ICE Inmate Care</u> | <u>Total Nonmajor Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|---------------------|----------------------------|--|---|
| REVENUES | | | | |
| Taxes: | | | | |
| Property Taxes | \$ 5,012,261 | \$ - | \$ 399,661 | \$ 5,411,922 |
| Gross Receipts Taxes | 596,647 | - | 3,404,424 | 4,001,071 |
| Gasoline and Motor Vehicle Taxes | 57,645 | - | 596,939 | 654,584 |
| Other Taxes | - | - | 98,250 | 98,250 |
| Federal Operating Grants | - | - | 24,684 | 24,684 |
| State Operating Grants | 767,636 | - | 2,951,762 | 3,719,398 |
| State Capital Grants | - | - | 829,040 | 829,040 |
| Payments in Lieu of Taxes | 350,561 | - | - | 350,561 |
| Charges for Services | 178,607 | 20,241,545 | 232,081 | 20,652,233 |
| Investment Income | - | - | 192,709 | 192,709 |
| Miscellaneous Income | 24,290 | - | 410,133 | 434,423 |
| TOTAL REVENUES | <u>6,987,647</u> | <u>20,241,545</u> | <u>9,139,683</u> | <u>36,368,875</u> |
| EXPENDITURES | | | | |
| Current | | | | |
| General Government | 4,043,624 | - | 671,304 | 4,714,928 |
| Public Safety | 1,552,023 | 20,242,337 | 3,119,773 | 24,914,133 |
| Public Works | - | - | 2,871,870 | 2,871,870 |
| Culture and Recreation | - | - | 237,221 | 237,221 |
| Health and Welfare | - | - | 353,625 | 353,625 |
| Capital Outlay | 214,215 | - | 1,817,476 | 2,031,691 |
| Debt Service: | | | | |
| Principal | - | - | 561,501 | 561,501 |
| Interest | - | - | 77,635 | 77,635 |
| TOTAL EXPENDITURES | <u>5,809,862</u> | <u>20,242,337</u> | <u>9,710,405</u> | <u>35,762,604</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>1,177,785</u> | <u>(792)</u> | <u>(570,722)</u> | <u>606,271</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 151,418 | - | 2,291,527 | 2,442,945 |
| Transfers Out | (968,200) | - | (1,474,745) | (2,442,945) |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>(816,782)</u> | <u>-</u> | <u>816,782</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | 361,003 | (792) | 246,060 | 606,271 |
| FUND BALANCE, BEGINNING | 2,060,290 | - | 5,390,532 | 7,450,822 |
| RESTATEMENT | 51,652 | - | 149,492 | 201,144 |
| BEGINNING FUND BALANCE AS RESTATED | 2,111,942 | - | 5,540,024 | 7,651,966 |
| FUND BALANCE, ENDING | <u>\$ 2,472,945</u> | <u>\$ (792)</u> | <u>\$ 5,786,084</u> | <u>\$ 8,258,237</u> |

**STATE OF NEW MEXICO
TORRANCE COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

Net Changes in Fund Balance - Governmental Funds **\$ 606,271**

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

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

| | | |
|---|-------------|---------|
| Capital Outlay (net) | 2,031,691 | |
| Depreciation Expense | (1,386,928) | |
| | 644,763 | |
| Excess (Deficiency) of Capital Outlay over Depreciation Expense | | 644,763 |

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

| | |
|----------------------------|-----------|
| Change in Property Taxes | (23,260) |
| Change in GRT Equilization | (475,636) |

Governmental funds report County pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension & OPEB expense:

| | |
|-----------------|-----------|
| Pension Expense | (863,116) |
| OPEB Expense | 297,095 |

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

| | |
|--|----------|
| (Increase) Decrease in Accrued Compensated Absences | (21,421) |
| (Increase) Decrease in Accrued Interest Payable | (17,015) |
| Principal Payments on Debt and Capital Lease Payable | 561,501 |

Change in Net Position of Governmental Activities **\$ 709,182**

**STATE OF NEW MEXICO
TORRANCE COUNTY
STATEMENT OF REVENUES EXPENDITURES & CHANGES IN FUND BALANCE, BUDGET
(NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
GENERAL FUND 401
FOR THE YEAR ENDED JUNE 30, 2020**

| | Original Budget | Final Budget | Actual | Variance With Final Budget Favorable (Unfavorable) |
|--|----------------------------|-------------------------|-------------------|---|
| REVENUES | | | | |
| Taxes: | | | | |
| Property Taxes | \$ 5,164,235 | \$ 5,164,235 | \$ 4,926,831 | \$ (237,404) |
| Gross Receipts Taxes | 445,954 | 504,954 | 463,688 | (41,266) |
| Gasoline and Motor Vehicle Taxes | 51,147 | 51,147 | 52,760 | 1,613 |
| State Operating Grants | 636,052 | 760,636 | 767,636 | 7,000 |
| Payments in Lieu of Taxes | 484,718 | 484,718 | 350,561 | (134,157) |
| Charges for Services | 171,468 | 198,905 | 178,607 | (20,298) |
| Investment Income | - | - | - | - |
| Miscellaneous Income | 32,621 | 32,621 | 24,290 | (8,331) |
| TOTAL REVENUES | <u>6,986,195</u> | <u>7,197,216</u> | <u>6,764,373</u> | <u>(432,843)</u> |
| EXPENDITURES | | | | |
| Current | | | | |
| General Government | 4,507,478 | 4,522,015 | 4,037,378 | 484,637 |
| Public Safety | 1,638,739 | 1,638,239 | 1,593,157 | 45,082 |
| Capital Outlay | 19,405 | 216,389 | 215,942 | 447 |
| TOTAL EXPENDITURES | <u>6,165,622</u> | <u>6,376,643</u> | <u>5,846,477</u> | <u>530,166</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>820,573</u> | <u>820,573</u> | <u>917,896</u> | <u>(963,009)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 46,989 | 46,989 | 46,989 | - |
| Transfers Out | (1,278,200) | (1,278,200) | (968,200) | 310,000 |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>(1,231,211)</u> | <u>(1,231,211)</u> | <u>(921,211)</u> | <u>310,000</u> |
| INCREASE (DECREASE) | <u>(410,638)</u> | <u>(410,638)</u> | <u>\$ (3,315)</u> | <u>\$ (653,009)</u> |
| PRIOR YEAR CASH BALANCE BUDGETED | <u>\$ -</u> | <u>\$ -</u> | | |

Reconciliation of Budgetary Basis to GAAP Basis Financial Statements:

| | |
|---|---------------------|
| Revenues, Actual on a Budget Basis | \$ 6,811,362 |
| Revenues, Actual on Modified Accrual Basis | <u>7,139,065</u> |
| Adjustments to revenues for property tax and grant revenues | <u>\$ (327,703)</u> |
| Expenditures, Actual on a Budget Basis | \$ 6,814,677 |
| Expenditures, Actual on Modified Accrual Basis | <u>6,778,062</u> |
| Adjustments to expenditures for general government, and transfers | <u>\$ 36,615</u> |

**STATE OF NEW MEXICO
TORRANCE COUNTY
STATEMENT OF REVENUES EXPENDITURES & CHANGES IN FUND BALANCE, BUDGET
(NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – ICE
INMATE CARE FUND 825
FOR THE YEAR ENDED JUNE 30, 2020**

| | Original Budget | Final Budget | Actual | Variance With Final Budget Favorable (Unfavorable) |
|--|----------------------------|-------------------------|-------------------|---|
| REVENUES | | | | |
| Taxes: | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - |
| Charges for Services | 6,000,000 | 19,755,000 | 18,140,116 | (1,614,884) |
| Miscellaneous Income | - | - | - | - |
| TOTAL REVENUES | <u>6,000,000</u> | <u>19,755,000</u> | <u>18,140,116</u> | <u>(1,614,884)</u> |
| EXPENDITURES | | | | |
| Current | | | | |
| General Government | - | - | - | - |
| Public Safety | 6,000,000 | 19,755,000 | 18,139,327 | 1,615,673 |
| TOTAL EXPENDITURES | <u>6,000,000</u> | <u>19,755,000</u> | <u>18,139,327</u> | <u>1,615,673</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>-</u> | <u>-</u> | <u>789</u> | <u>(3,230,557)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds From Sales of Equipment | - | - | - | - |
| Other Financing Uses | - | - | - | - |
| Transfers In | - | - | - | - |
| Transfers Out | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| INCREASE (DECREASE) | <u>-</u> | <u>-</u> | <u>\$ 789</u> | <u>\$ (3,230,557)</u> |
| PRIOR YEAR CASH BALANCE BUDGETED | <u>\$ -</u> | <u>\$ -</u> | | |

Reconciliation of Budgetary Basis to GAAP Basis Financial Statements:

| | |
|---|-----------------------|
| Revenues, Actual on a Budget Basis | \$ 18,140,116 |
| Revenues, Actual on Modified Accrual Basis | <u>20,241,545</u> |
| Adjustments to revenues for property tax and grant revenues | <u>\$ (2,101,429)</u> |
| Expenditures, Actual on a Budget Basis | \$ 18,139,327 |
| Expenditures, Actual on Modified Accrual Basis | <u>20,242,337</u> |
| Adjustments to expenditures for general government, and transfers | <u>\$ (2,103,010)</u> |

STATE OF NEW MEXICO
TORRANCE COUNTY
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
AS OF JUNE 30, 2020

| | <u>Agency Funds</u> |
|------------------------------|----------------------------|
| ASSETS | |
| Cash and Cash Equivalents | \$ 582,749 |
| Property Taxes Receivable | <u>1,261,337</u> |
| TOTAL CURRENT ASSETS | <u><u>\$ 1,844,086</u></u> |
| LIABILITIES | |
| Deposits Held in Trust | \$ 582,749 |
| Due to Other Taxing Entities | <u>1,261,337</u> |
| TOTAL LIABILITIES | <u><u>\$ 1,844,086</u></u> |

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 1: Summary of Significant Accounting Policies

Torrance County (the "County") is a political sub-division of the State of New Mexico established under the provisions of Section 14-14-1 of NMSA, 1978 compilation and regulated by the constitution of the State of New Mexico. The County operates under a Board of County Commissions-manager form of government and provides the following services as authorized by public law: public safety (sheriff, fire, emergency medical, etc.), roads, health and social services, recreation, sanitation, planning and zoning, property assessment, tax collection and general administrative services.

The County is a body politic and corporate under the name and form of government selected by its qualified electors. The County 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 county and its inhabitants;
7. Preserve peace and order within the county; and
8. Establish rates for services provided by the County utilities and revenue-producing projects, including amounts which the governing body determines to be reasonable in the operation of similar facilities.

This summary of significant accounting policies of the County is presented to assist in the understanding of the County's financial statements. The financial statements and notes are the representation of the County's management who is responsible for their integrity and objectivity. The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental entities.

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 implemented this standard during the fiscal year ended June 30, 2017. See Note 15.

A. Financial Reporting Entity

In evaluating how to define the County, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statement No. 14, as amended by GASB Statement No. 39 and GASB Statement No. 61. Blended component units, though legally separate entities, are, in substance, part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

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

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 1: Summary of Significant Accounting Policies (continued)

A. Financial Reporting Entity (continued)

A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

Based upon the application of these criteria, the County has no component units, and is not a component unit of another governmental agency.

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. The County does not have any *business-type activities*.

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, the governmental activities column (a) is presented on a consolidated basis by column, (b) and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt obligations. The County's net position are reported in three parts – net investment in capital assets; restricted net position; and unrestricted net position.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable 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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. 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 fund financial statements.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 1: Summary of Significant Accounting Policies (continued)

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the 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 of time, reimbursement and contingencies imposed by the provider are met.

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

For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place, and the revenues are measurable and available. 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.

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. All other revenue items are considered to be measurable and available only when cash is received by the government.

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the County's taxpayer or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the County's general revenues. Program revenues are categorized as (a) charges for services, which include revenues collected for fees and use of County facilities, etc., (b) program-specific operating grants, which includes revenues received from state and federal sources to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from state sources 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.

The County reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. The County 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
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 1: Summary of Significant Accounting Policies (continued)

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

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

Under the requirements of GASB Statement No. 34, the County 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, which includes funds that were not required to be presented as major but were at the discretion of management:

The *General Fund (401)* 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.

The *ICE Inmate Care Fund (825)* is used to account for the payments for Immigration & Customs Enforcement inmates that are housed at Corrections Corporation of America – Torrance County Detention Facility under Torrance County's agreement. Authority is the County Commission. This is a special revenue fund.

Additionally, the government reports the following agency fund:

Fiduciary funds (700) are purely custodial (assets equal liabilities) and do not involve measurement of results of operations. The County's fiduciary funds are used to account for the collection and payment of property taxes to other governmental agencies.

Agency funds—used to account for assets that government holds for others in an agency capacity.

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 various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 1: Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity

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

State statutes authorize the County to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Investment Pool.

Investments for the County are reported at fair value. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Receivables and Payables: 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 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, delinquent property taxes are recorded as revenue when levied net of estimated refunds and uncollectable 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 10th and April 10th. Property taxes uncollected after May 10th are considered delinquent. The taxes attach as an enforceable lien on property as of January 1st.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 1: Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (continued)

Inventory: The County's method of accounting for inventory is the consumption method. Under the consumption approach, the government reports inventory they purchase as an asset and defer the recognition of the expenditures until the period in which the inventories actually are consumed. Inventory is valued at cost and consists of supplies and materials. The cost of purchased supplies and materials is recorded as an expenditure at the time individual inventory items are consumed. The County did not have material inventory as of June 30, 2020.

Prepaid Expenses: Prepaid expenses include insurance payments to vendors and reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide financial statements and the governmental fund financial statements.

Restricted Assets: Restricted assets consist of those funds expendable for operating purposes but restricted by donors or other outside agencies as to the specific purpose for which they may be expended. Descriptions for the related restriction of net position for special revenue, debt service and capital projects are found in the notes to the financial statements.

Capital Assets: Capital assets are recorded at historical cost and depreciated over their estimated useful lives (with no salvage value). Capital assets are defined by the County as assets with an initial individual cost of more than \$5,000 in accordance with Section 12- 6-10 NMSA 1978 and an estimated useful life in excess of one year. Donated capital assets are recorded at their estimated fair value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized.

Other costs incurred for repairs and maintenance are expensed as incurred. The County does not capitalize interest in regard to its capital assets. The County capitalizes purchased software but has not internally developed software.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands.

Straight-line depreciation is used based on the following estimated useful lives:

| <u>Assets</u> | <u>Years</u> |
|-----------------------------------|---------------------|
| Buildings and Improvements | 15-45 |
| Vehicles, Machinery and Equipment | 4-20 |
| Infrastructure (Roads) | 10-40 |

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 1: Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (continued)

Accrued Salaries and Benefits: Accrued salaries and benefits are comprised of the payroll expenditures based on amounts earned by the employees through June 30, 2020, along with applicable PERA, FICA, and Medicare payable.

Deferred Outflow of Resources: *Deferred Outflow of Resources:* In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element represents a use of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until that time. The County has multiple types of items that qualify for reporting in this category related to GASB 68 and GASB 75: changes in proportion, net difference between expected and actual experience and employer contributions subsequent to measurement date. These total \$1,569,018 and have been reported as deferred outflows of resources. These amounts are reported in the Statement of Net Position. These amounts are deferred and recognized as outflows of resources the next period.

Deferred Inflows of Resources: In addition to liabilities, the balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Revenue must be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period) to be recognized. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding deferred inflow of resources.

The County has one item, which arise under the modified accrual basis of accounting, that qualify for reporting in this category. Accordingly, the item, unavailable revenue – property taxes is reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The County has recorded \$1,193,025 related to property taxes considered “unavailable.”

In addition, the County has multiple types of deferred inflows which arise due to the implementation of GASB 68 and GASB 75 and the related net pension liability and net OPEB liability. Accordingly, these items, net difference between projected and actual investment earnings, change in assumptions, and differences between expected and actual experience, are reported on the Statement of Net Position in the amount of \$1,979,720 as of June 30, 2020. Net difference between expected and actual investment earnings are amortized into pension expense over a five-year period. Changes in assumptions are amortized into pension expense over the average remaining service life of the employee participants. Differences between expected and actual experience are amortized into pension expense over the five-year period. Detail is found in the notes and the required supplementary information.

Unearned Revenue: The County 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 show as unearned revenues. The County had \$0 of unearned revenues as of June 30, 2020.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 1: Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (continued)

Accrued Compensated Absences: Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the government-wide Statement of Net Position. The General Fund is typically the fund used to liquidate compensated absences not liquidated by another fund.

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. No liability is reported for unpaid accumulated sick leave. Sick leave accumulates at the rate of 3.69 hours per bi-weekly pay period. Accrued sick leave is forfeited upon termination of employment. Full-time County employees accrue annual leave based on hours per bi-weekly pay period and years of service according to the following schedule:

| Hours Per Bi-Weekly Pay Period | Accrual Rate Range Per Bi- Weekly Pay Period |
|---|---|
| 64 | 2.46 - 4.92 |
| 72 | 2.77 - 5.54 |
| 80 | 3.08 - 6.15 |

Annual leave must be taken within the calendar year. Employees are only allowed to carry over one hundred and sixty (160) hours of annual leave to the next calendar year. Also included in accrued compensated absences is the liability for unused compensatory time.

Long-term Obligations: In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. For bonds issued after GASB 34 was implemented, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method or on a straight-line basis if the difference is inconsequential. For fund financial reporting, bond premiums, discounts as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as other financing sources. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Fund Balance Classification Policies and Procedures: For committed fund balance, the County's highest level of decision-making authority is the County Commission. In order for a fund balance commitment to be established, the County Commission must take formal action.

For assigned fund balance, the County Commission, or an official or body to which the County Commission delegates the authority, is authorized to assign amounts to a specific purpose. The authorization policy is in governmental funds other than the general fund. Unassigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 1: Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (continued)

Fund Balance Classification Policies and Procedures (continued):

For the classification of fund balances, the County considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for the purposes for which both restricted and unrestricted fund balance is available. Also for the classification of fund balances, the County considers committed, assigned, or unassigned amounts to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used

Nonspendable Fund Balance: At June 30, 2020, the nonspendable fund balance in the governmental funds consists of amounts associated with prepaid expenses in the amount of \$197,215 that are not in spendable form.

Restricted and Committed Fund Balance: At June 30, 2020, the County has presented restricted fund balance on the governmental funds balance sheet in the amount of \$7,369,282 for various County operations as restricted by enabling legislation. The County has no presented committed fund balance on the governmental funds balance sheet.

Required Minimum Fund Balance. According to New Mexico State Statute and the New Mexico Department of Finance and Administration (DFA), the County is required to reserve 3/12ths of the General Fund's budgeted expenditures (\$1,594,161) for subsequent year expenditures to maintain an adequate cash flow until the next significant property tax collection. The DFA also requires that 1/12th of the Road Fund budgeted expenditures be reserved (\$170,431). The County has incorporated this reserve requirement within its financial policies approved by the County Commission. These balances are reported as assigned to subsequent years expenditures in the General Fund. The County is in compliance with these DFA requirements.

Net Position: The financial statements net position is reported in three categories: net investment in capital assets, restricted, and unrestricted:

- **Net Investment in Capital Assets** – This component consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any related debt attributable to the acquisition, construction, or improvement of those assets.
- **Restricted Net Position** – Net position is reported as restricted when constraints placed on net position use are either (1) externally imposed by creditors, grantors, contributions or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation. Descriptions for the related restrictions for net position restricted for “special revenue, debt service, and capital projects” are described on pages 16, 61-65, 90 and 93.
- **Unrestricted Net Position** – Net position that do not meet the definition of “restricted” and “Net Investment in Capital Assets.”

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 1: Summary of Significant Accounting Policies (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Equity (continued)

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 for the County are management's estimate of depreciation on assets over their estimated useful lives, the current portion of accrued compensated absences, uncollectible amounts of receivables, pension liability, and related deferred inflows and outflows of resources.

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the 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.

Postemployment Benefits Other Than Pensions (OPEB): For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Mexico Retiree Health Care Authority (NMRHCA) and additions to and deductions from NMRHCA's fiduciary net position have been determined on the same basis as they are reported by NMRHCA. For this purpose, NMRHCA recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

COVID-19 (Coronavirus) Pandemic: In March 2020, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. In response to the COVID-19 Pandemic, the County has seen several significant changes to the County's operations for the last few months of fiscal year 2020 and to the start of fiscal year 2021. In light of recent public health orders mandated by the Office of the Governor, all nonessential staff, and those staff eligible to telecommute were sent home. The safety and health of our employees as well as the general public that we serve is of great importance to the County. We remain committed to the purpose of our County and ensuring that adequate internal controls over financial transactions and reporting were maintained. As a result of this pandemic, the economy in which the County operates has seen significant declines various revenue streams. The related financial impact and duration cannot be reasonably estimated at this time.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 2: Stewardship, Compliance, and Accountability

Budgetary Information

Annual budgets of the County are prepared prior to June 1 and must be approved by resolution of the County 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 County 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 cash budgetary basis. Budgetary basis expenditures exclude encumbrances. The budget secures appropriation of funds for only one year. Carryover funds must be reappropriated in the budget of the subsequent fiscal year.

The budgetary information presented in these financial statements has been properly amended by County Commissioners in accordance with the above procedures. The accompanying Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual present comparisons of the legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP), a reconciliation of resultant basis, perspective, equity and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2020 is presented. Reconciliations between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis by fund can be found on each individual budgetary statement.

NOTE 3: Deposits and Investments

State statutes authorize the investment of County 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 County properly followed State investment requirements as of June 30, 2020.

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 County. Deposits may be made to the extent that they are insured by an agency of the United States or collateralized as required by County Resolution.

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 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. All of the County's accounts at an insured depository institution, including all noninterest-bearing transaction accounts, will be insured by the FDIC up to the Standard Maximum Deposit Insurance Amount of \$250,000.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 3: Deposits and Investments (continued)

Custodial Credit Risk – Deposits

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. New Mexico statutes provide that deposits of public monies in financial institutions must be secured by pledged collateral in an aggregate value equal to one-half of the amount of the public monies deposited after deducting the amount of Federal Deposit Insurance Corporation insurance coverage for each financial institution. At June 30, 2020, \$7,480,026 of the County's bank balance of \$7,730,026 was exposed to custodial credit risk. Although this amount was uninsured, it was collateralized by collateral held by the pledging bank's trust department, not in the County's name. None of the County's deposits were uninsured and uncollateralized at June 30, 2020.

| | US Bank |
|---|------------------------------|
| Total Amount of Deposits | \$ 7,730,026 |
| Less: FDIC Coverage | <u>(250,000)</u> |
| Total Uninsured Public Funds | 7,480,026 |
| Collateral requirement (50% of uninsured public funds) | 3,740,013 |
| Pledged Securities | <u>(9,000,000)</u> |
| Total (Over) Under Collateralized | <u><u>\$ (5,259,987)</u></u> |

The collateral pledged is listed in the other supplementary information section of this report.

Investments: State Treasurer's Office Local Government Investment Pool (LGIP)

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

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

Foreign Currency Risk - GASB Statement No. 40 defines foreign currency risk as the potential that changes in exchange rates may adversely affect the fair value of an investment or deposit. The LGIP does not have any foreign currency risk as all investments are denominated in US dollars.

Interest Rate Risk – GASB Statement No. 40 defines interest rate risk as the potential that interest rate changes may adversely affect the fair value of an investment.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 3: Deposits and Investments (continued)

As of June 30, 2020, the County had the following investments and maturities:

| <u>Investment Type</u> | <u>Weighted Average Maturities</u> | <u>Cost Basis</u> | <u>Fair Value</u> | <u>Rating*</u> |
|------------------------|--|---------------------|---------------------|----------------|
| New Mexico LGIP | [25] day WAM (R); [77] day WAM (F) | \$ 2,034,556 | \$ 2,034,556 | AAAm |
| | | <u>\$ 2,034,556</u> | <u>\$ 2,034,556</u> | |

*Based of Standard & Poor's

The County also has \$178,069 in NMFA reserve cash that is included as restricted cash on the Statement of Net Position.

Reconciliation of Cash and Cash Equivalents

Reconciliation to the Statement of Net Position:

| | |
|---|----------------------------|
| Cash and Cash Equivalents | \$ 4,726,312 |
| Petty Cash | |
| Restricted Cash | 178,069 |
| Cash - Fiduciary Funds | 582,749 |
| Local Government Investment Pool (LGIP) | <u>2,034,556</u> |
| Total Cash Equivalents and Investments | \$ <u>7,521,686</u> |

Reconciling Items:

| | |
|----------------------------|----------------------------|
| Add: Outstanding Checks | \$ 2,425,290 |
| Less: Deposits in Transit | (3,325) |
| Less: Restricted Cash | (178,069) |
| Less: Investments in LGIP | (2,034,556) |
| Less: Petty Cash | <u>(1,000)</u> |
| Balance as per Bank | \$ <u>7,730,026</u> |

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 3: Deposits and Investments (continued)

Fair Value Measurement

The fair value framework uses a hierarchy that prioritizes the inputs to the valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Authority has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. See above for discussion of valuation methodologies used to measure fair value of investments.

The valuation methodologies described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the County believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level within the fair value hierarchy, the County's assets at fair value as of June 30, 2020:

| Investment Type | Level 1 | Level 2 | Level 3 |
|------------------------|----------------|----------------|----------------|
| New Mexico LGIP | \$ 2,034,556 | \$ - | \$ - |
| Total | \$ 2,034,556 | \$ - | \$ - |

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 4: Receivables

Receivables as of June 30, 2020, are as follows:

| | <u>General Fund</u> | <u>ICE Inmate Care</u> | <u>Nonmajor Governmental Funds</u> | <u>Total Governmental Funds</u> |
|--|----------------------------|----------------------------|--|---|
| Current Receivables: | | | | |
| Property Taxes levied for general purposes | \$ 1,186,920 | \$ - | \$ 98,248 | \$ 1,285,168 |
| Other Taxes | 189,496 | - | 1,215,454 | 1,404,950 |
| Other Receivables | - | 2,101,429 | 201,364 | 2,302,793 |
| Total Current Receivables | <u>1,376,416</u> | <u>2,101,429</u> | <u>1,515,066</u> | <u>4,992,911</u> |
| Less: Allowance for Uncollectible Accounts | - | - | - | - |
| Receivables, Net | <u><u>\$ 1,376,416</u></u> | <u><u>\$ 2,101,429</u></u> | <u><u>\$ 1,515,066</u></u> | <u><u>\$ 4,992,911</u></u> |

Receivables include amounts property taxes, other taxes, and other receivables such as amounts due from other governments. All receivables are current and therefore due within one year. Receivables are reported net of an allowance or uncollectible accounts. The County considered all receivables to be collectable as of June 30, 2020 and therefore, no provision for allowances were made.

In accordance with GASB Statement No. 33, property tax revenues in the amount of \$1,193,025 that were not collected within the period of availability have been reclassified as deferred inflow of resources in the governmental fund financial statements.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 5: Transfers

Net operating transfers, made to close out funds and to supplement other funding sources in the normal course of operations, were as follows:

| Fund # | Governmental Funds | Transfers In | Transfers Out |
|---------------|---------------------------|---------------------|----------------------|
| 401 | General Fund | \$ 151,418 | \$ 968,200 |
| 403 | Farm and Range | 32,500 | - |
| 411 | Fire Tax Pool | 52,455 | - |
| 412 | County Fair | 19,000 | - |
| 419 | EVSWA | 60,000 | - |
| 428 | Volunteer Recruitment | 50,000 | - |
| 600 | Safety Program | 12,544 | - |
| 605 | DWI Program | - | 19,431 |
| 610 | Reappraisal | 49,656 | 23,474 |
| 631 | Senior Citizens | 10,000 | - |
| 641 | Wind PILT | 80,967 | 1,147,000 |
| 607 | DWI SMART Choice | 13,807 | - |
| 675 | Rural Addressing | 50,000 | - |
| 685 | Planning and Zoning | 6,000 | - |
| 690 | Domestic Violence | 46,500 | - |
| 608 | DWI Screening | 5,624 | - |
| 801 | HIDTA Task Force | 2,000 | - |
| 826 | EMPG | 22,000 | - |
| 835 | COVID-19 | 55,000 | - |
| 834 | Doghead Fire | - | 185,396 |
| 911 | Emergency 911 | 260,000 | 46,989 |
| 420 | Adult Corrections | 1,150,000 | - |
| 626 | NMFA Grant | 50,000 | - |
| 803 | Legislative Appropriation | 240,000 | - |
| 602 | County Infrastructure | 23,474 | 52,455 |
| | Total Transfers | \$ 2,442,945 | \$ 2,442,945 |

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 6: Capital Assets

The following is a summary of capital assets and changes occurring during the year ended June 30, 2020. Land and right of way, artwork, antiques, and construction in progress are not subject to depreciation.

| | Balance June 30, 2019 | Increases | Decreases | Transfers | Balance June 30, 2020 |
|---|--------------------------|-------------------|-------------|------------------|--------------------------|
| Governmental Activities | | | | | |
| Capital assets not being depreciated: | | | | | |
| Land & Right of Way | \$ 466,834 | \$ - | \$ - | \$ - | \$ 466,834 |
| Artwork and Antiques | 372,500 | - | - | - | 372,500 |
| Construction in Progress (CIP) | 51,869 | 54,511 | - | (106,380) | - |
| Total Capital Assets not being depreciated | <u>891,203</u> | <u>54,511</u> | <u>-</u> | <u>(106,380)</u> | <u>839,334</u> |
| Capital assets being depreciated: | | | | | |
| Buildings and Improvements | 9,484,515 | 156,135 | - | - | 9,640,650 |
| Vehicles, Machinery and Equipment | 11,129,435 | 1,821,045 | - | 106,380 | 13,056,860 |
| Infrastructure (Roads) | 3,396,409 | - | - | - | 3,396,409 |
| Total Capital Assets being depreciated | <u>24,010,359</u> | <u>1,977,180</u> | <u>-</u> | <u>106,380</u> | <u>26,093,919</u> |
| Less: Accumulated Depreciation for: | | | | | |
| Buildings and Improvements | 4,121,564 | 227,037 | - | - | 4,348,601 |
| Vehicles, Machinery and Equipment | 6,341,148 | 1,019,020 | - | - | 7,360,168 |
| Infrastructure (Roads) | 1,758,167 | 140,871 | - | - | 1,899,038 |
| Total Accumulated Depreciation | <u>12,220,879</u> | <u>1,386,928</u> | <u>-</u> | <u>-</u> | <u>13,607,807</u> |
| Total Capital Assets being Depreciated, Net | 11,789,480 | 590,252 | - | 106,380 | 12,486,112 |
| Capital Assets, Net | <u>\$ 12,680,683</u> | <u>\$ 644,763</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 13,325,446</u> |

Depreciation expense for the year ended June 30, 2020 was charged to the functions of the governmental activities as follows:

| <u>Function</u> | <u>Amounts</u> |
|------------------------|-----------------------|
| General Government | \$ 445,616 |
| Public Safety | 583,109 |
| Public Works | 356,973 |
| Health and Welfare | 1,230 |
| Total | <u>\$ 1,386,928</u> |

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 7: Long-term Debt

During the year ended June 30, 2020, the following changes occurred in the liabilities reported in the government-wide statement of net position:

| | Beginning Balance | Additions | Retirements | Ending Balance | Amount Due Within One Year |
|----------------------------|------------------------------|-------------------|--------------------|---------------------------|---|
| General Obligation Bonds | \$ 1,720,000 | \$ - | \$ 335,000 | \$ 1,385,000 | \$ 340,000 |
| Notes Payable (NMFA Loans) | 1,695,317 | - | 191,906 | 1,503,411 | 159,065 |
| Capital Lease Payable | 147,485 | - | 34,595 | 112,890 | 36,079 |
| Compensated Absences | 211,434 | 198,341 | 176,920 | 232,855 | 232,855 |
| Total | \$ 3,774,236 | \$ 198,341 | \$ 738,421 | \$ 3,234,156 | \$ 767,999 |

| | |
|----------------------------------|----------------------------------|
| | Balance June 30, 2020 |
| General Obligation Bonds Payable | \$ 1,385,000 |
| Less: Current Maturities | (340,000) |
| Total GO Bond Liabilities | \$ 1,045,000 |

| | |
|----------------------------|----------------------------------|
| | Balance June 30, 2020 |
| Notes Payable (NMFA Loans) | \$ 1,503,411 |
| Less: Current Maturities | (159,065) |
| Total Notes Payable | \$ 1,344,346 |

| | |
|-------------------------------------|----------------------------------|
| | Balance June 30, 2020 |
| Capital Leases Payable | \$ 112,890 |
| Less: Current Maturities | (36,079) |
| Total Capital Leases Payable | \$ 76,811 |

Interest expense paid on long-term debt totaled \$94,650 for the year ended June 30, 2020 as indicated on the statement of activities.

General Obligation Bonds (GO Bonds)

The County sold general obligation bonds to construct, erect, equip, and acquire emergency communication equipment and towers for the County's law enforcement, fire protection and emergency medical responders. The bonds were also sold to construct and repair roads and purchase equipment for such projects. The terms of the general obligation bonds are as follows:

| GO bonds | | | | | |
|---|--------------------------|--------------------------|--------------------------|---|-----------------------------------|
| Description | Date of Issue | Maturity Date | Interest Rate | Original Amount of Issue | Balance, June 30, 2020 |
| Series 2016 GO Bond (NMFA #16 PP - 3641) | Dec-16 | Aug-31 | 1.69% | \$ 2,400,000 | \$ 1,385,000 |

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 7: Long-term Debt (continued)

The annual requirements to amortize the general obligation bonds payable as of June 30, 2020, including interest payments are as follows:

| Gross Receipts Revenue Bonds | | | |
|-------------------------------------|---------------------|-------------------|-------------------------------|
| Year Ending June 30, | Principal | Interest | Total Requirements |
| 2021 | \$ 340,000 | \$ 21,727 | \$ 361,727 |
| 2022 | 95,000 | 18,556 | 113,556 |
| 2023 | 95,000 | 17,025 | 112,025 |
| 2024 | 95,000 | 13,521 | 108,521 |
| 2025 | 95,000 | 15,351 | 110,351 |
| 2026-2030 | 475,000 | 36,032 | 511,032 |
| 2031-2035 | 190,000 | 740 | 190,740 |
| Total | \$ 1,385,000 | \$ 122,952 | \$ 1,507,952 |

Notes Payable

The County maintains multiple loans through the New Mexico Finance Authority (NMFA). These loans are for multiple purposes including constructing, renovating, equipping, and/or furnishing several fire stations, a dispatch building, and a communications tower, and purchasing several vehicles. Loans have been liquidated by the Capital Outlay GRT capital projects fund as well as the Debt Service Fund in prior years. Loan principal and interest payments are made on a monthly basis or semi-annually to the NMFA as is required per the loan's debt schedules.

| NMFA Loans | | | | | |
|-----------------------------------|--------------------------|--------------------------|--------------------------|---|-----------------------------------|
| Description | Date of Issue | Maturity Date | Interest Rate | Original Amount of Issue | Balance, June 30, 2020 |
| NMFA #3 PP - 1992 | Jun-07 | May-27 | 2.86% | \$ 581,320 | \$ 241,478 |
| NMFA #4 PP - 2089 | Dec-07 | May-28 | 0.00% | \$ 50,000 | 20,301 |
| NMFA #5 PP - 2116 | Dec-07 | May-23 | 3.00% | \$ 166,667 | 39,107 |
| NMFA #8 PP - 2187 | Sep-08 | May-23 | 3.00% | \$ 30,450 | 7,353 |
| NMFA #9 PP - 2251 | Mar-09 | May-29 | 3.77% | \$ 493,201 | 264,469 |
| NMFA #12 PP - 2451 | Jun-10 | May-30 | 4.93% | \$ 65,975 | 39,647 |
| NMFA #13 PP - 2505 | Jul-05 | May-29 | 2.77% | \$ 86,275 | 45,615 |
| NMFA #14 PP - 2748 | Aug-12 | May-28 | 2.40% | \$ 203,000 | 116,596 |
| NMFA #15 PP - 3406 | Jan-16 | May-36 | 3.02% | \$ 503,716 | 422,214 |
| NMFA #17 PP - 3714 | Jul-19 | May-33 | 0.58% | \$ 280,618 | 259,683 |
| Property Valuation Loan Agreement | Apr-19 | Jan-22 | 0.00% | \$ 70,422 | 46,948 |
| | | | | | \$ 1,503,411 |

RETIRED

| | | | | |
|--------------------|--------|--------|-------|------------|
| NMFA #10 PP - 2252 | Jul-09 | May-20 | 2.73% | \$ 382,729 |
|--------------------|--------|--------|-------|------------|

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 7: Long-term Debt (continued)

The annual requirements to amortize the NMFA Loans as of June 30, 2020, including interest payments are as follows:

| Year Ending June 30, | Principal | Interest | Total Requirements |
|---------------------------------|---------------------|-------------------|-------------------------------|
| 2021 | \$ 159,065 | \$ 39,804 | \$ 198,869 |
| 2022 | 162,504 | 36,446 | 198,950 |
| 2023 | 142,726 | 32,835 | 175,561 |
| 2024 | 130,255 | 28,965 | 159,220 |
| 2025 | 133,991 | 25,321 | 159,312 |
| 2026-2030 | 531,702 | 69,815 | 601,517 |
| 2031-2035 | 210,306 | 21,835 | 232,141 |
| 2036-2040 | 32,862 | 1,183 | 34,045 |
| Total | \$ 1,503,411 | \$ 256,204 | \$ 1,759,615 |

Pledged Revenue

The County pledged total future revenues of \$3,220,172 at June 30, 2020 to repay the outstanding loan and bond indebtedness. During the year ended June 30, 2020, the County recognized \$1,454,547 in total property tax, Fire Protection Funds, Fire Protection Excise GRT, and 1/8% municipal GRT revenues pledged to retire the debt indebtedness and retired \$618,603 in loan and bond principal and interest. The information of the loans and bonds payable and pledged revenue are detailed below:

| Loan No. | Source of Revenue Pledged | Current Year Revenues Pledged | Current Year Debt Service | Total Future Revenues Pledged | Terms Through |
|--|---|--|--------------------------------------|--|--------------------------|
| General Obligation Bonds | Property Tax | \$ 399,661 | \$ 361,376 | \$ 1,507,952 | 2031 |
| NMFA #3 & NMFA #4 | Fire Protection Funds & Fire Protection Excise GRT | | 40,747 | 290,134 | 2028 |
| NMFA #5 & NMFA #8 NMFA #9, NMFA #12 & NMFA #13 | Fire Protection Excise GRT | 318,887 | 16,134 | 48,830 | 2023 |
| NMFA #10, NMFA #14, NMFA #15 & NMFA #17 | 1/8% Increment GRT | 84,227 | 46,991 | 428,132 | 2030 |
| | Fire Protection Funds | 651,772 | 153,355 | 945,124 | 2036 |
| | Total | \$ 1,454,547 | \$ 618,603 | \$ 3,220,172 | |

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 7: Long-term Debt (continued)

Capital Leases

The County has entered into a capital lease as follows:

| Capital Lease | | | | | |
|----------------------|----------------------|----------------------|----------------------|---------------------------------|-------------------------------|
| Description | Date of Issue | Maturity Date | Interest Rate | Original Amount of Issue | Balance, June 30, 2020 |
| Asphalt Zipper | Jul-18 | May-23 | 4.23% | \$ 180,690 | \$ 112,890 |

The annual requirements to amortize the capital leases as of June 30, 2020, including interest payments are as follows:

| Year Ending June 30, | Principal | Interest | Total |
|-----------------------------|-------------------|-----------------|-------------------|
| 2021 | \$ 36,079 | \$ 4,785 | \$ 40,864 |
| 2022 | 37,608 | 3,256 | 40,864 |
| 2036-2040 | 39,203 | 1,662 | 40,865 |
| Total | \$ 112,890 | \$ 9,703 | \$ 122,593 |

Accrued Compensated Absences – Employees of the County are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2020, compensated absences increased \$21,421 from the prior year accrual. In prior years, the general fund was typically used to liquidate such liabilities.

NOTE 8: Operating Leases

The County is obligated to several operating leases for the use of copiers. The County also entered into an agreement for nine (9) Motor Graders with payments of \$231,717 due semi-annually. Expenses related to these leases were \$286,258 for 2020. The minimum future lease payments are as follows:

| Year Ending June 30, | Amount |
|-----------------------------|---------------------|
| 2021 | \$ 270,911 |
| 2022 | 262,017 |
| 2023 | 240,419 |
| 2024 | 233,400 |
| 2025 | 231,717 |
| Thereafter | 308,956 |
| Total | \$ 1,547,420 |

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 9: Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters, for which the County carries insurance through the New Mexico Insurance Authority and the New Mexico Association of Counties Multi-Line Pool. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the County's legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the County. The following is a summary of some of the more significant insurance coverage information related to the County.

Coverage provided to the County through membership in the New Mexico County Insurance Authority Multi-Line Pool (Authority) includes tort liability limits for casualty coverage (general automobile, civil rights and public officials' liability) on a "claim made" basis with an additional \$200,000 for defense costs above the tort limits. Property is subject to a limit of \$50,000,000 each occurrence, with sublimits for certain coverage extensions. Crime coverage has a limit of \$200,000. The County pays a deductible of \$500 for each property or crime loss, and a deductible of \$3,000 for each civil rights claim. The Authority pays losses up to \$150,000 for property and \$250,000 for liability per occurrence.

Coverage provided by the Authority's Worker's Compensation Pool includes up to \$300,000 for each accident and up to \$300,000 for each employee or occupational disease. The County also has volunteer firefighters and boiler and machine insurance coverage through the Authority's multi-line pool. Coverage provided to the County through membership in the New Mexico Association of Counties Law Enforcement Liability Program (Association) includes tort liability limits for police professional liability coverage on a "claims made" basis. The County pays an operational deductible of \$15,000 per occurrence. The Association pays covered losses above the deductible up to \$250,000 per occurrence from the Association's funds collected for law enforcement only. Excess coverage is provided in an amount up to \$12,750,000 for the annual pool aggregate for covered claims which exceed the self-insured retention.

NOTE 10: Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosures of certain information concerning individual funds including:

- A. There following funds had deficit fund balances at June 30, 2020.
 - 825 ICE Inmate Care Fund (\$792)
 - 419 EVSWA Contract Fund (\$5,524)
 - 835 COVID-19 Fund (\$199)
- B. Excess of expenditures over appropriations. The following funds had expenditures in excess of the budgeted appropriations.
 - 631 Senior Citizens Program \$ 1,440
 - 805 Traffic Safety Grant \$ 5,595
- C. Designated cash appropriations in excess of available balances. The following funds exceeded approved budgetary authority for the year ended June 30, 2020.
 - 411 Fire Pool Fund \$ 34,965
 - 424 GO Bond Proceeds \$ 32,085

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 11: Pension Plan – Public Employees Retirement Association

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, 2019 available at <http://s3.amazonaws.com/boardaudio/cafr/NM%20PERA%20CAFR%202019%20Final.pdf>.

Contributions: The contribution requirements of defined benefit plan members and the County 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 fiscal year 2019 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on page 43 of the PERA fiscal year 2019 annual audit report at <http://s3.amazonaws.com/boardaudio/cafr/NM%20PERA%20CAFR%202019%20Final.pdf>.

The PERA coverage options that apply to County are Municipal Plan 2 and Municipal Police Plan 5. Statutorily required contributions to the pension plan from the County were \$449,450 and employer paid member benefits that were “picked up” by the employer were \$0 for the year ended June 30, 2020.

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, 2019. The PERA pension liability amounts for each division were rolled forward from the valuation date to the Plan year ending June 30, 2018, using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date June 30, 2019. 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.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 11: Pension Plan – Public Employees Retirement Association (continued)

The County'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, 2019. Only employer contributions for the pay period end dates that fell within the period of July 1, 2019 to June 30, 2020 were included in the total contributions for a specific employer. Regular and any adjustment contributions that applied to FY 2019 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 Municipal General Division, at June 30, 2020, Torrance County reported a liability of \$5,568,947 its proportionate share of the net pension liability. At June 30, 2020, the County's proportion was 0.3217% percent, which decreased 0.0139% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2020, Torrance County recognized PERA Fund Municipal General Division pension expense of \$1,067,312. At June 30, 2020, Torrance County reported PERA Fund Municipal General Division deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|--|---|
| Differences between expected and actual experience | \$ 166,968 | \$ 60,244 |
| Changes of assumptions | 248,316 | 13,716 |
| Net difference between projected and actual earnings on pension plan investments | 187,658 | - |
| Changes in proportion and differences between the County's contributions and proportionate share of contributions | 111,443 | 138,262 |
| The County's contributions subsequent to the measurement date | 320,863 | - |
| Total | <u>\$ 1,035,248</u> | <u>\$ 212,222</u> |

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 11: Pension Plan – Public Employees Retirement Association (continued)

\$320,863 was reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date June 30, 2018 will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. 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>Year Ended</u> | <u>Amount</u> |
|-------------------|-------------------|
| 2021 | \$ 299,145 |
| 2022 | 127,064 |
| 2023 | 45,079 |
| 2024 | 30,875 |
| 2025 | - |
| Total | <u>\$ 502,163</u> |

For PERA Fund Municipal Police Division, at June 30, 2020, Torrance County reported a liability of \$1,342,900 for its proportionate share of the net pension liability. At June 30, 2020, the County's proportion was 0.1818%, which decreased 0.0016% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2020, Torrance County recognized PERA Fund Municipal Police Division pension expense of \$241,935. At June 30, 2020, Torrance County reported PERA Fund Municipal Police Division deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Differences between expected and actual experience | \$ 56,102 | \$ 57,205 |
| Changes of assumptions | 76,173 | 3,417 |
| Net difference between projected and actual earnings on pension plan investments | 41,935 | - |
| Changes in proportion and differences between the County's contributions and proportionate share of contributions | 6,432 | 9,063 |
| The County's contributions subsequent to the measurement date | 128,587 | - |
| Total | <u>\$ 309,229</u> | <u>\$ 69,685</u> |

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 11: Pension Plan – Public Employees Retirement Association (continued)

\$128,587 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date June 30, 2019 will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. 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>Year Ended</u> | <u>Amount</u> |
|-------------------|-------------------|
| 2021 | \$ 42,818 |
| 2022 | 42,733 |
| 2023 | 18,524 |
| 2024 | 6,882 |
| 2025 | - |
| Total | <u>\$ 110,957</u> |

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, 2018 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, 2018 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, 2018. These actuarial methods and assumptions were adopted by the Board for use in the June 30, 2018 actuarial valuation.

| | |
|-------------------------------|---|
| Actuarial valuation date | June 30, 2018 |
| Actuarial cost method | Entry age normal |
| Amortization method | Level percentage of pay, Open |
| Asset valuation period | Solved for based on statutory rates |
| Asset valuation method | 4 Year Smoothed Market Value |
| Actuarial assumptions: | |
| Investment rate of return | 7.25% annual rate |
| Projected benefit payment | 100 years |
| Payroll growth | 3.00% annual rate |
| Projected salary increases | 3.25% to 13.50% annual rate |
| Includes inflation at | 2.50% annual rate |
| Mortality assumption | The mortality assumptions are based on the RPH-2014 Blue Collar mortality table with female ages set forward one year. Future improvement in mortality rates is assumed using 60% of the MP-2017 projection scale generationally. For non-public safety groups, 25% of in-service deaths are assumed to be duty related and 35% are assumed to be duty-related for public safety groups |
| Experience study dates | July 1, 2008 to June 30, 2017 (demographic) and July 1, 2013 through June 30, 2017 (economic) |

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 11: Pension Plan – Public Employees Retirement Association (continued)

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

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|------------------------------------|--------------------------|---|
| Global Equity | 42.33% | 7.48% |
| Risk Reduction & Mitigation | 21.37% | 2.37% |
| Credit Oriented Fixed Income | 15.00% | 5.47% |
| Real Assets to Include Real Estate | 20.00% | 6.48% |
| Multi-Risk Allocation | <u>1.30%</u> | |
| Total | <u>100.0%</u> | |

Discount rate: Previously, a select and ultimate rate of return assumption had been adopted for funding purposes, but new economic assumptions were adopted for the June 30, 2018 valuations including the change to a 7.25% static rate. The discount rate used to measure the total pension liability is 7.25%. The projection of cash flows used to determine the discount rate assumed that future contributions will be made in accordance with statutory rates. On this basis, the pension plan's fiduciary net position together with the expected future contributions are sufficient to provide all projected future benefit payments of current plan members as determined in accordance with GASB Statement No. 67. Therefore, the 7.25% 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 County'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 County's net pension liability in each PERA Fund Division that the County participates in, under the current single rate assumption, as if it were calculated using a discount rate one percentage lower (6.25%) or one percentage point higher (8.25%) than the single discount rate.

| PERA Fund Division Municipal Government | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|---|--------------------------------|--|--------------------------------|
| The County's proportionate share of the net pension liability | \$ 8,442,696 | \$ 5,568,947 | \$ 3,207,851 |
| PERA Fund Division Municipal Police | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
| The County's proportionate share of the net pension liability | \$ 2,032,234 | \$ 1,342,900 | \$ 780,533 |

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NOTE 11: Pension Plan – Public Employees Retirement Association (continued)

Payables to the pension plan. At June 30, 2020 there was \$11,078 of contributions due and payable to PERA for the County.

NOTE 12: Post-Employment Benefits – Other Than Pensions

Plan Description. Torrance County 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.

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.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 12: Post-Employment Benefits – Other Than Pensions (continued)

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2020, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary.

In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

Torrance County's contributions to the RHCA for the years ended June 30, 2020, 2019, and 2018 were \$81,615, \$73,233, and \$71,904 respectively which equal the required contributions for each year.

General Information

Plan description. Employees of the County are provided with Postemployment Benefits Other Than Pensions (OPEB) through the Retiree Health Care Fund (the Fund)—a cost-sharing multiple-employer defined benefit OPEB plan administered by the New Mexico Retiree Health Care Authority (NMRHCA). NMRHCA was formed February 13, 1990, under the New Mexico Retiree Health Care Act (the Act) of New Mexico Statutes Annotated, as amended (NMSA 1978), to administer the Fund under Section 10-7C-1-19 NMSA 1978. The Fund was created to provide comprehensive group health insurance coverage for individuals (and their spouses, dependents, and surviving spouses) who have retired or will retire from public service in New Mexico.

NMRHCA is an independent agency of the State of New Mexico. The funds administered by NMRHCA are considered part of the State of New Mexico financial reporting entity and are OPEB trust funds of the State of New Mexico. NMRHCA's financial information is included with the financial presentation of the State of New Mexico.

Benefits provided. The Fund is a multiple employer cost sharing defined benefit healthcare plan that provides eligible retirees (including terminated employees who have accumulated benefits but are not yet receiving them), their spouses, dependents and surviving spouses and dependents with health insurance and prescription drug benefits consisting of a plan, or optional plans of benefits, that can be contributions to the Fund and by co-payments or out-of-pocket payments of eligible retirees.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 12: Post-Employment Benefits – Other Than Pensions (continued)

Employees covered by benefit terms – At June 30, 2019, the Fund's measurement date, the following employees were covered by the benefit terms:

| | |
|---|-------------------|
| Plan membership | |
| Current retirees and surviving spouses | \$ 52,179 |
| Inactive and eligible for deferred benefits | 10,916 |
| Current Active Members | 91,082 |
| | <u>\$ 154,177</u> |
| Active membership | |
| State general | \$ 17,097 |
| State police and corrections | 1,830 |
| Municipal General | 17,538 |
| Municipal Police | 3,159 |
| Municipal FTRE | 1,966 |
| Educational Retirement Board | 49,492 |
| | <u>\$ 91,082</u> |

Contributions – Employer and employee contributions to the Fund total 3% for non-enhanced retirement plans and 3.75% of enhanced retirement plans of each participating employee's salary as required by Section 10-7C-15 NMSA 1978. The contributions are established by statute and are not based on an actuarial calculation. All employer and employee contributions are non-refundable under any circumstance, including termination of the employer's participation in the Fund. Contributions to the Fund from the County were \$74,787 for the year ended June 30, 2020.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2020, the County reported a liability of \$2,739,494 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The County's proportion of the net OPEB liability was based on actual contributions provided to the Fund for the year ending June 30, 2018. At June 30, 2018, the County's proportion was 0.08449 percent.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 12: Post-Employment Benefits – Other Than Pensions (continued)

For the year ended June 30, 2020, the County recognized a change in OPEB of (\$297,095). At June 30, 2020 the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|--|
| Difference between expected and actual experience | \$ - | \$ 689,396 |
| Changes of Assumptions | - | 884,176 |
| Change in proportion | 137,302 | 98,770 |
| Difference between actual and projected earnings on OPEB plan investments | - | 25,471 |
| Contributions made after the measurement date | 87,239 | - |
| Total | <u>\$ 224,541</u> | <u>\$ 1,697,813</u> |

Deferred outflows of resources totaling \$87,239 represent the County's contributions to the Fund made subsequent to the measurement date and will be recognized as a reduction of net OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

| | |
|---------------------|-----------------------|
| Year ended June 30, | |
| 2021 | \$ (429,978) |
| 2022 | (429,978) |
| 2023 | (375,048) |
| 2024 | (220,798) |
| 2025 | (104,709) |
| Total | <u>\$ (1,560,511)</u> |

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 12: Post-Employment Benefits – Other Than Pensions (continued)

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions:

| | |
|-----------------------------|--|
| Valuation Date | June 30, 2019 |
| Actuarial Cost Method | Entry age normal, level percent of pay, calculated on individual employee basis |
| Asset valuation method | Market value of assets |
| Actuarial assumptions: | |
| Inflation | 2.50% for ERB members; 2.50 for PERA Members |
| Projected payroll increases | 3.25% to 13.50%, based on years of service, including inflation |
| Investment rate of return | 7.25%, net of OPEB plan investment expense and margin for adverse deviation including inflation |
| Health care cost trend rate | 8% graded down to 4.5% over 14 year for Non-Medicare medical plan costs and 7.5% graded down to 4.5% over 12 years for Medicare medical plan costs |
| Mortality | ERB members: RP-2000 Combined Healthy Mortality Table with White Collar Adjustment (males) and GRS Southwest Region Teacher Mortality Table (females) PERA member; RP-2014 Combined Healthy Mortality |

Rate of Return. The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which the expected future real rates of return (net of investment fees and inflation) are developed for each major asset class. These returns 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, adding expected inflation, and subtracting expected investment expenses and a risk margin. The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumptions.

The best estimates for the long-term expected rate of return is summarized as follows:

| Asset Class | Target Allocation | Long-term Rate of Return |
|-------------------------------|--------------------------|---------------------------------|
| U.S core fixed income | 20% | 2.1% |
| U.S equity - large cap | 20% | 7.1% |
| Non U.S. - emerging markets | 15% | 10.2% |
| Non U.S - developed equities | 12% | 7.8% |
| Private equity | 10% | 11.8% |
| Credit and structured finance | 10% | 5.3% |
| Real estate | 5% | 4.9% |
| Absolute return | 5% | 4.1% |
| U.S equity - small/ mid cap | 3% | 7.1% |

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 12: Post-Employment Benefits – Other Than Pensions (continued)

Discount Rate. The discount rate used to measure the total OPEB liability is 4.16% as of June 30, 2019. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates proportional to the actuary determined contribution rates. For this purpose, employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members through the fiscal year ending June 30, 2039. The 7.25% discount rate, which includes the assumed inflation rate of 2.50%, was used to calculate the net OPEB liability through 2039. Beyond 2039, the index rate for 20- year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher (3.50%) was applied. Thus 4.16% is the blended discount rate.

Sensitivity of the net OPEB liability to changes in the discount rate and healthcare cost trend rates. The following presents the net OPEB liability, calculated using the discount rate of 4.16%, as well as what the Fund's net OPEB liability would be if it were calculated using a discount rate that is 1-percent lower or 1-percent higher than the current rate:

| 1% Decrease (3.16%) | Current Discount (4.16%) | 1% Increase (5.16%) |
|------------------------|-----------------------------|------------------------|
| \$ 3,351,062 | \$ 2,739,494 | \$ 2,258,745 |

The following presents the net OPEB liability of the County, as well as what the County's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

| 1% Decrease | Current Trend Rates | 1% Increase |
|--------------|------------------------|--------------|
| \$ 2,280,806 | \$ 2,739,494 | \$ 3,106,740 |

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in NMRHCA's audited financial statements for the year ended June 30, 2019.

Payable Changes in the Net OPEB Liability. At June 30, 2020, the County reported a payable of \$2,228 for outstanding contributions due to NMRHCA for the year ended June 30, 2020.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 13: Joint Powers Agreements

| | |
|------------------------------|--|
| Participants: | County of Torrance, City of Moriarty, Town of Estancia, and Mountainair, Village of Willard and Encino |
| | |
| Responsible Party: | Estancia Valley Solid Waste Authority |
| | |
| Description: | Coordinate solid waste resources in the area |
| | |
| Term of Agreement: | Until Cancelled |
| | |
| Amount of Project: | Unknown |
| | |
| County Contributions: | \$0 |
| | |
| Audit Responsibility: | Estancia Valley Solid Waste Authority |

NOTE 14: Contingent Liabilities

The County is party to various claims and lawsuits arising in the normal course of business. The County is insured through the New Mexico County Insurance Authority. In the opinion of management, the outcome of these matters will not have a material effect on the financial position of the County.

NOTE 15: Tax Abatements

The County has evaluated GASB 77 with regard to tax abatements and has determined that the County is a party to the following agreement that abate taxes:

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 15: Tax Abatements (continued)

| | |
|--|--|
| Agency Number | 5030 |
| Agency Name | Torrance County |
| Agency Type | County |
| Tax Abatement Agreement Name | El Cabo Wind, LLC |
| Recipient(s) of tax abatement | El Cabo Wind, LLC (or its successor) |
| Parent company(ies) of recipient(s) of tax abatement | Avangrid Renewables (or its successor) |
| Tax abatement program (name and brief description) | Industrial Revenue Bond - Renewable Energy (Wind Farm) |
| Specific Tax(es) Being Abated | Property Tax |
| Legal authority under which tax abatement agreement was entered into | N.M.S.A. 1978, §4-59-1 et seq. and N.M.S.A. 1978 7-36-3 |
| Criteria that make a recipient eligible to receive a tax abatement | The project is related to the generation, transportation and delivery of electricity that constitutes an industrial development project as defined in the County Industrial Revenue Bond Act NMSA 1978 §§4-59-1 through 4-59 |
| How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value) | Through statutory abatement pursuant to the County Industrial Revenue Bond Act. |
| How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc. | Through statutory abatement pursuant to the County Industrial Revenue Bond Act. |
| Are there provisions for recapturing abated taxes? (Yes or No) | Yes |
| If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture. | Payment in Lieu of Taxes - Annual Payment to County & School Districts |
| List each specific commitment made by the recipient of the abatement. | Torrance County -\$670,500, Vaugh Schools \$268,200 & Estancia Municipal Schools - \$178,800 |
| Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement. | This was set up in 2008 through an IRB and Assessor's office has no record of any values used to determine any reductions |
| For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment | N.M.S.A. 1978, §4-59-1 et seq. and N.M.S.A. 1978 7-36-3 |
| For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year | \$ 670,500 |
| For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year | County receives \$625,800 for years 1-10. Schools receive \$447,000. |
| List each specific commitment made by your agency or any other government, other than the tax abatement. | N/A |
| Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency. | Estancia Public Schools, Vaughn Public Schools, East Torrance SWCD, and Department of Finance and Administration |
| If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission. | N/A |

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 15: Tax Abatements (continued)

| | |
|--|--|
| Agency Number | 5030 |
| Agency Name | Torrance County |
| Agency Type | County |
| Tax Abatement Agreement Name | High Lonesome Mesa, LLC |
| Recipient(s) of tax abatement | High Lonesome Mesa, LLC (or its successor) |
| Parent company(ies) of recipient(s) of tax abatement | High Lonesome Mesa, LLC (or its successor) |
| Tax abatement program (name and brief description) | Industrial Revenue Bond - Renewable Energy (Wind Farm) |
| Specific Tax(es) Being Abated | Property Tax |
| Legal authority under which tax abatement agreement was entered into | N.M.S.A. 1978, §4-59-1 et seq. and N.M.S.A. 1978 7-36-3 |
| Criteria that make a recipient eligible to receive a tax abatement | The project is related to the generation, transportation and delivery of electricity that constitutes an industrial development project as defined in the County Industrial Revenue Bond Act NMSA 1978 §§4-59-1 through 4-59 |
| How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value) | Through statutory abatement pursuant to the County Industrial Revenue Bond Act. |
| How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc. | Through statutory abatement pursuant to the County Industrial Revenue Bond Act. |
| Are there provisions for recapturing abated taxes? (Yes or No) | Yes |
| If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture. | Payment in Lieu of Taxes - Annual Payment to County & School Districts |
| List each specific commitment made by the recipient of the abatement. | Torrance County -\$175,500 & Estancia Municipal Schools - \$149,500 |
| Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement. | This was set up in 2008 through an IRB and Assessor's office has no record of any values used to determine any reductions |
| For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment | N.M.S.A. 1978, §4-59-1 et seq. and N.M.S.A. 1978 7-36-3 |
| For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year | \$ 569,240 |
| For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year | \$ 426,300 |
| List each specific commitment made by your agency or any other government, other than the tax abatement. | N/A |
| Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency. | Estancia Public Schools, Claunch-Pinto SWCD, and Department of Finance and Administration |
| If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission. | N/A |

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 16: Restricted Net Position

The government-wide statement of net position reports restrictions as follows:

| Restricted For: | Amount |
|--------------------------------------|----------------------------|
| Capital Projects | \$ 828,347 |
| Debt Service | 569,959 |
| Other Purposes | 5,970,976 |
| Total Restricted Net Position | <u>\$ 7,369,282</u> |

NOTE 17: Concentrations

The County depends on financial resources flowing from, or associated with, property taxes, gross receipts taxes, the Federal Government, and the State of New Mexico. Because of this dependency, the County is subject to changes in specific flows of intergovernmental revenues based on modifications to Federal and State laws and Federal and State Appropriations; changes in gross receipts tax rates, collections, tourism, and property values.

NOTE 18: Commitments

The County accepts prisoners from the State of New Mexico Department of Corrections and U.S. Marshal Service and subcontracts with the Corrections Corporation of America (CCA) for housing those prisoners. If CCA fails to meet the contract requirements, the County could be liable for awards or damages resulting from legal actions filed by prisoners.

The County did not have construction commitments outstanding as of June 30, 2020.

NOTE 19: New Accounting Standards

The County reviewed subsequent pronouncements to June 30, 2020 issued by GASB noting the following statements that may have a potential material effect on the Office's financial statements in subsequent periods.

GASB 95

GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance* (GASB 95), is to provide temporary relief to governments and other stakeholders in light of the COVID- 19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The effective dates of certain provisions contained in the following pronouncements are postponed by one year:

- Statement No. 84, *Fiduciary Activities*
- Implementation Guide No. 2019-2, *Fiduciary Activities*.

The effective dates of the following pronouncements are postponed by 18 months:

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3, *Leases*

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2020**

NOTE 20: Environmental Gross Receipts Tax-Pledged Revenues

Torrance County and other members of the Torrance County Solid Waste Authority, now known as the Estancia Valley Solid Waste Authority, entered into a loan agreement with the New Mexico Finance Authority in 1999. The loan amount was \$556,119 and the proceeds were used to (a) refund Torrance County Series 1992 Environmental Revenue Bonds and (b) construct solid waste facilities for the Solid Waste Authority.

As part of the above agreement, the County pledged the revenues received from its 1/8 of 1% county environmental services gross receipts tax as security for payment of the loan agreement. The City of Moriarty, Town of Estancia, Town of Mountainair, and the Village of Willard, as members of the Solid Waste Authority, also pledged revenues received from the 1/16 of 1% municipal environmental services gross receipts tax imposed by them. These revenues are all intercepted by the New Mexico Finance Authority.

The above referenced loan is payable solely from the pledged revenues noted above, and the note holder cannot look to any other revenues of the County in payment. The loan is not considered to be a general obligation of the County and it is not included in the financial statements of the County.

NOTE 21: Restatements

Fund balance and Net Position was restated as follows:

- Gross receipts tax revenues: \$88,809
- MVD & Fuel Tax Revenues: \$80,251
- Invoice Paid Twice & Refunded: \$32,084
- Total Restatement to Fund Balance/Net Position: \$201,144

NOTE 22: Subsequent Events

The County has evaluated subsequent events through November 25, 2020, which is the date the financial statements were available to be issued. See *Note 1: Summary of Significant Accounting Policies* for the COVID-19 (Coronavirus) Pandemic disclosure. There are no other matters identified for recognition in the accounts.

REQUIRED SUPPLEMENTARY INFORMATION

**STATE OF NEW MEXICO
TORRANCE COUNTY
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY OF PERA FUND - MUNICIPAL GENERAL DIVISION
Public Employees Retirement Association (PERA) Plan
Last 10 Fiscal Years***

MUNICIPAL GENERAL FUND

| | 2020 | 2019 | 2018 |
|--|--------------|-------------|-------------|
| County's proportion of the net pension liability | 0.3217% | 0.3356% | 0.3186% |
| County's proportionate share of the net pension liability | \$ 5,568,947 | \$5,350,706 | \$4,377,833 |
| County's covered-employee payroll | \$ 3,274,107 | \$2,925,428 | \$2,846,756 |
| County's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 170.09% | 182.90% | 153.78% |
| Plan fiduciary net position as a percentage of the total pension liability | 70.52% | 71.13% | 73.74% |
| | 2017 | 2016 | 2015 |
| County's proportion of the net pension liability | 0.3173% | 0.3025% | 0.3019% |
| County's proportionate share of the net pension liability | \$ 5,069,386 | \$3,084,250 | \$2,355,144 |
| County's covered-employee payroll | \$ 2,824,653 | \$2,489,956 | \$2,348,461 |
| County's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 179.47% | 123.87% | 100.28% |
| Plan fiduciary net position as a percentage of the total pension liability | 69.18% | 76.99% | 81.29% |

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

**STATE OF NEW MEXICO
TORRANCE COUNTY
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY OF PERA FUND - MUNICIPAL POLICE DIVISION
Public Employees Retirement Association (PERA) Plan
Last 10 Fiscal Years***

MUNICIPAL POLICE FUND

| | 2020 | 2019 | 2018 |
|--|--------------|--------------|--------------|
| County's proportion of the net pension liability | 0.1818% | 0.1834% | 0.1841% |
| County's proportionate share of the net pension liability | \$ 1,342,900 | \$ 1,251,346 | \$ 1,022,796 |
| County's covered-employee payroll | \$ 821,644 | \$ 671,582 | \$ 653,521 |
| County's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 163.44% | 186.33% | 156.51% |
| Plan fiduciary net position as a percentage of the total pension liability | 70.52% | 71.13% | 73.74% |
| | | | |
| | 2017 | 2016 | 2015 |
| County's proportion of the net pension liability | 0.1797% | 0.1683% | 0.1533% |
| County's proportionate share of the net pension liability | \$ 1,325,880 | \$ 809,291 | \$ 499,741 |
| County's covered-employee payroll | \$ 675,169 | \$ 600,201 | \$ 525,038 |
| County's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 196.38% | 134.84% | 95.18% |
| Plan fiduciary net position as a percentage of the total pension liability | 69.18% | 76.99% | 81.29% |

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

**STATE OF NEW MEXICO
TORRANCE COUNTY
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS TO PERA PLAN - MUNICIPAL
GENERAL DIVISION
Public Employees Retirement Association (PERA) Plan
Last 10 Fiscal Years***

MUNICIPAL GENERAL FUND

| | 2020 | 2019 | 2018 |
|--|----------------|----------------|----------------|
| Contractually required contribution | \$ 320,862 | \$ 274,866 | \$ 279,378 |
| Contributions in relation to the contractually required contribution | <u>320,863</u> | <u>274,866</u> | <u>279,378</u> |
| Contribution deficiency (excess) | <u>\$ (1)</u> | <u>\$ -</u> | <u>\$ -</u> |
| County's covered-employee payroll | \$ 3,274,107 | \$ 2,925,428 | \$ 2,846,756 |
| Contributions as a percentage of covered-employee payroll | 9.80% | 9.40% | 9.81% |
| | 2017 | 2016 | 2015 |
| Contractually required contribution | \$ 271,865 | \$ 269,754 | \$ 237,915 |
| Contributions in relation to the contractually required contribution | <u>271,865</u> | <u>269,754</u> | <u>237,915</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| County's covered-employee payroll | \$ 2,824,653 | \$ 2,489,956 | \$ 2,348,461 |
| Contributions as a percentage of covered-employee payroll | 9.62% | 10.83% | 10.13% |

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

**STATE OF NEW MEXICO
TORRANCE COUNTY
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS TO PERA FUND - MUNICIPAL
POLICE DIVISION
Public Employees Retirement Association (PERA) Plan
Last 10 Fiscal Years***

MUNICIPAL POLICE FUND

| | 2020 | 2019 | 2018 |
|--|-------------------|---------------|---------------|
| Contractually required contribution | \$ 128,587 | \$ 68,717 | \$ 69,845 |
| Contributions in relation to the contractually required contribution | <u>-</u> | <u>68,717</u> | <u>69,845</u> |
| Contribution deficiency (excess) | <u>\$ 128,587</u> | <u>\$ -</u> | <u>\$ -</u> |
| County's covered-employee payroll | \$ 821,644 | \$ 671,582 | \$ 653,521 |
| Contributions as a percentage of covered-employee payroll | 0.00% | 10.23% | 10.69% |
| | 2017 | 2016 | 2015 |
| Contractually required contribution | \$ 67,966 | \$ 70,218 | \$ 62,391 |
| Contributions in relation to the contractually required contribution | <u>67,966</u> | <u>70,218</u> | <u>62,391</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| County's covered-employee payroll | \$ 675,169 | \$ 600,201 | \$ 525,038 |
| Contributions as a percentage of covered-employee payroll | 10.07% | -11.70% | -11.88% |

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

**STATE OF NEW MEXICO
TORRANCE COUNTY
SCHEDULE OF COUNTY'S PROPORTIONATE SHARE OF NET OPEB LIABILITY
NEW MEXICO RETIREE HEALTH CARE AUTHORITY (NMRHCA) PLAN
Last 10 Fiscal Years***

| | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|--|--------------|--------------|--------------|
| County's proportion of the net OPEB liability | 0.08449% | 0.08144% | 0.08417% |
| County's proportionate share of the net OPEB liability | \$ 2,739,494 | \$ 3,541,300 | \$ 3,814,309 |
| County covered employee payroll | \$ 3,525,707 | \$ 3,494,278 | \$ 3,506,225 |
| County's proportionate share of the net OPEB liability as a percentage of its covered employee payroll | 77.70% | 101.35% | 108.79% |
| Plan fiduciary net position as a percentage of the total OPEB liability | 18.92% | 13.14% | 11.34% |

*This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, the County will present information for available years.

**STATE OF NEW MEXICO
TORRANCE COUNTY
SCHEDULE OF COUNTY'S OPEB CONTRIBUTIONS
NEW MEXICO RETIREE HEALTH CARE AUTHORITY (NMRHCA) PLAN
Last 10 Fiscal Years***

| | 2020 | 2019 | 2018 |
|---|---------------|-----------------|-------------------|
| Contractually required contribution | \$ 74,787 | \$ 127,264 | \$ 267,279 |
| Less: Contributions in relation to the contractually required contributions | <u>74,787</u> | <u>125,710</u> | <u>134,144</u> |
| Contribution Deficiency (Excess) | <u>\$ -</u> | <u>\$ 1,554</u> | <u>\$ 133,135</u> |
| County's covered employee payroll | \$ 3,525,707 | \$ 3,494,278 | \$ 3,506,225 |
| Contributions as a percentage of covered employee payroll | 2.12% | 3.60% | 3.83% |

*This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, the County will present information for available years.

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2020**

Changes of benefit terms:

The Public Employees Retirement Association's (PERA) COLA and retirement benefits changes in recent years are described in *Note 1* of PERA's CAFR at:

<http://s3.amazonaws.com/boardaudio/cafr/NM%20PERA%20CAFR%202019%20Final.pdf>

The Retiree Health Care Authority (RHCA) COLA and age eligibility benefits changes in recent years are described in the Notes to the RHCA fiscal year 2019 audit available at <http://saonm.org/> using the Audit Search function for agency 343.

Assumptions:

The Public Employees Retirement Association (PERA) of New Mexico's Annual Actuarial Valuations as of June 2019 report is available at <http://www.nmpera.org/>.

The Retiree Health Care Authority (RHCA) of New Mexico Biennial Actuarial Valuation as of June 30, 2019 report is available at <http://saonm.org/> using the Audit Search function for agency 343.

SUPPLEMENTAL INFORMATION

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINED BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF JUNE 30, 2020**

| | Nonmajor Funds | | | Total Nonmajor Funds |
|--|----------------------------|-----------------------------|-------------------------|-------------------------------------|
| | Special Revenue | Capital Projects | Debt Service | |
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 3,803,825 | \$ 415,405 | \$ 371,140 | \$ 4,590,370 |
| Restricted Cash | - | - | 178,069 | 178,069 |
| Investments | - | - | - | - |
| Receivables: | | | | |
| Property Taxes | - | - | 98,248 | 98,248 |
| Other Taxes | 901,920 | 299,497 | 14,037 | 1,215,454 |
| Other Receivables, Net | 30,973 | 170,391 | - | 201,364 |
| Prepaid Expenses | 16,686 | - | - | 16,686 |
| TOTAL ASSETS | <u>\$ 4,753,404</u> | <u>\$ 885,293</u> | <u>\$ 661,494</u> | <u>\$ 6,300,191</u> |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | |
| LIABILITIES | | | | |
| Accounts Payable | \$ 303,197 | \$ 56,946 | \$ - | \$ 360,143 |
| Accrued Salaries and Benefits | 62,429 | - | - | 62,429 |
| TOTAL LIABILITIES | <u>365,626</u> | <u>56,946</u> | <u>-</u> | <u>422,572</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable Revenue: | | | | |
| Property Taxes | - | - | 91,535 | 91,535 |
| TOTAL DEFERRED INFLOWS | <u>-</u> | <u>-</u> | <u>91,535</u> | <u>91,535</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>365,626</u> | <u>56,946</u> | <u>91,535</u> | <u>514,107</u> |
| FUND BALANCES | | | | |
| Nonspendable: | | | | |
| Prepaid Expenses | 16,686 | - | - | 16,686 |
| Restricted For: | | | | |
| Special Revenue Funds | 4,206,384 | - | - | 4,206,384 |
| Debt Service Funds | - | - | 569,959 | 569,959 |
| Capital Projects Funds | - | 828,347 | - | 828,347 |
| Minimum Fund Balance | 170,431 | - | - | 170,431 |
| Unassigned | (5,723) | - | - | (5,723) |
| TOTAL FUND BALANCES | <u>4,387,778</u> | <u>828,347</u> | <u>569,959</u> | <u>5,786,084</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES | <u>\$ 4,753,404</u> | <u>\$ 885,293</u> | <u>\$ 661,494</u> | <u>\$ 6,300,191</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

| | Nonmajor Funds | | | Total Nonmajor Funds |
|--|---------------------|---------------------|-------------------|----------------------------|
| | Special Revenue | Capital Projects | Debt Service | |
| REVENUES | | | | |
| Taxes: | | | | |
| Property Taxes | \$ - | \$ - | \$ 399,661 | \$ 399,661 |
| Gross Receipts Taxes | 2,435,078 | 885,119 | 84,227 | 3,404,424 |
| Gasoline and Motor Vehicle Taxes | 596,939 | - | - | 596,939 |
| Other Taxes | 98,250 | - | - | 98,250 |
| Federal Operating Grants | 24,684 | - | - | 24,684 |
| State Operating Grants | 2,951,761 | - | 1 | 2,951,762 |
| State Capital Grants | 633,031 | 196,009 | - | 829,040 |
| Payments in Lieu of Taxes | - | - | - | - |
| Charges for Services | 232,081 | - | - | 232,081 |
| Investment Income | 100,098 | - | 92,611 | 192,709 |
| Miscellaneous Income | 407,055 | 3,078 | - | 410,133 |
| TOTAL REVENUES | <u>7,478,977</u> | <u>1,084,206</u> | <u>576,500</u> | <u>9,139,683</u> |
| EXPENDITURES | | | | |
| Current | | | | |
| General Government | 671,304 | - | - | 671,304 |
| Public Safety | 3,119,773 | - | - | 3,119,773 |
| Public Works | 1,979,487 | 892,383 | - | 2,871,870 |
| Culture and Recreation | 237,221 | - | - | 237,221 |
| Health and Welfare | 353,625 | - | - | 353,625 |
| Capital Outlay | 1,507,615 | 309,861 | - | 1,817,476 |
| Debt Service: | | | | |
| Principal | - | 34,595 | 526,906 | 561,501 |
| Interest | - | 6,269 | 71,366 | 77,635 |
| TOTAL EXPENDITURES | <u>7,869,025</u> | <u>1,243,108</u> | <u>598,272</u> | <u>9,710,405</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>(390,048)</u> | <u>(158,902)</u> | <u>(21,772)</u> | <u>(570,722)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 2,028,053 | 240,000 | 23,474 | 2,291,527 |
| Transfers Out | (1,422,290) | - | (52,455) | (1,474,745) |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>605,763</u> | <u>240,000</u> | <u>(28,981)</u> | <u>816,782</u> |
| NET CHANGE IN FUND BALANCES | 215,715 | 81,098 | (50,753) | 246,060 |
| FUND BALANCE, BEGINNING RESTATEMENT | 4,036,608 | 747,249 | 606,675 | 5,390,532 |
| | 135,455 | - | 14,037 | 149,492 |
| BEGINNING FUND BALANCE AS RESTATED | <u>4,172,063</u> | <u>747,249</u> | <u>620,712</u> | <u>5,540,024</u> |
| FUND BALANCE, ENDING | <u>\$ 4,387,778</u> | <u>\$ 828,347</u> | <u>\$ 569,959</u> | <u>\$ 5,786,084</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
SPECIAL REVENUE FUNDS – DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2020**

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

Farm and Range Fund (403) - To account for the operations of farm and range activities, including soil and water conservation, predatory animal, and insect control. Financing is provided from distributions made under the Taylor Grazing Act Authority is Section 6-11-6, NMSA 1978.

CR A085 Developer Fee Fund (404) - To account for fees received for improvements, as may be necessary to County Road - A085. Financing is provided by a developer as a condition of approving a special use permit from the County and as defined in a Road Maintenance Agreement. Authority is the County Commission.

Fire District Funds (405, 406, 407, 408, 409, 418) - To account for the operations of County's fire districts, which are defined by the area served. The individual fire districts are Northeast Torrance, Torrance County District II, Duran, McIntosh, and Torreon-Tajique. Financing is provided from the County's share of the fire allotment issued by the State Fire Marshal under 59A-53 -5, NMSA 1978, and also by gross receipts taxes approved by the voters of the County.

Fire Pool 1/4% Tax Fund (411) - To account for expenditures incurred in providing services and equipment purchases for the fire districts. Financing is provided by the County's share of gross receipts tax and may be used only for that purpose. Authority granted by Section 7-20E-15 and 7-20E-16, NMSA 1978.

County Fair Board Fund (412) - To account for the proceeds and expenditures of all revenue associated with the Torrance County Fair. Authority is the County Commission.

Fire Department Administration Fund (413) - This fund is used to provide resources to administer the volunteer fire districts. Funds are provided by an allotment from the State Fire Marshal and gross receipts taxes. Authorized by 59A-53-5, NMSA 1978.

Indigent Fund (414) - To account for expenditures incurred in providing services for the care of indigents. Financing is provided by the County's share of gross receipts tax and may be used only for that purpose. Authority is 27-5-7, NMSA 1978.

Emergency Medical Services (EMS) Fund (415) - To account for a grant from the State of New Mexico to be used for the provision of emergency medical services to County residents. Sources of funds are the State of New Mexico Health Department Emergency Medical Services Bureau. Authority is Section 24-10A-3 through 10, NMSA 1978.

Law Enforcement Protection Fund (LEPF) (410) - To account for a grant from the State of New Mexico Corrections Department through the Law Enforcement Protection Act. The funding is to be used for law enforcement improvements. Authority is 29-13-1, NMSA 1978.

Estancia Valley Solid Waste Authority (EVSWA) Contract Fund (419) - To account for the transactions of Torrance County's management contract with the Estancia Valley Solid Waste Authority. Authority is the County Commission.

Environmental Gross Receipts Tax Fund (423) - To account for funds received for environmental gross receipts taxes that are then provided to the Torrance County Solid Waste Authority to help repay a loan arranged with the New Mexico Finance Authority. Authority is the County Commission.

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
SPECIAL REVENUE FUNDS – DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2020**

GO Bond Proceeds Fund (424) - To account for the proceeds from the GO Bond that is held by the New Mexico Finance Authority. Authority is County Commission.

WIPP Funding Fund (427) - To account for the WIPP funding received from the State Fire Marshal's Office as defined by the contract with the State Fire Marshal's Office. Authority is the State Fire Marshal's Office.

Volunteer Recruitment/Retention Fund (428) - To account for a grant from the National Rifle Association for yearly membership fees for deputies to an indoor shooting range. Authority is the National Rifle Association.
State Animal Care Fund- To account for the allotment funds from the NM State Veterinary Board. Authority is County Commission.

State Animal Care Fund (429) - To be used to account for fundraising money and donations given to the Torrance County Animal Shelter. Authority is the County Commission.

Animal Shelter Fund (430) - To be used to account for fundraising money and donations given to the Torrance County Animal Shelter. Authority is the County Commission.

Safety Program Fund (600) - To be used to account for fees received from the use of a separate dumping area (asbestos and construction). The proceeds are used in the County's safety program. Authority is the County Commission.

Civil Defense Fund (604) - To account for a grant from the State of New Mexico for the operation of the Civil Defense Unit Proceeds are 25% from the State of New Mexico and 75% from reimbursements from the Federal Emergency Management Agency (FEMA). Authority is FEMA.

DWI Program Fund (605) - To account for a grant from the State of New Mexico Department of Finance and Administration for D.W.I. detection and prevention pursuant to Chapter 65, New Mexico Laws of 1993. Authority is Section 6-5-8, NMSA 1978.

DWI School Fund (606) - To account for fees generated by the DWI School Authority is the County Commission.

Treasurer's Fee Fund (609) - To account for certain fees collected by the County Treasurer's Office. Resources are to be used for the upgrade of equipment in the office. Authorized by County Commission Resolution #2005-24.

Reappraisal Fund (610) - To account for the operations of a fund to help with reappraisal of County property to ensure valuation reflects current fair market value. Financing is provided by retainage of 1% of tax collections. Authority is Section 7-38-38.1, NMSA 1978.

Clerk's Equipment Fund (612) - To account for an additional \$7 recording fee collected by the Clerk's Office to pay for equipment/supplies for the Clerk's Office. Authority is the Absentee- Early Voting Act (Section 14-89-12.2, NMSA1978).

RPHCA Grant Fund (616) - To account for a grant from the State of New Mexico Department of Health, to provide health services at the Mountainair Family Health Clinic. Authority is the State of New Mexico Department of Health.

**STATE OF NEW MEXICO
TORRANCE COUNTY
SPECIAL REVENUE FUNDS – DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2020**

Recycling & Illegal Dumping Grant Fund (628) - To account for a grant from the State of New Mexico Environment Department, to clean up illegal tire dumps within Torrance County. Authority is the State of New Mexico Environment Department.

Home Visiting Grant Fund (629) - To account for a grant from the State of New Mexico Children, Youth and Families Department to be used for prenatal home visiting services. Authority is the State of New Mexico Children, Youth and Families Department.

Esperanza Clinic Fund (630) - To account for funds received for rent on the Esperanza Clinic. The lease agreement calls for these proceeds to be in a separate fund to help offset maintenance and repair costs of the clinic. Authority is the County Commission.

Senior Citizens Program Fund (631) - To account for proceeds from the sale of senior program vehicles. Funds to be used for senior citizen program operations. Authority is the County Commission.

Loan Proceeds Fund (632) - To account for the proceeds from the NM Property Tax Division loan obtained by the County Assessor. Authority is County Commission.

NMFA Loan Proceeds Fund (633) - To account for the proceeds from any loans from the New Mexico Finance Authority. Authority is County Commission.

Court Forfeiture Fund (634) - To accounts for funds forfeited to the County by the court system. This money also includes any cash evidence seized by the Sheriff's Department for safekeeping until release by the court. This money can only be used as defined by the court system on a case-by-case basis.

Juvenile Justice Grant Fund (635) - To account for a grant received from the State of New Mexico Children Youth and Families Department to be used for the support and defense of juveniles. The Authority is the State of New Mexico Children Youth and Families Department

Wind PILT Fund (641) - To account for the payment in lieu of taxes payments received from High Lonesome Mesa, LLC according to the lease agreement and Ordinance 2008-01. Authority is the County Commission.

Investment Interest Fund (642) - To account for interest earned from the New Mexico State Treasurer Local Government Investment Pool or any other investments. Authority is County Commission.

Estancia Basin Water Study Fund (650) - To account for funds received from local grants and from sales of water conservation booklets to study water issues and to help inform and educate the County's residents about the Estancia Basin. Authority is the County Commission.

DWI Smart Choice Fund (607) - To account for the funds collected from the DWI Smart Choice Program. Authority is County Commission.

Rural Addressing Fund (675) - To account for the proceeds of a part of the local option gross receipts tax to be used to mark rural addresses for use by emergency personnel. Authority is Section 67- 3-28.2NMSA1978.

Attorney General Grant Fund (681) - To account for the DRAM grant the County received from the New Mexico Attorney General's Office. Authority is County Commission.

**STATE OF NEW MEXICO
TORRANCE COUNTY
SPECIAL REVENUE FUNDS – DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2020**

Planning and Zoning Court Fees Fund (685) - To account for the court fees which are the result of a zoning case. Authority is the County Commission.

Domestic Violence Fund (690) - To account for a grant from the of New Mexico Children Youth and Families Department, to be used for the prevention of domestic violence. Authority is the State of New Mexico Children Youth and Families Department.

Domestic Violence (DV) Victim Restitution (691) - To account for supplemental funding and donations received to assist victims of domestic violence. Authority is the County Commission.

DWI Screening Fund (608) - Referrals come from Magistrate and Municipal courts and also from the Juvenile Probation office. DWI offenders are normally screened after conviction. We screen at the courthouse and at the sheriff's office. The County charges \$100.00 for the screening fee. These fees are dependent on annual DWI convictions which have been decreasing in the County. Costs attributed to screening include court attendance, telephone, internet, copy machine lease, supplies.

Title III Forest Reserve Fund (693) - To account for resources received from the Secure Rural Schools and Community Self Determination Act of 2000 to be used only for search, rescue and emergency services, community service work camps or easement purchases. Authority is P.L106-393.

U.S. Marshall JLEO Fund (802) - To account for funds allocated to reimburse Torrance County for overtime incurred in association with the Joint Law Enforcement Operations task force. Authority is the U.S. Marshalls.

Drug Education Program Fund (804) - To account for fees received from offenders (instead of a fine) to be used to educate people about the dangers of drug use. Authority is 9-17-17NMSA1978.

Traffic Safety Fund (805) - To account for funds received from the U.S. Department of Transportation passed through the State of New Mexico Highway and Transportation Department for the purpose of helping local law enforcement officers reduce highway deaths and injuries resulting from individuals riding unrestrained or improperly restrained in motor vehicles, to increase seatbelt use rates, and to discourage drunk driving. Authority is the U.S. Department of Transportation.

Teen Court Donation Fund (807) - To account for donations made to the Teen Court Program. Authority is the County Commission.

HIDTA Task Force (801) – To account for a grant from the National Office of Drug Control Policy utilized in high intensity drug trafficking areas. Authority for creation is contained in Anti-drug Abuse Act of 1988. Public Law 100-690.

Forest Service Patrol Fund (808) - To account for funds received from the U.S. Forest Service for the provision of police services in and around national forest areas. Authority is the U.S. Forest Service.

Road Fund (402) - To account for funds used to maintain roads that the County is responsible for. Financing is provided by motor vehicle fees. Expenditures are restricted to the construction and maintenance of County roads. Authority is Section 67-4-1 NMSA 1978.

**STATE OF NEW MEXICO
TORRANCE COUNTY
SPECIAL REVENUE FUNDS – DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2020**

NMDHIS EMPG Fund (826) - To account for the Emergency Management Performance Grant funding from NM Department of Homeland Security. Authority is State of New Mexico Department of Homeland Security.

NMDOH Cities Readiness Initiative Fund (826) - To account for the NM Department of Health Cities Readiness Initiative contract funding. Authority is State of New Mexico Department of Health.

Disaster Public Assistance Fund (830) - To account for the FEMA disaster - public assistance funding for a declared flooding disaster that occurred in Torrance County. Authority is FEMA.

COVID-19 Fund (835) - To account for any expenditures directly related to the COVID-19 Pandemic emergency and any reimbursement under the CARES Act. Authority is County Commission.

Dog Head Fire Fund (834) - To account for Federal Emergency Management Agency (FEMA) disaster public assistance funding for the Dog Head Fire. Authority is FEMA

Emergency 911 Fund (911) - To account for local option gross receipts tax proceeds and a training grant from the State of New Mexico Department of Finance and Administration. The training grant funds that are to be used to pay for 911 training. Financing is provided by a grant from New Mexico Department of Finance and Administration pursuant to Section 63-9D-1, NMSA 1978, "Enhanced 911 Act." Authority is the County Commission.

Adult Corrections Fund (420) - To account for resources used to pay for the housing and care of Torrance County Inmates. Funding is provided through charges to local municipalities, the NM Dept. of Corrections, local gross receipts tax option and transfers from the County's general fund. Also includes the Community Monitoring Program. Authority is the County Commission.

NMFA Grant Fund (626) - To account for the NMFA grant the County received for the Southern Economic Development Plan. Authority is County Commission.

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
AS OF JUNE 30, 2020**

| | Farm and Range | CR-AO85 Developer | District 1 Fire | District 2 Fire | District 3 Fire |
|--|---------------------------|------------------------------|----------------------------|----------------------------|----------------------------|
| ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 8,582 | \$ 1,579 | \$ 131,282 | \$ 174,166 | \$ 99,604 |
| Restricted Cash | - | - | - | - | - |
| Investments | - | - | - | - | - |
| Receivables: | | | | | |
| Property Taxes | - | - | - | - | - |
| Other Taxes | - | - | - | - | - |
| Other Receivables, Net | - | - | - | - | - |
| Prepaid Expenses | - | - | 2,236 | 2,236 | 2,236 |
| TOTAL ASSETS | <u>\$ 8,582</u> | <u>\$ 1,579</u> | <u>\$ 133,518</u> | <u>\$ 176,402</u> | <u>\$ 101,840</u> |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | | |
| LIABILITIES | | | | | |
| Accounts Payable | \$ - | \$ - | \$ 1,058 | \$ 1,639 | \$ 1,471 |
| Accrued Salaries and Benefits | - | - | - | - | - |
| TOTAL LIABILITIES | <u>-</u> | <u>-</u> | <u>1,058</u> | <u>1,639</u> | <u>1,471</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable Revenue: | | | | | |
| Property Taxes | - | - | - | - | - |
| TOTAL DEFERRED INFLOWS | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>-</u> | <u>-</u> | <u>1,058</u> | <u>1,639</u> | <u>1,471</u> |
| FUND BALANCES | | | | | |
| Nonspendable: | | | | | |
| Prepaid Expenses | - | - | 2,236 | 2,236 | 2,236 |
| Restricted For: | | | | | |
| Special Revenue Funds | 8,582 | 1,579 | 130,224 | 172,527 | 98,133 |
| Debt Service Funds | - | - | - | - | - |
| Capital Projects Funds | - | - | - | - | - |
| Minimum Fund Balance | - | - | - | - | - |
| Unassigned | - | - | - | - | - |
| TOTAL FUND BALANCES | <u>8,582</u> | <u>1,579</u> | <u>132,460</u> | <u>174,763</u> | <u>100,369</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES | <u>\$ 8,582</u> | <u>\$ 1,579</u> | <u>\$ 133,518</u> | <u>\$ 176,402</u> | <u>\$ 101,840</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS -
CONTINUED
AS OF JUNE 30, 2020**

| | District 4 Fire | District 5 Fire | District 6 Fire | Fire Pool 1/4% Tax | County Fair Board |
|--|----------------------------|----------------------------|----------------------------|-------------------------------|------------------------------|
| ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 35,853 | \$ 59,538 | \$ 140,168 | \$ 109,057 | \$ 38,619 |
| Restricted Cash | - | - | - | - | - |
| Investments | - | - | - | - | - |
| Receivables: | | | | | |
| Property Taxes | - | - | - | - | - |
| Other Taxes | - | - | - | 146,010 | - |
| Other Receivables, Net | - | - | - | - | - |
| Prepaid Expenses | 2,236 | 2,236 | 2,236 | - | - |
| TOTAL ASSETS | <u>\$ 38,089</u> | <u>\$ 61,774</u> | <u>\$ 142,404</u> | <u>\$ 255,067</u> | <u>\$ 38,619</u> |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | | |
| LIABILITIES | | | | | |
| Accounts Payable | \$ 1,115 | \$ 2,421 | \$ 986 | \$ 64 | \$ 450 |
| Accrued Salaries and Benefits | - | - | - | - | - |
| TOTAL LIABILITIES | <u>1,115</u> | <u>2,421</u> | <u>986</u> | <u>64</u> | <u>450</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable Revenue: | | | | | |
| Property Taxes | - | - | - | - | - |
| TOTAL DEFERRED INFLOWS | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>1,115</u> | <u>2,421</u> | <u>986</u> | <u>64</u> | <u>450</u> |
| FUND BALANCES | | | | | |
| Nonspendable: | | | | | |
| Prepaid Expenses | 2,236 | 2,236 | 2,236 | - | - |
| Restricted For: | | | | | |
| Special Revenue Funds | 34,738 | 57,117 | 139,182 | 255,003 | 38,169 |
| Debt Service Funds | - | - | - | - | - |
| Capital Projects Funds | - | - | - | - | - |
| Minimum Fund Balance | - | - | - | - | - |
| Unassigned | - | - | - | - | - |
| TOTAL FUND BALANCES | <u>36,974</u> | <u>59,353</u> | <u>141,418</u> | <u>255,003</u> | <u>38,169</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES | <u>\$ 38,089</u> | <u>\$ 61,774</u> | <u>\$ 142,404</u> | <u>\$ 255,067</u> | <u>\$ 38,619</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS -
CONTINUED
AS OF JUNE 30, 2020**

| | <u>Fire Dept. Admin.</u> | <u>Indigent Fund</u> | <u>EMS</u> | <u>Law Enforcement</u> | <u>EVSWA Contract</u> |
|--|------------------------------|--------------------------|-------------------|----------------------------|---------------------------|
| ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 30,723 | \$ 454,457 | \$ 129,155 | \$ - | \$ 12,644 |
| Restricted Cash | - | - | - | - | - |
| Investments | - | - | - | - | - |
| Receivables: | | | | | |
| Property Taxes | - | - | - | - | - |
| Other Taxes | - | 158,871 | 11,263 | - | - |
| Other Receivables, Net | - | - | - | - | - |
| Prepaid Expenses | 552 | - | - | - | - |
| TOTAL ASSETS | <u>\$ 31,275</u> | <u>\$ 613,328</u> | <u>\$ 140,418</u> | <u>\$ -</u> | <u>\$ 12,644</u> |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | | |
| LIABILITIES | | | | | |
| Accounts Payable | \$ 3,547 | \$ 91,327 | \$ - | \$ - | \$ 18,168 |
| Accrued Salaries and Benefits | - | - | 4,709 | - | - |
| TOTAL LIABILITIES | <u>3,547</u> | <u>91,327</u> | <u>4,709</u> | <u>-</u> | <u>18,168</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable Revenue: | | | | | |
| Property Taxes | - | - | - | - | - |
| TOTAL DEFERRED INFLOWS | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>3,547</u> | <u>91,327</u> | <u>4,709</u> | <u>-</u> | <u>18,168</u> |
| FUND BALANCES | | | | | |
| Nonspendable: | | | | | |
| Prepaid Expenses | 552 | - | - | - | - |
| Restricted For: | | | | | |
| Special Revenue Funds | 27,176 | 522,001 | 135,709 | - | - |
| Debt Service Funds | - | - | - | - | - |
| Capital Projects Funds | - | - | - | - | - |
| Minimum Fund Balance | - | - | - | - | - |
| Unassigned | - | - | - | - | (5,524) |
| TOTAL FUND BALANCES | <u>27,728</u> | <u>522,001</u> | <u>135,709</u> | <u>-</u> | <u>(5,524)</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES | <u>\$ 31,275</u> | <u>\$ 613,328</u> | <u>\$ 140,418</u> | <u>\$ -</u> | <u>\$ 12,644</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS -
CONTINUED
AS OF JUNE 30, 2020**

| | <u>Env. GRT</u> | <u>GO Bond Proceeds</u> | <u>WIPP Funding</u> | <u>Volunteer Recruitment</u> | <u>State Animal Care</u> |
|--|---------------------|-----------------------------|-------------------------|----------------------------------|------------------------------|
| ASSETS | | | | | |
| Cash and Cash Equivalents | \$ - | \$ - | \$ 400 | \$ 28,782 | \$ 1,098 |
| Restricted Cash | - | - | - | - | - |
| Investments | - | - | - | - | - |
| Receivables: | | | | | |
| Property Taxes | - | - | - | - | - |
| Other Taxes | 76,107 | - | - | - | - |
| Other Receivables, Net | - | - | - | - | - |
| Prepaid Expenses | - | - | - | - | - |
| TOTAL ASSETS | <u>\$ 76,107</u> | <u>\$ -</u> | <u>\$ 400</u> | <u>\$ 28,782</u> | <u>\$ 1,098</u> |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | | |
| LIABILITIES | | | | | |
| Accounts Payable | \$ 76,107 | \$ - | \$ - | \$ - | \$ - |
| Accrued Salaries and Benefits | - | - | - | - | - |
| TOTAL LIABILITIES | <u>76,107</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable Revenue: | | | | | |
| Property Taxes | - | - | - | - | - |
| TOTAL DEFERRED INFLOWS | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>76,107</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | | |
| Nonspendable: | | | | | |
| Prepaid Expenses | - | - | - | - | - |
| Restricted For: | | | | | |
| Special Revenue Funds | - | - | 400 | 28,782 | 1,098 |
| Debt Service Funds | - | - | - | - | - |
| Capital Projects Funds | - | - | - | - | - |
| Minimum Fund Balance | - | - | - | - | - |
| Unassigned | - | - | - | - | - |
| TOTAL FUND BALANCES | <u>-</u> | <u>-</u> | <u>400</u> | <u>28,782</u> | <u>1,098</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES | <u>\$ 76,107</u> | <u>\$ -</u> | <u>\$ 400</u> | <u>\$ 28,782</u> | <u>\$ 1,098</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS -
CONTINUED
AS OF JUNE 30, 2020**

| | <u>Animal Shelter</u> | <u>Safety Program</u> | <u>Civil Defense</u> | <u>DWI Program</u> | <u>DWI School</u> |
|--|---------------------------|---------------------------|--------------------------|------------------------|-----------------------|
| ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 3,157 | \$ 24,523 | \$ 3,389 | \$ 48,274 | \$ 866 |
| Restricted Cash | - | - | - | - | - |
| Investments | - | - | - | - | - |
| Receivables: | | | | | |
| Property Taxes | - | - | - | - | - |
| Other Taxes | - | - | 15,768 | - | - |
| Other Receivables, Net | - | - | - | - | - |
| Prepaid Expenses | - | - | - | - | - |
| TOTAL ASSETS | <u>\$ 3,157</u> | <u>\$ 24,523</u> | <u>\$ 19,157</u> | <u>\$ 48,274</u> | <u>\$ 866</u> |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | | |
| LIABILITIES | | | | | |
| Accounts Payable | \$ - | \$ - | \$ 427 | \$ 348 | \$ - |
| Accrued Salaries and Benefits | - | - | - | - | - |
| TOTAL LIABILITIES | <u>-</u> | <u>-</u> | <u>427</u> | <u>348</u> | <u>-</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable Revenue: | | | | | |
| Property Taxes | - | - | - | - | - |
| TOTAL DEFERRED INFLOWS | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>-</u> | <u>-</u> | <u>427</u> | <u>348</u> | <u>-</u> |
| FUND BALANCES | | | | | |
| Nonspendable: | | | | | |
| Prepaid Expenses | - | - | - | - | - |
| Restricted For: | | | | | |
| Special Revenue Funds | 3,157 | 24,523 | 18,730 | 47,926 | 866 |
| Debt Service Funds | - | - | - | - | - |
| Capital Projects Funds | - | - | - | - | - |
| Minimum Fund Balance | - | - | - | - | - |
| Unassigned | - | - | - | - | - |
| TOTAL FUND BALANCES | <u>3,157</u> | <u>24,523</u> | <u>18,730</u> | <u>47,926</u> | <u>866</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES | <u>\$ 3,157</u> | <u>\$ 24,523</u> | <u>\$ 19,157</u> | <u>\$ 48,274</u> | <u>\$ 866</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS -
CONTINUED
AS OF JUNE 30, 2020**

| | <u>Treasurer's Fee</u> | <u>Reappraisal Fund</u> | <u>Clerk's Equipment</u> | <u>RPHCA Grant</u> | <u>Recycling Illegal Dump</u> |
|--|----------------------------|-----------------------------|------------------------------|------------------------|-----------------------------------|
| ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 1,510 | \$ 60,181 | \$ 26,887 | \$ 26,523 | \$ 14,979 |
| Restricted Cash | - | - | - | - | - |
| Investments | - | - | - | - | - |
| Receivables: | | | | | |
| Property Taxes | - | - | - | - | - |
| Other Taxes | - | - | - | - | - |
| Other Receivables, Net | - | - | - | 7,502 | - |
| Prepaid Expenses | - | - | - | - | - |
| TOTAL ASSETS | <u>\$ 1,510</u> | <u>\$ 60,181</u> | <u>\$ 26,887</u> | <u>\$ 34,025</u> | <u>\$ 14,979</u> |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | | |
| LIABILITIES | | | | | |
| Accounts Payable | \$ - | \$ 687 | \$ 636 | \$ - | \$ - |
| Accrued Salaries and Benefits | - | 2,123 | - | - | - |
| TOTAL LIABILITIES | <u>-</u> | <u>2,810</u> | <u>636</u> | <u>-</u> | <u>-</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable Revenue: | | | | | |
| Property Taxes | - | - | - | - | - |
| TOTAL DEFERRED INFLOWS | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>-</u> | <u>2,810</u> | <u>636</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | | |
| Nonspendable: | | | | | |
| Prepaid Expenses | - | - | - | - | - |
| Restricted For: | | | | | |
| Special Revenue Funds | 1,510 | 57,371 | 26,251 | 34,025 | 14,979 |
| Debt Service Funds | - | - | - | - | - |
| Capital Projects Funds | - | - | - | - | - |
| Minimum Fund Balance | - | - | - | - | - |
| Unassigned | - | - | - | - | - |
| TOTAL FUND BALANCES | <u>1,510</u> | <u>57,371</u> | <u>26,251</u> | <u>34,025</u> | <u>14,979</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES | <u>\$ 1,510</u> | <u>\$ 60,181</u> | <u>\$ 26,887</u> | <u>\$ 34,025</u> | <u>\$ 14,979</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS -
CONTINUED
AS OF JUNE 30, 2020**

| | <u>Home Visiting</u> | <u>Esperanza Clinic</u> | <u>Senior Citizens</u> | <u>Loan Proceeds</u> | <u>NMFA Loan Proceeds</u> |
|--|--------------------------|-----------------------------|----------------------------|--------------------------|-------------------------------|
| ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 3,019 | \$ 11,615 | \$ 6,451 | \$ - | \$ 1,373 |
| Restricted Cash | - | - | - | - | - |
| Investments | - | - | - | - | - |
| Receivables: | | | | | |
| Property Taxes | - | - | - | - | - |
| Other Taxes | - | - | - | - | - |
| Other Receivables, Net | - | - | - | - | - |
| Prepaid Expenses | - | - | - | - | - |
| TOTAL ASSETS | <u>\$ 3,019</u> | <u>\$ 11,615</u> | <u>\$ 6,451</u> | <u>\$ -</u> | <u>\$ 1,373</u> |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | | |
| LIABILITIES | | | | | |
| Accounts Payable | \$ - | \$ - | \$ 833 | \$ - | \$ - |
| Accrued Salaries and Benefits | - | - | - | - | - |
| TOTAL LIABILITIES | <u>-</u> | <u>-</u> | <u>833</u> | <u>-</u> | <u>-</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable Revenue: | | | | | |
| Property Taxes | - | - | - | - | - |
| TOTAL DEFERRED INFLOWS | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>-</u> | <u>-</u> | <u>833</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | | |
| Nonspendable: | | | | | |
| Prepaid Expenses | - | - | - | - | - |
| Restricted For: | | | | | |
| Special Revenue Funds | 3,019 | 11,615 | 5,618 | - | 1,373 |
| Debt Service Funds | - | - | - | - | - |
| Capital Projects Funds | - | - | - | - | - |
| Minimum Fund Balance | - | - | - | - | - |
| Unassigned | - | - | - | - | - |
| TOTAL FUND BALANCES | <u>3,019</u> | <u>11,615</u> | <u>5,618</u> | <u>-</u> | <u>1,373</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES | <u>\$ 3,019</u> | <u>\$ 11,615</u> | <u>\$ 6,451</u> | <u>\$ -</u> | <u>\$ 1,373</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS -
CONTINUED
AS OF JUNE 30, 2020**

| | <u>Court Forfeiture</u> | <u>Juvenile Justice</u> | <u>Wind PILT</u> | <u>Invest. Interest</u> | <u>Estancia Water Basin Study</u> | <u>DWI Smart Choice</u> |
|--|-----------------------------|-----------------------------|----------------------|-----------------------------|---------------------------------------|-----------------------------|
| ASSETS | | | | | | |
| Cash and Cash Equivalents | \$ 13,739 | \$ 58,143 | \$ 194,088 | \$ 290,633 | \$ 16,228 | \$ 11,774 |
| Restricted Cash | - | - | - | - | - | - |
| Investments | - | - | - | - | - | - |
| Receivables: | | | | | | |
| Property Taxes | - | - | - | - | - | - |
| Other Taxes | - | - | - | - | - | - |
| Other Receivables, Net | - | 3,438 | - | - | - | - |
| Prepaid Expenses | - | - | - | - | - | - |
| TOTAL ASSETS | <u>\$ 13,739</u> | <u>\$ 61,581</u> | <u>\$ 194,088</u> | <u>\$ 290,633</u> | <u>\$ 16,228</u> | <u>\$ 11,774</u> |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | | | |
| LIABILITIES | | | | | | |
| Accounts Payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Accrued Salaries and Benefits | - | - | - | - | - | - |
| TOTAL LIABILITIES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable Revenue: | | | | | | |
| Property Taxes | - | - | - | - | - | - |
| TOTAL DEFERRED INFLOWS | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | | | |
| Nonspendable: | | | | | | |
| Prepaid Expenses | - | - | - | - | - | - |
| Restricted For: | | | | | | |
| Special Revenue Funds | 13,739 | 61,581 | 194,088 | 290,633 | 16,228 | 11,774 |
| Debt Service Funds | - | - | - | - | - | - |
| Capital Projects Funds | - | - | - | - | - | - |
| Minimum Fund Balance | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - |
| TOTAL FUND BALANCES | <u>13,739</u> | <u>61,581</u> | <u>194,088</u> | <u>290,633</u> | <u>16,228</u> | <u>11,774</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES | <u>\$ 13,739</u> | <u>\$ 61,581</u> | <u>\$ 194,088</u> | <u>\$ 290,633</u> | <u>\$ 16,228</u> | <u>\$ 11,774</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS -
CONTINUED
AS OF JUNE 30, 2020**

| | <u>Rural Addressing</u> | <u>Attorney General Grant</u> | <u>Planning & Zoning</u> | <u>Domestic Violence</u> | <u>DV Victim Restitution</u> | <u>DWI Screening</u> |
|--|-----------------------------|-----------------------------------|----------------------------------|------------------------------|----------------------------------|--------------------------|
| ASSETS | | | | | | |
| Cash and Cash Equivalents | \$ 63,753 | \$ - | \$ 25,714 | \$ 38,937 | \$ 28,789 | \$ 1,995 |
| Restricted Cash | - | - | - | - | - | - |
| Investments | - | - | - | - | - | - |
| Receivables: | | | | | | |
| Property Taxes | - | - | - | - | - | - |
| Other Taxes | 11,263 | - | - | - | - | - |
| Other Receivables, Net | - | - | - | 17,593 | - | - |
| Prepaid Expenses | - | - | - | - | - | - |
| TOTAL ASSETS | <u>\$ 75,016</u> | <u>\$ -</u> | <u>\$ 25,714</u> | <u>\$ 56,530</u> | <u>\$ 28,789</u> | <u>\$ 1,995</u> |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | | | |
| LIABILITIES | | | | | | |
| Accounts Payable | \$ 4,844 | \$ - | \$ - | \$ 472 | \$ - | \$ - |
| Accrued Salaries and Benefits | 1,920 | - | - | 85 | - | - |
| TOTAL LIABILITIES | <u>6,764</u> | <u>-</u> | <u>-</u> | <u>557</u> | <u>-</u> | <u>-</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable Revenue: | | | | | | |
| Property Taxes | - | - | - | - | - | - |
| TOTAL DEFERRED INFLOWS | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>6,764</u> | <u>-</u> | <u>-</u> | <u>557</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | | | |
| Nonspendable: | | | | | | |
| Prepaid Expenses | - | - | - | - | - | - |
| Restricted For: | | | | | | |
| Special Revenue Funds | 68,252 | - | 25,714 | 55,973 | 28,789 | 1,995 |
| Debt Service Funds | - | - | - | - | - | - |
| Capital Projects Funds | - | - | - | - | - | - |
| Minimum Fund Balance | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - |
| TOTAL FUND BALANCES | <u>68,252</u> | <u>-</u> | <u>25,714</u> | <u>55,973</u> | <u>28,789</u> | <u>1,995</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES | <u>\$ 75,016</u> | <u>\$ -</u> | <u>\$ 25,714</u> | <u>\$ 56,530</u> | <u>\$ 28,789</u> | <u>\$ 1,995</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS -
CONTINUED
AS OF JUNE 30, 2020**

| | Title III Forest Reserve | U.S. Marshall JLEO | Drug Education | Traffic Safety | Teen Court Donation | HIDTA Task Force |
|--|-------------------------------------|-------------------------------|---------------------------|---------------------------|--------------------------------|-----------------------------|
| ASSETS | | | | | | |
| Cash and Cash Equivalents | \$ 171,939 | \$ 15,272 | \$ 4,031 | \$ 6,068 | \$ 1,791 | \$ 773 |
| Restricted Cash | - | - | - | - | - | - |
| Investments | - | - | - | - | - | - |
| Receivables: | | | | | | |
| Property Taxes | - | - | - | - | - | - |
| Other Taxes | - | - | - | - | - | - |
| Other Receivables, Net | - | - | - | - | - | - |
| Prepaid Expenses | - | - | - | - | - | - |
| TOTAL ASSETS | <u>\$ 171,939</u> | <u>\$ 15,272</u> | <u>\$ 4,031</u> | <u>\$ 6,068</u> | <u>\$ 1,791</u> | <u>\$ 773</u> |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | | | |
| LIABILITIES | | | | | | |
| Accounts Payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Accrued Salaries and Benefits | - | 324 | - | 844 | - | - |
| TOTAL LIABILITIES | <u>-</u> | <u>324</u> | <u>-</u> | <u>844</u> | <u>-</u> | <u>-</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable Revenue: | | | | | | |
| Property Taxes | - | - | - | - | - | - |
| TOTAL DEFERRED INFLOWS | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>-</u> | <u>324</u> | <u>-</u> | <u>844</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES | | | | | | |
| Nonspendable: | | | | | | |
| Prepaid Expenses | - | - | - | - | - | - |
| Restricted For: | | | | | | |
| Special Revenue Funds | 171,939 | 14,948 | 4,031 | 5,224 | 1,791 | 773 |
| Debt Service Funds | - | - | - | - | - | - |
| Capital Projects Funds | - | - | - | - | - | - |
| Minimum Fund Balance | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - |
| TOTAL FUND BALANCES | <u>171,939</u> | <u>14,948</u> | <u>4,031</u> | <u>5,224</u> | <u>1,791</u> | <u>773</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES | <u>\$ 171,939</u> | <u>\$ 15,272</u> | <u>\$ 4,031</u> | <u>\$ 6,068</u> | <u>\$ 1,791</u> | <u>\$ 773</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS -
CONTINUED
AS OF JUNE 30, 2020**

| | <u>Forest Serv. Patrol</u> | <u>Road Fund</u> | <u>NMDHIS EMPG</u> | <u>NMDOH Cities Readiness</u> | <u>Disaster Pub. Assist.</u> | <u>COVID-19</u> |
|--|--------------------------------|----------------------|------------------------|-----------------------------------|----------------------------------|-----------------|
| ASSETS | | | | | | |
| Cash and Cash Equivalents | \$ 4,674 | \$ 612,747 | \$ 15,393 | \$ 1,506 | \$ 74,345 | \$ 1,623 |
| Restricted Cash | - | - | - | - | - | - |
| Investments | - | - | - | - | - | - |
| Receivables: | | | | | | |
| Property Taxes | - | - | - | - | - | - |
| Other Taxes | - | 183,047 | - | - | - | - |
| Other Receivables, Net | - | - | - | - | - | - |
| Prepaid Expenses | - | - | - | - | - | - |
| TOTAL ASSETS | <u>\$ 4,674</u> | <u>\$ 795,794</u> | <u>\$ 15,393</u> | <u>\$ 1,506</u> | <u>\$ 74,345</u> | <u>\$ 1,623</u> |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | | | |
| LIABILITIES | | | | | | |
| Accounts Payable | \$ - | \$ 29,030 | \$ - | \$ - | \$ - | \$ 1,106 |
| Accrued Salaries and Benefits | 343 | 23,794 | 1,154 | - | - | 716 |
| TOTAL LIABILITIES | <u>343</u> | <u>52,824</u> | <u>1,154</u> | <u>-</u> | <u>-</u> | <u>1,822</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Unavailable Revenue: | | | | | | |
| Property Taxes | - | - | - | - | - | - |
| TOTAL DEFERRED INFLOWS | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>343</u> | <u>52,824</u> | <u>1,154</u> | <u>-</u> | <u>-</u> | <u>1,822</u> |
| FUND BALANCES | | | | | | |
| Nonspendable: | | | | | | |
| Prepaid Expenses | - | - | - | - | - | - |
| Restricted For: | | | | | | |
| Special Revenue Funds | 4,331 | 572,539 | 14,239 | 1,506 | 74,345 | - |
| Debt Service Funds | - | - | - | - | - | - |
| Capital Projects Funds | - | - | - | - | - | - |
| Minimum Fund Balance | - | 170,431 | - | - | - | - |
| Unassigned | - | - | - | - | - | (199) |
| TOTAL FUND BALANCES | <u>4,331</u> | <u>742,970</u> | <u>14,239</u> | <u>1,506</u> | <u>74,345</u> | <u>(199)</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES | <u>\$ 4,674</u> | <u>\$ 795,794</u> | <u>\$ 15,393</u> | <u>\$ 1,506</u> | <u>\$ 74,345</u> | <u>\$ 1,623</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS -
CONTINUED
AS OF JUNE 30, 2020**

| | <u>Doghead Fire</u> | <u>Emergency 911</u> | <u>Adult Corrections</u> | <u>NMFA Grant</u> | <u>Total Nonmajor Special Revenue Funds</u> |
|--|-------------------------|--------------------------|------------------------------|-----------------------|---|
| ASSETS | | | | | |
| Cash and Cash Equivalents | \$ 1 | \$ 226,123 | \$ 210,292 | \$ 25,000 | \$ 3,803,825 |
| Restricted Cash | - | - | - | - | - |
| Investments | - | - | - | - | - |
| Receivables: | | | | | - |
| Property Taxes | - | - | - | - | - |
| Other Taxes | - | 186,964 | 112,627 | - | 901,920 |
| Other Receivables, Net | - | - | 2,440 | - | 30,973 |
| Prepaid Expenses | - | 2,718 | - | - | 16,686 |
| TOTAL ASSETS | <u>\$ 1</u> | <u>\$ 415,805</u> | <u>\$ 325,359</u> | <u>\$ 25,000</u> | <u>\$ 4,753,404</u> |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | | |
| LIABILITIES | | | | | |
| Accounts Payable | \$ - | \$ 2,926 | \$ 63,535 | \$ - | \$ 303,197 |
| Accrued Salaries and Benefits | - | 15,618 | 10,799 | - | 62,429 |
| TOTAL LIABILITIES | <u>-</u> | <u>18,544</u> | <u>74,334</u> | <u>-</u> | <u>365,626</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Unavailable Revenue: | | | | | |
| Property Taxes | - | - | - | - | - |
| TOTAL DEFERRED INFLOWS | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>-</u> | <u>18,544</u> | <u>74,334</u> | <u>-</u> | <u>365,626</u> |
| FUND BALANCES | | | | | |
| Nonspendable: | | | | | |
| Prepaid Expenses | - | 2,718 | - | - | 16,686 |
| Restricted For: | | | | | |
| Special Revenue Funds | 1 | 394,543 | 251,025 | 25,000 | 4,206,384 |
| Debt Service Funds | - | - | - | - | - |
| Capital Projects Funds | - | - | - | - | - |
| Minimum Fund Balance | - | - | - | - | 170,431 |
| Unassigned | - | - | - | - | (5,723) |
| TOTAL FUND BALANCES | <u>1</u> | <u>397,261</u> | <u>251,025</u> | <u>25,000</u> | <u>4,387,778</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES | <u>\$ 1</u> | <u>\$ 415,805</u> | <u>\$ 325,359</u> | <u>\$ 25,000</u> | <u>\$ 4,753,404</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

| | <u>Farm and Range</u> | <u>CR-AO85 Developer</u> | <u>District 1 Fire</u> | <u>District 2 Fire</u> | <u>District 3 Fire</u> |
|--|---------------------------|------------------------------|----------------------------|----------------------------|----------------------------|
| REVENUES | | | | | |
| Taxes: | | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - | \$ - |
| Gross Receipts Taxes | - | - | - | - | - |
| Gasoline and Motor Vehicle Taxes | - | - | - | - | - |
| Other Taxes | - | - | - | - | - |
| Federal Operating Grants | - | - | - | - | - |
| State Operating Grants | 2,594 | - | 56,618 | 112,650 | 136,257 |
| State Capital Grants | - | - | - | - | - |
| Payments in Lieu of Taxes | - | - | - | - | - |
| Charges for Services | - | 114 | - | - | - |
| Investment Income | - | - | - | - | - |
| Miscellaneous Income | - | - | - | 40,294 | - |
| TOTAL REVENUES | <u>2,594</u> | <u>114</u> | <u>56,618</u> | <u>152,944</u> | <u>136,257</u> |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General Government | - | - | - | - | - |
| Public Safety | 28,602 | - | 31,913 | 59,024 | 60,474 |
| Public Works | - | - | - | - | - |
| Culture and Recreation | - | - | - | - | - |
| Health and Welfare | - | - | - | - | - |
| Capital Outlay | - | - | - | - | 111,484 |
| Debt Service: | | | | | |
| Principal | - | - | - | - | - |
| Interest | - | - | - | - | - |
| TOTAL EXPENDITURES | <u>28,602</u> | <u>-</u> | <u>31,913</u> | <u>59,024</u> | <u>171,958</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>(26,008)</u> | <u>114</u> | <u>24,705</u> | <u>93,920</u> | <u>(35,701)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | 32,500 | - | - | - | - |
| Transfers Out | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>32,500</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | 6,492 | 114 | 24,705 | 93,920 | (35,701) |
| FUND BALANCE, BEGINNING RESTATEMENT | 2,090 | 1,465 | 107,755 | 80,843 | 136,070 |
| BEGINNING FUND BALANCE AS RESTATED | <u>2,090</u> | <u>1,465</u> | <u>107,755</u> | <u>80,843</u> | <u>136,070</u> |
| FUND BALANCE, ENDING | <u>\$ 8,582</u> | <u>\$ 1,579</u> | <u>\$ 132,460</u> | <u>\$ 174,763</u> | <u>\$ 100,369</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2020**

| | <u>District 4</u> <u>Fire</u> | <u>District 5</u> <u>Fire</u> | <u>District 6</u> <u>Fire</u> | <u>Fire Pool</u> <u>1/4% Tax</u> | <u>County</u> <u>Fair Board</u> |
|--|----------------------------------|----------------------------------|----------------------------------|-------------------------------------|------------------------------------|
| REVENUES | | | | | |
| Taxes: | | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - | \$ - |
| Gross Receipts Taxes | - | - | - | 318,887 | - |
| Gasoline and Motor Vehicle Taxes | - | - | - | - | - |
| Other Taxes | - | - | - | - | - |
| Federal Operating Grants | - | - | - | - | - |
| State Operating Grants | 40,371 | 144,968 | 80,454 | 363 | - |
| State Capital Grants | - | - | - | - | - |
| Payments in Lieu of Taxes | - | - | - | - | - |
| Charges for Services | - | - | - | 3,475 | 2,970 |
| Investment Income | - | - | - | - | - |
| Miscellaneous Income | - | - | 23,458 | 1,207 | 200,989 |
| TOTAL REVENUES | <u>40,371</u> | <u>144,968</u> | <u>103,912</u> | <u>323,932</u> | <u>203,959</u> |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General Government | - | - | - | - | - |
| Public Safety | 43,505 | 92,733 | 29,532 | 86,218 | - |
| Public Works | - | - | - | - | - |
| Culture and Recreation | - | - | - | - | 237,221 |
| Health and Welfare | - | - | - | - | - |
| Capital Outlay | - | 111,484 | - | 91,011 | - |
| Debt Service: | | | | | |
| Principal | - | - | - | - | - |
| Interest | - | - | - | - | - |
| TOTAL EXPENDITURES | <u>43,505</u> | <u>204,217</u> | <u>29,532</u> | <u>177,229</u> | <u>237,221</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>(3,134)</u> | <u>(59,249)</u> | <u>74,380</u> | <u>146,703</u> | <u>(33,262)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | - | - | - | 52,455 | 19,000 |
| Transfers Out | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>-</u> | <u>52,455</u> | <u>19,000</u> |
| NET CHANGE IN FUND BALANCES | <u>(3,134)</u> | <u>(59,249)</u> | <u>74,380</u> | <u>199,158</u> | <u>(14,262)</u> |
| FUND BALANCE, BEGINNING RESTATEMENT | <u>40,108</u> | <u>118,602</u> | <u>67,038</u> | <u>55,845</u> | <u>52,431</u> |
| BEGINNING FUND BALANCE AS RESTATED | <u>40,108</u> | <u>118,602</u> | <u>67,038</u> | <u>55,845</u> | <u>52,431</u> |
| FUND BALANCE, ENDING | <u>\$ 36,974</u> | <u>\$ 59,353</u> | <u>\$ 141,418</u> | <u>\$ 255,003</u> | <u>\$ 38,169</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2020**

| | <u>Fire Dept. Admin.</u> | <u>Indigent Fund</u> | <u>EMS</u> | <u>Law Enforcement</u> | <u>EVSWA Contract</u> |
|--|------------------------------|--------------------------|-------------------|----------------------------|---------------------------|
| REVENUES | | | | | |
| Taxes: | | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - | \$ - |
| Gross Receipts Taxes | - | 514,190 | 35,740 | - | - |
| Gasoline and Motor Vehicle Taxes | - | - | - | - | - |
| Other Taxes | - | - | - | - | - |
| Federal Operating Grants | - | - | - | - | - |
| State Operating Grants | 80,454 | - | 16,559 | 28,400 | - |
| State Capital Grants | - | - | - | - | - |
| Payments in Lieu of Taxes | - | - | - | - | - |
| Charges for Services | - | - | - | - | - |
| Investment Income | - | - | - | - | - |
| Miscellaneous Income | - | 10,535 | - | - | 58,855 |
| TOTAL REVENUES | <u>80,454</u> | <u>524,725</u> | <u>52,299</u> | <u>28,400</u> | <u>58,855</u> |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General Government | - | - | - | - | 158,270 |
| Public Safety | 109,490 | - | 67,092 | 30,607 | - |
| Public Works | - | - | - | - | - |
| Culture and Recreation | - | - | - | - | - |
| Health and Welfare | - | 341,223 | - | - | - |
| Capital Outlay | - | - | - | 9,341 | - |
| Debt Service: | | | | | |
| Principal | - | - | - | - | - |
| Interest | - | - | - | - | - |
| TOTAL EXPENDITURES | <u>109,490</u> | <u>341,223</u> | <u>67,092</u> | <u>39,948</u> | <u>158,270</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>(29,036)</u> | <u>183,502</u> | <u>(14,793)</u> | <u>(11,548)</u> | <u>(99,415)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | - | - | - | - | 60,000 |
| Transfers Out | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>60,000</u> |
| NET CHANGE IN FUND BALANCES | (29,036) | 183,502 | (14,793) | (11,548) | (39,415) |
| FUND BALANCE, BEGINNING RESTATEMENT | 56,764 | 338,499 | 150,502 | 11,548 | 33,891 |
| BEGINNING FUND BALANCE AS RESTATED | <u>56,764</u> | <u>338,499</u> | <u>150,502</u> | <u>11,548</u> | <u>33,891</u> |
| FUND BALANCE, ENDING | <u>\$ 27,728</u> | <u>\$ 522,001</u> | <u>\$ 135,709</u> | <u>\$ -</u> | <u>\$ (5,524)</u> |

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**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2020**

| | <u>Env. GRT</u> | <u>GO Bond Proceeds</u> | <u>WIPP Funding</u> | <u>Volunteer Recruitment</u> | <u>State Animal Care</u> |
|--|---------------------|-----------------------------|-------------------------|----------------------------------|------------------------------|
| REVENUES | | | | | |
| Taxes: | | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - | \$ - |
| Gross Receipts Taxes | 178,061 | - | - | - | - |
| Gasoline and Motor Vehicle Taxes | - | - | - | - | - |
| Other Taxes | - | - | - | - | - |
| Federal Operating Grants | - | - | 7,000 | - | - |
| State Operating Grants | - | - | - | - | - |
| State Capital Grants | - | - | - | - | - |
| Payments in Lieu of Taxes | - | - | - | - | - |
| Charges for Services | - | - | - | - | - |
| Investment Income | - | - | - | - | - |
| Miscellaneous Income | - | - | - | - | - |
| TOTAL REVENUES | <u>178,061</u> | <u>-</u> | <u>7,000</u> | <u>-</u> | <u>-</u> |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General Government | 193,176 | - | - | 45,794 | - |
| Public Safety | - | - | 400 | - | 1,025 |
| Public Works | - | 308,229 | - | - | - |
| Culture and Recreation | - | - | - | - | - |
| Health and Welfare | - | - | - | - | - |
| Capital Outlay | - | - | 6,600 | - | - |
| Debt Service: | | | | | |
| Principal | - | - | - | - | - |
| Interest | - | - | - | - | - |
| TOTAL EXPENDITURES | <u>193,176</u> | <u>308,229</u> | <u>7,000</u> | <u>45,794</u> | <u>1,025</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>(15,115)</u> | <u>(308,229)</u> | <u>-</u> | <u>(45,794)</u> | <u>(1,025)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | - | - | - | 50,000 | - |
| Transfers Out | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>-</u> | <u>50,000</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | (15,115) | (308,229) | - | 4,206 | (1,025) |
| FUND BALANCE, BEGINNING | - | 276,145 | 400 | 24,576 | 2,123 |
| RESTATEMENT | 15,115 | 32,084 | - | - | - |
| BEGINNING FUND BALANCE AS RESTATED | 15,115 | 308,229 | 400 | 24,576 | 2,123 |
| FUND BALANCE, ENDING | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 400</u> | <u>\$ 28,782</u> | <u>\$ 1,098</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2020**

| | <u>Animal Shelter</u> | <u>Safety Program</u> | <u>Civil Defense</u> | <u>DWI Program</u> | <u>DWI School</u> |
|--|---------------------------|---------------------------|--------------------------|------------------------|-----------------------|
| REVENUES | | | | | |
| Taxes: | | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - | \$ - |
| Gross Receipts Taxes | - | - | 50,037 | - | - |
| Gasoline and Motor Vehicle Taxes | - | - | - | - | - |
| Other Taxes | - | - | - | - | - |
| Federal Operating Grants | - | - | - | - | - |
| State Operating Grants | - | - | - | 161,129 | - |
| State Capital Grants | - | - | - | - | - |
| Payments in Lieu of Taxes | - | - | - | - | - |
| Charges for Services | 200 | 9,180 | - | - | - |
| Investment Income | - | - | - | - | - |
| Miscellaneous Income | 550 | 99 | - | - | - |
| TOTAL REVENUES | <u>750</u> | <u>9,279</u> | <u>50,037</u> | <u>161,129</u> | <u>-</u> |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General Government | - | - | - | - | - |
| Public Safety | 40 | 22,769 | 10,851 | 150,976 | 1,196 |
| Public Works | - | - | - | - | - |
| Culture and Recreation | - | - | - | - | - |
| Health and Welfare | - | - | - | - | - |
| Capital Outlay | - | - | 55,373 | - | - |
| Debt Service: | | | | | |
| Principal | - | - | - | - | - |
| Interest | - | - | - | - | - |
| TOTAL EXPENDITURES | <u>40</u> | <u>22,769</u> | <u>66,224</u> | <u>150,976</u> | <u>1,196</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>710</u> | <u>(13,490)</u> | <u>(16,187)</u> | <u>10,153</u> | <u>(1,196)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | - | 12,544 | - | - | - |
| Transfers Out | - | - | - | (19,431) | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>12,544</u> | <u>-</u> | <u>(19,431)</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | 710 | (946) | (16,187) | (9,278) | (1,196) |
| FUND BALANCE, BEGINNING RESTATEMENT | 2,447 | 25,469 | 34,917 | 57,204 | 2,062 |
| BEGINNING FUND BALANCE AS RESTATED | <u>2,447</u> | <u>25,469</u> | <u>34,917</u> | <u>57,204</u> | <u>2,062</u> |
| FUND BALANCE, ENDING | <u>\$ 3,157</u> | <u>\$ 24,523</u> | <u>\$ 18,730</u> | <u>\$ 47,926</u> | <u>\$ 866</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2020**

| | <u>Treasurer's Fee</u> | <u>Reappraisal Fund</u> | <u>Clerk's Equipment</u> | <u>RPHCA Grant</u> | <u>Recycling Illegal Dump</u> |
|--|----------------------------|-----------------------------|------------------------------|------------------------|-----------------------------------|
| REVENUES | | | | | |
| Taxes: | | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - | \$ - |
| Gross Receipts Taxes | - | - | - | - | - |
| Gasoline and Motor Vehicle Taxes | - | - | - | - | - |
| Other Taxes | - | 98,225 | - | - | - |
| Federal Operating Grants | - | - | - | - | - |
| State Operating Grants | - | - | 21,292 | 146,151 | - |
| State Capital Grants | - | - | - | - | - |
| Payments in Lieu of Taxes | - | - | - | - | - |
| Charges for Services | 21,856 | 1,410 | - | - | - |
| Investment Income | - | - | - | - | - |
| Miscellaneous Income | - | 712 | 111 | - | - |
| TOTAL REVENUES | <u>21,856</u> | <u>100,347</u> | <u>21,403</u> | <u>146,151</u> | <u>-</u> |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General Government | 7,382 | 161,631 | 17,445 | - | - |
| Public Safety | - | - | - | - | - |
| Public Works | - | - | - | 112,126 | - |
| Culture and Recreation | - | - | - | - | - |
| Health and Welfare | - | - | - | - | - |
| Capital Outlay | 17,661 | 37,233 | - | - | - |
| Debt Service: | | | | | |
| Principal | - | - | - | - | - |
| Interest | - | - | - | - | - |
| TOTAL EXPENDITURES | <u>25,043</u> | <u>198,864</u> | <u>17,445</u> | <u>112,126</u> | <u>-</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>(3,187)</u> | <u>(98,517)</u> | <u>3,958</u> | <u>34,025</u> | <u>-</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | - | 49,656 | - | - | - |
| Transfers Out | - | (23,474) | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>26,182</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | (3,187) | (72,335) | 3,958 | 34,025 | - |
| FUND BALANCE, BEGINNING RESTATEMENT | 4,697 | 129,706 | 22,293 | - | 14,979 |
| BEGINNING FUND BALANCE AS RESTATED | 4,697 | 129,706 | 22,293 | - | 14,979 |
| FUND BALANCE, ENDING | <u>\$ 1,510</u> | <u>\$ 57,371</u> | <u>\$ 26,251</u> | <u>\$ 34,025</u> | <u>\$ 14,979</u> |

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**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2020**

| | <u>Home Visiting</u> | <u>Esperanza Clinic</u> | <u>Senior Citizens</u> | <u>Loan Proceeds</u> | <u>NMFA Loan Proceeds</u> |
|--|--------------------------|-----------------------------|----------------------------|--------------------------|-------------------------------|
| REVENUES | | | | | |
| Taxes: | | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - | \$ - |
| Gross Receipts Taxes | - | - | - | - | - |
| Gasoline and Motor Vehicle Taxes | - | - | - | - | - |
| Other Taxes | - | - | - | - | - |
| Federal Operating Grants | - | - | - | - | - |
| State Operating Grants | - | - | - | - | - |
| State Capital Grants | - | - | - | - | - |
| Payments in Lieu of Taxes | - | - | - | - | - |
| Charges for Services | - | 200 | - | - | - |
| Investment Income | - | - | - | - | 29 |
| Miscellaneous Income | - | - | 1,712 | - | - |
| TOTAL REVENUES | <u>-</u> | <u>200</u> | <u>1,712</u> | <u>-</u> | <u>29</u> |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General Government | - | - | - | - | - |
| Public Safety | - | - | - | - | - |
| Public Works | - | - | - | - | - |
| Culture and Recreation | - | - | - | - | - |
| Health and Welfare | - | 962 | 11,440 | - | - |
| Capital Outlay | - | - | - | - | - |
| Debt Service: | | | | | |
| Principal | - | - | - | - | - |
| Interest | - | - | - | - | - |
| TOTAL EXPENDITURES | <u>-</u> | <u>962</u> | <u>11,440</u> | <u>-</u> | <u>-</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>-</u> | <u>(762)</u> | <u>(9,728)</u> | <u>-</u> | <u>29</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | - | - | 10,000 | - | - |
| Transfers Out | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>10,000</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | - | (762) | 272 | - | 29 |
| FUND BALANCE, BEGINNING RESTATEMENT | 3,019 | 12,377 | 5,346 | - | 1,344 |
| BEGINNING FUND BALANCE AS RESTATED | <u>3,019</u> | <u>12,377</u> | <u>5,346</u> | <u>-</u> | <u>1,344</u> |
| FUND BALANCE, ENDING | <u>\$ 3,019</u> | <u>\$ 11,615</u> | <u>\$ 5,618</u> | <u>\$ -</u> | <u>\$ 1,373</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2020**

| | <u>Court Forfeiture</u> | <u>Juvenile Justice</u> | <u>Wind PILT</u> | <u>Investment Interest</u> | <u>Estancia Water Basin Study</u> | <u>DWI Smart Choice</u> |
|--|-----------------------------|-----------------------------|----------------------|--------------------------------|---------------------------------------|-----------------------------|
| REVENUES | | | | | | |
| Taxes: | | | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Gross Receipts Taxes | - | - | - | - | - | - |
| Gasoline and Motor Vehicle Taxes | - | - | - | - | - | - |
| Other Taxes | - | - | - | - | - | - |
| Federal Operating Grants | - | - | - | - | - | - |
| State Operating Grants | - | 29,217 | 1,597,240 | - | - | 102 |
| State Capital Grants | - | - | - | - | - | - |
| Payments in Lieu of Taxes | - | - | - | - | - | - |
| Charges for Services | - | - | - | - | - | - |
| Investment Income | - | - | - | 100,069 | - | - |
| Miscellaneous Income | - | - | - | 289 | 15,250 | - |
| TOTAL REVENUES | <u>-</u> | <u>29,217</u> | <u>1,597,240</u> | <u>100,358</u> | <u>15,250</u> | <u>102</u> |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General Government | - | - | - | 10,053 | - | - |
| Public Safety | - | 28,799 | - | - | - | 2,135 |
| Public Works | - | - | 429,328 | - | 3,321 | - |
| Culture and Recreation | - | - | - | - | - | - |
| Health and Welfare | - | - | - | - | - | - |
| Capital Outlay | - | - | 184,051 | - | - | - |
| Debt Service: | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - |
| TOTAL EXPENDITURES | <u>-</u> | <u>28,799</u> | <u>613,379</u> | <u>10,053</u> | <u>3,321</u> | <u>2,135</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>-</u> | <u>418</u> | <u>983,861</u> | <u>90,305</u> | <u>11,929</u> | <u>(2,033)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers In | - | - | 80,967 | - | - | 13,807 |
| Transfers Out | - | - | (1,147,000) | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>(1,066,033)</u> | <u>-</u> | <u>-</u> | <u>13,807</u> |
| NET CHANGE IN FUND BALANCES | - | 418 | (82,172) | 90,305 | 11,929 | 11,774 |
| FUND BALANCE, BEGINNING | 13,739 | 61,163 | 276,260 | 200,328 | 4,299 | - |
| RESTATEMENT | - | - | - | - | - | - |
| BEGINNING FUND BALANCE AS RESTATED | <u>13,739</u> | <u>61,163</u> | <u>276,260</u> | <u>200,328</u> | <u>4,299</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 13,739</u> | <u>\$ 61,581</u> | <u>\$ 194,088</u> | <u>\$ 290,633</u> | <u>\$ 16,228</u> | <u>\$ 11,774</u> |

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**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2020**

| | <u>Rural Addressing</u> | <u>Attorney General Grant</u> | <u>Planning & Zoning</u> | <u>Domestic Violence</u> | <u>DV Victim Restitution</u> | <u>DWI Screening</u> |
|--|-----------------------------|-----------------------------------|----------------------------------|------------------------------|----------------------------------|--------------------------|
| REVENUES | | | | | | |
| Taxes: | | | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Gross Receipts Taxes | 35,740 | - | - | - | - | - |
| Gasoline and Motor Vehicle Taxes | - | - | - | - | - | - |
| Other Taxes | - | - | - | - | 25 | - |
| Federal Operating Grants | - | - | - | - | - | - |
| State Operating Grants | - | - | - | 51,143 | - | - |
| State Capital Grants | - | - | - | - | - | - |
| Payments in Lieu of Taxes | - | - | - | - | - | - |
| Charges for Services | 5,162 | - | 7,900 | - | - | 1,100 |
| Investment Income | - | - | - | - | - | - |
| Miscellaneous Income | - | - | - | - | 2,250 | - |
| TOTAL REVENUES | <u>40,902</u> | <u>-</u> | <u>7,900</u> | <u>51,143</u> | <u>2,275</u> | <u>1,100</u> |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General Government | 77,313 | - | 240 | - | - | - |
| Public Safety | - | 37 | - | 70,108 | 2,268 | 4,729 |
| Public Works | - | - | - | - | - | - |
| Culture and Recreation | - | - | - | - | - | - |
| Health and Welfare | - | - | - | - | - | - |
| Capital Outlay | - | - | - | - | - | - |
| Debt Service: | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - |
| TOTAL EXPENDITURES | <u>77,313</u> | <u>37</u> | <u>240</u> | <u>70,108</u> | <u>2,268</u> | <u>4,729</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>(36,411)</u> | <u>(37)</u> | <u>7,660</u> | <u>(18,965)</u> | <u>7</u> | <u>(3,629)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers In | 50,000 | - | 6,000 | 46,500 | - | 5,624 |
| Transfers Out | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>50,000</u> | <u>-</u> | <u>6,000</u> | <u>46,500</u> | <u>-</u> | <u>5,624</u> |
| NET CHANGE IN FUND BALANCES | 13,589 | (37) | 13,660 | 27,535 | 7 | 1,995 |
| FUND BALANCE, BEGINNING | 54,663 | 37 | 12,054 | 28,438 | 28,782 | - |
| RESTATEMENT | - | - | - | - | - | - |
| BEGINNING FUND BALANCE AS RESTATED | <u>54,663</u> | <u>37</u> | <u>12,054</u> | <u>28,438</u> | <u>28,782</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 68,252</u> | <u>\$ -</u> | <u>\$ 25,714</u> | <u>\$ 55,973</u> | <u>\$ 28,789</u> | <u>\$ 1,995</u> |

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**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2020**

| | <u>Title III Forest Reserve</u> | <u>U.S. Marshall JLEO</u> | <u>Drug Education</u> | <u>Traffic Safety</u> | <u>Teen Court Donation</u> | <u>HIDTA Task Force</u> |
|--|-------------------------------------|-------------------------------|---------------------------|---------------------------|--------------------------------|-----------------------------|
| REVENUES | | | | | | |
| Taxes: | | | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Gross Receipts Taxes | - | - | - | - | - | - |
| Gasoline and Motor Vehicle Taxes | - | - | - | - | - | - |
| Other Taxes | - | - | - | - | - | - |
| Federal Operating Grants | - | 17,684 | - | - | - | - |
| State Operating Grants | 11,537 | - | - | 2,750 | - | 2,344 |
| State Capital Grants | - | - | - | - | - | - |
| Payments in Lieu of Taxes | - | - | - | - | - | - |
| Charges for Services | - | - | - | - | 648 | - |
| Investment Income | - | - | - | - | - | - |
| Miscellaneous Income | - | - | - | - | - | - |
| TOTAL REVENUES | <u>11,537</u> | <u>17,684</u> | <u>-</u> | <u>2,750</u> | <u>648</u> | <u>2,344</u> |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General Government | - | - | - | - | - | - |
| Public Safety | - | 19,323 | 9,197 | 6,439 | 182 | 3,571 |
| Public Works | - | - | - | - | - | - |
| Culture and Recreation | - | - | - | - | - | - |
| Health and Welfare | - | - | - | - | - | - |
| Capital Outlay | - | - | - | - | - | - |
| Debt Service: | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - |
| TOTAL EXPENDITURES | <u>-</u> | <u>19,323</u> | <u>9,197</u> | <u>6,439</u> | <u>182</u> | <u>3,571</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>11,537</u> | <u>(1,639)</u> | <u>(9,197)</u> | <u>(3,689)</u> | <u>466</u> | <u>(1,227)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers In | - | - | - | - | - | 2,000 |
| Transfers Out | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,000</u> |
| NET CHANGE IN FUND BALANCES | 11,537 | (1,639) | (9,197) | (3,689) | 466 | 773 |
| FUND BALANCE, BEGINNING | 160,402 | 16,587 | 13,228 | 8,913 | 1,325 | - |
| RESTATEMENT | - | - | - | - | - | - |
| BEGINNING FUND BALANCE AS RESTATED | <u>160,402</u> | <u>16,587</u> | <u>13,228</u> | <u>8,913</u> | <u>1,325</u> | <u>-</u> |
| FUND BALANCE, ENDING | <u>\$ 171,939</u> | <u>\$ 14,948</u> | <u>\$ 4,031</u> | <u>\$ 5,224</u> | <u>\$ 1,791</u> | <u>\$ 773</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2020**

| | <u>Forest Serv. Patrol</u> | <u>Road Fund</u> | <u>NMDHIS EMPG</u> | <u>NMDOH Cities Readiness</u> | <u>Disaster Pub. Assist.</u> | <u>COVID-19</u> |
|--|--------------------------------|----------------------|------------------------|-----------------------------------|----------------------------------|-----------------|
| REVENUES | | | | | | |
| Taxes: | | | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Gross Receipts Taxes | - | 359,741 | - | - | - | - |
| Gasoline and Motor Vehicle Taxes | - | 596,939 | - | - | - | - |
| Other Taxes | - | - | - | - | - | - |
| Federal Operating Grants | - | - | - | - | - | - |
| State Operating Grants | 6,189 | 98,068 | 9,454 | (1) | - | - |
| State Capital Grants | - | 633,031 | - | - | - | - |
| Payments in Lieu of Taxes | - | - | - | - | - | - |
| Charges for Services | - | 760 | - | - | - | - |
| Investment Income | - | - | - | - | - | - |
| Miscellaneous Income | - | 17,846 | - | - | - | - |
| TOTAL REVENUES | <u>6,189</u> | <u>1,706,385</u> | <u>9,454</u> | <u>(1)</u> | <u>-</u> | <u>-</u> |
| EXPENDITURES | | | | | | |
| Current | | | | | | |
| General Government | - | - | - | - | - | - |
| Public Safety | - | - | 42,447 | 11,172 | - | 55,199 |
| Public Works | 5,182 | 1,096,301 | - | - | - | - |
| Culture and Recreation | - | - | - | - | - | - |
| Health and Welfare | - | - | - | - | - | - |
| Capital Outlay | - | 666,551 | - | 6,179 | - | - |
| Debt Service: | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - |
| TOTAL EXPENDITURES | <u>5,182</u> | <u>1,762,852</u> | <u>42,447</u> | <u>17,351</u> | <u>-</u> | <u>55,199</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>1,007</u> | <u>(56,467)</u> | <u>(32,993)</u> | <u>(17,352)</u> | <u>-</u> | <u>(55,199)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers In | - | - | 22,000 | - | - | 55,000 |
| Transfers Out | - | - | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>22,000</u> | <u>-</u> | <u>-</u> | <u>55,000</u> |
| NET CHANGE IN FUND BALANCES | 1,007 | (56,467) | (10,993) | (17,352) | - | (199) |
| FUND BALANCE, BEGINNING | 3,324 | 719,186 | 25,232 | 18,858 | 74,345 | - |
| RESTATEMENT | - | 80,251 | - | - | - | - |
| BEGINNING FUND BALANCE AS RESTATED | 3,324 | 799,437 | 25,232 | 18,858 | 74,345 | - |
| FUND BALANCE, ENDING | <u>\$ 4,331</u> | <u>\$ 742,970</u> | <u>\$ 14,239</u> | <u>\$ 1,506</u> | <u>\$ 74,345</u> | <u>\$ (199)</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR SPECIAL REVENUE FUNDS - CONTINUED
FOR THE YEAR ENDED JUNE 30, 2020**

| | <u>Doghead Fire</u> | <u>Emergency 911</u> | <u>Adult Corrections</u> | <u>NMFA Grant</u> | <u>Total Nonmajor Special Revenue Funds</u> |
|--|-------------------------|--------------------------|------------------------------|-----------------------|---|
| REVENUES | | | | | |
| Taxes: | | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - | \$ - |
| Gross Receipts Taxes | - | 593,297 | 349,385 | - | 2,435,078 |
| Gasoline and Motor Vehicle Taxes | - | - | - | - | 596,939 |
| Other Taxes | - | - | - | - | 98,250 |
| Federal Operating Grants | - | - | - | - | 24,684 |
| State Operating Grants | 80,967 | - | 34,491 | - | 2,951,761 |
| State Capital Grants | - | - | - | - | 633,031 |
| Payments in Lieu of Taxes | - | - | - | - | - |
| Charges for Services | - | 130,396 | 46,710 | - | 232,081 |
| Investment Income | - | - | - | - | 100,098 |
| Miscellaneous Income | - | 2,341 | 30,557 | - | 407,055 |
| TOTAL REVENUES | <u>80,967</u> | <u>726,034</u> | <u>461,143</u> | <u>-</u> | <u>7,478,977</u> |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General Government | - | - | - | - | 671,304 |
| Public Safety | - | 855,064 | 1,182,656 | - | 3,119,773 |
| Public Works | - | - | - | 25,000 | 1,979,487 |
| Culture and Recreation | - | - | - | - | 237,221 |
| Health and Welfare | - | - | - | - | 353,625 |
| Capital Outlay | - | - | 210,647 | - | 1,507,615 |
| Debt Service: | | | | | |
| Principal | - | - | - | - | - |
| Interest | - | - | - | - | - |
| TOTAL EXPENDITURES | <u>-</u> | <u>855,064</u> | <u>1,393,303</u> | <u>25,000</u> | <u>7,869,025</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>80,967</u> | <u>(129,030)</u> | <u>(932,160)</u> | <u>(25,000)</u> | <u>(390,048)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | - | 260,000 | 1,150,000 | 50,000 | 2,028,053 |
| Transfers Out | (185,396) | (46,989) | - | - | (1,422,290) |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>(185,396)</u> | <u>213,011</u> | <u>1,150,000</u> | <u>50,000</u> | <u>605,763</u> |
| NET CHANGE IN FUND BALANCES | (104,429) | 83,981 | 217,840 | 25,000 | 215,715 |
| FUND BALANCE, BEGINNING | 104,430 | 313,280 | 25,180 | - | 4,036,608 |
| RESTATEMENT | - | - | 8,005 | - | 135,455 |
| BEGINNING FUND BALANCE AS RESTATED | <u>104,430</u> | <u>313,280</u> | <u>33,185</u> | <u>-</u> | <u>4,172,063</u> |
| FUND BALANCE, ENDING | <u>\$ 1</u> | <u>\$ 397,261</u> | <u>\$ 251,025</u> | <u>\$ 25,000</u> | <u>\$ 4,387,778</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
NONMAJOR CAPITAL PROJECTS FUNDS – DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2020**

Capital Projects Funds are used to account for the acquisition, construction, and repair of major capital assets.

Non-major capital projects funds consist of the following:

County Infrastructure GRT (620) - To account for funds received for the County infrastructure gross receipts taxes. County Ordinance 2006-1 states the specific purposes for which this tax can be used. Authority is the County Commission.

Capital Outlay GRT (621) - To account for funds received for the capital outlay gross receipts taxes. County ordinance 2014-03 states the specific purposes for which this tax can be used. Authority is County Commission.

Legislative Appropriations (803) - To account for resources received from State of New Mexico Legislative Appropriations for the acquisition of capital assets for Torrance County. This was authorized by the legislation involved.

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECTS FUNDS
AS OF JUNE 30, 2020**

| | County Infra. GRT | Capital Outlay GRT | Legis. Approp. | Total Nonmajor Capital Projects Funds |
|--|----------------------|-----------------------|-------------------|---|
| ASSETS | | | | |
| Cash and Cash Equivalents | \$ 154,418 | \$ 258,449 | \$ 2,538 | \$ 415,405 |
| Restricted Cash | - | - | - | - |
| Investments | - | - | - | - |
| Receivables: | | | | |
| Property Taxes | - | - | - | - |
| Other Taxes | 76,094 | 223,403 | - | 299,497 |
| Other Receivables, Net | - | - | 170,391 | 170,391 |
| Prepaid Expenses | - | - | - | - |
| TOTAL ASSETS | <u>\$ 230,512</u> | <u>\$ 481,852</u> | <u>\$ 172,929</u> | <u>\$ 885,293</u> |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | | | | |
| LIABILITIES | | | | |
| Accounts Payable | \$ 2,497 | \$ 4,866 | \$ 49,583 | \$ 56,946 |
| Accrued Salaries and Benefits | - | - | - | - |
| TOTAL LIABILITIES | <u>2,497</u> | <u>4,866</u> | <u>49,583</u> | <u>56,946</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable Revenue: | | | | |
| Property Taxes | - | - | - | - |
| TOTAL DEFERRED INFLOWS | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>2,497</u> | <u>4,866</u> | <u>49,583</u> | <u>56,946</u> |
| FUND BALANCES | | | | |
| Nonspendable: | | | | |
| Prepaid Expenses | - | - | - | - |
| Restricted For: | | | | |
| Special Revenue Funds | - | - | - | - |
| Debt Service Funds | - | - | - | - |
| Capital Projects Funds | 228,015 | 476,986 | 123,346 | 828,347 |
| Minimum Fund Balance | - | - | - | - |
| Unassigned | - | - | - | - |
| TOTAL FUND BALANCES | <u>228,015</u> | <u>476,986</u> | <u>123,346</u> | <u>828,347</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES | <u>\$ 230,512</u> | <u>\$ 481,852</u> | <u>\$ 172,929</u> | <u>\$ 885,293</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES – NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

| | County Infra. GRT | Capital Outlay GRT | Legis. Approp. | Total Nonmajor Capital Projects Funds |
|--|------------------------------|-------------------------------|---------------------------|--|
| REVENUES | | | | |
| Taxes: | | | | |
| Property Taxes | \$ - | \$ - | \$ - | \$ - |
| Gross Receipts Taxes | 177,940 | 707,179 | - | 885,119 |
| Gasoline and Motor Vehicle Taxes | - | - | - | - |
| Other Taxes | - | - | - | - |
| Federal Operating Grants | - | - | - | - |
| State Operating Grants | - | - | - | - |
| State Capital Grants | - | - | 196,009 | 196,009 |
| Payments in Lieu of Taxes | - | - | - | - |
| Charges for Services | - | - | - | - |
| Investment Income | - | - | - | - |
| Miscellaneous Income | - | 3,078 | - | 3,078 |
| TOTAL REVENUES | <u>177,940</u> | <u>710,257</u> | <u>196,009</u> | <u>1,084,206</u> |
| EXPENDITURES | | | | |
| Current | | | | |
| General Government | - | - | - | - |
| Public Safety | - | - | - | - |
| Public Works | 191,500 | 510,233 | 190,650 | 892,383 |
| Culture and Recreation | - | - | - | - |
| Health and Welfare | - | - | - | - |
| Capital Outlay | 14,525 | 150,448 | 144,888 | 309,861 |
| Debt Service: | | | | - |
| Principal | - | 34,595 | - | 34,595 |
| Interest | - | 6,269 | - | 6,269 |
| TOTAL EXPENDITURES | <u>206,025</u> | <u>701,545</u> | <u>335,538</u> | <u>1,243,108</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>(28,085)</u> | <u>8,712</u> | <u>(139,529)</u> | <u>(158,902)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | - | - | 240,000 | 240,000 |
| Transfers Out | - | - | - | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>-</u> | <u>-</u> | <u>240,000</u> | <u>240,000</u> |
| NET CHANGE IN FUND BALANCES | (28,085) | 8,712 | 100,471 | 81,098 |
| FUND BALANCE, BEGINNING RESTATEMENT | 256,100 | 468,274 | 22,875 | 747,249 |
| BEGINNING BALANCE AS RESTATED | <u>256,100</u> | <u>468,274</u> | <u>22,875</u> | <u>747,249</u> |
| FUND BALANCE, ENDING | <u>\$ 228,015</u> | <u>\$ 476,986</u> | <u>\$ 123,346</u> | <u>\$ 828,347</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
NONMAJOR DEBT SERVICE FUND – DESCRIPTION
FOR THE YEAR ENDED JUNE 30, 2020**

Debt Service Fund (636) - This fund accounts for gross receipts and state allotment revenues collected to pay the current year's debt service on NMFA Loans. This fund also accounts for property tax revenues collected to pay off current year debt service on the 2001 general obligation bonds of the County.

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR DEBT SERVICE FUND
AS OF JUNE 30, 2020**

| | Total Nonmajor Debt Service Fund |
|--|---|
| ASSETS | |
| Cash and Cash Equivalents | \$ 371,140 |
| Restricted Cash | 178,069 |
| Investments | - |
| Receivables: | |
| Property Taxes | 98,248 |
| Other Taxes | 14,037 |
| Other Receivables, Net | - |
| Prepaid Expenses | - |
| TOTAL ASSETS | \$ 661,494 |
| LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | |
| LIABILITIES | |
| Accounts Payable | \$ - |
| Accrued Salaries and Benefits | - |
| TOTAL LIABILITIES | - |
| DEFERRED INFLOWS OF RESOURCES | |
| Unavailable Revenue: | |
| Property Taxes | 91,535 |
| TOTAL DEFERRED INFLOWS | 91,535 |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | 91,535 |
| FUND BALANCES | |
| Nonspendable: | |
| Prepaid Expenses | - |
| Restricted For: | |
| Special Revenue Funds | - |
| Debt Service Funds | 569,959 |
| Capital Projects Funds | - |
| Minimum Fund Balance | - |
| Unassigned | - |
| TOTAL FUND BALANCES | 569,959 |
| TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES | \$ 661,494 |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – NONMAJOR DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2020**

| | Total Nonmajor Debt Service Fund |
|--|---|
| REVENUES | |
| Taxes: | |
| Property Taxes | \$ 399,661 |
| Gross Receipts Taxes | 84,227 |
| Gasoline and Motor Vehicle Taxes | - |
| Other Taxes | - |
| Federal Operating Grants | - |
| State Operating Grants | 1 |
| State Capital Grants | - |
| Payments in Lieu of Taxes | - |
| Charges for Services | - |
| Investment Income | 92,611 |
| Miscellaneous Income | - |
| TOTAL REVENUES | <u>576,500</u> |
| EXPENDITURES | |
| Current | |
| General Government | - |
| Public Safety | - |
| Public Works | - |
| Culture and Recreation | - |
| Health and Welfare | - |
| Capital Outlay | - |
| Debt Service: | |
| Principal | 526,906 |
| Interest | 71,366 |
| TOTAL EXPENDITURES | <u>598,272</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | <u>(21,772)</u> |
| OTHER FINANCING SOURCES (USES) | |
| Transfers In | 23,474 |
| Transfers Out | (52,455) |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>(28,981)</u> |
| NET CHANGE IN FUND BALANCES | (50,753) |
| FUND BALANCE, BEGINNING | 606,675 |
| RESTATEMENT | 14,037 |
| BEGINNING BALANCE AS RESTATED | <u>620,712</u> |
| FUND BALANCE, ENDING | <u>\$ 569,959</u> |

See Independent Auditors' Report

**STATE OF NEW MEXICO
TORRANCE COUNTY
FIDUCIARY FUNDS - DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2020**

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

Children's Trust Fund—To account for a \$15.00 fee collected by the County Clerk for issuing, acknowledging, and recording a marriage license and marriage certificate in accordance with Section 40-1-11E, NMSA 1978. The \$15.00 fee shall be remitted by the County Treasurer to the State Treasurer within 15 days of the last day of each month for credit to the Children's Trust Fund.

Undistributed Taxes—To account for property taxes collected by the County Treasurer and distributed to other governmental units in accordance with Section 7-38-43, NMSA 1978.

Overpayment of Taxes 7-38-38—To account for the overpayment of property taxes in accordance with Section 7-38-38B NMSA 1978. The fund is used to account for excess property taxes paid until a refund can be made to the taxpayer.

Taxes Paid in Advance—To account for the prepayment of property taxes in accordance with Section 7-38-38.2 NMSA 1978, which are not legally due.

Penalty and Interest—To account for costs collected for the State of New Mexico and for penalty and interest on delinquent taxes collected for the State.

**STATE OF NEW MEXICO
TORRANCE COUNTY
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

| | <u>Balance June 30, 2019</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance June 30, 2020</u> |
|------------------------------|----------------------------------|---------------------|---------------------|----------------------------------|
| Assets | | | | |
| Cash and Cash Equivalents | \$ 295,912 | \$ 286,837 | \$ - | \$ 582,749 |
| Property Taxes Receivable | <u>895,180</u> | <u>4,828,066</u> | <u>4,461,909</u> | <u>1,261,337</u> |
| Total Assets | <u>\$ 1,191,092</u> | <u>\$ 5,114,903</u> | <u>\$ 4,461,909</u> | <u>\$ 1,844,086</u> |
| Liabilities | | | | |
| Deposits Held for Others | \$ 295,912 | \$ 286,837 | \$ - | \$ 582,749 |
| Due to Other Taxing Entities | <u>895,180</u> | <u>4,828,066</u> | <u>4,461,909</u> | <u>1,261,337</u> |
| Total Liabilities | <u>\$ 1,191,092</u> | <u>\$ 5,114,903</u> | <u>\$ 4,461,909</u> | <u>\$ 1,844,086</u> |

See Independent Auditors' Report

OTHER SUPPLEMENTARY INFORMATION

**STATE OF NEW MEXICO
TORRANCE COUNTY
RECONCILIATION OF PROPERTY TAX ROLLS
FOR THE YEAR ENDED JUNE 30, 2020**

| | |
|--|----------------------------|
| Property Taxes Receivable, Beginning of Year | \$ 1,804,898 |
| Changes to Tax Roll: | |
| Net Taxes Charged to Treasurer for Fiscal Year | 10,189,780 |
| Adjustments: | |
| Charge Off of Taxes Receivable | <u>(19,682)</u> |
| Total Receivables Prior to Collections | 11,974,996 |
| Collections for the Fiscal Year Ended June 30, 2020 | <u>(9,428,491)</u> |
| Property Taxes Receivable, End of Year | <u><u>\$ 2,546,505</u></u> |
| Property Taxes Receivable by years: | |
| 2010 - 2013 | \$ 428,375 |
| 2014 | 161,957 |
| 2015 | 188,584 |
| 2016 | 231,498 |
| 2017 | 286,888 |
| 2018 | 430,973 |
| 2019 | <u>818,230</u> |
| Total Property Taxes Receivable | <u><u>\$ 2,546,505</u></u> |
| Property taxes receivable reported in the financial statements as follows: | |
| Statement of Net Position | \$ 1,285,168 |
| Statement of Fiduciary Assets and Liabilities | <u>1,261,337</u> |
| Total Property Taxes Receivable | <u><u>\$ 2,546,505</u></u> |

**STATE OF NEW MEXICO
TORRANCE COUNTY
PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2020**

| Year | Type | ADJUSTED TAX CHARGED PRIOR - JUL 1, 2019 | TAX COLLECTED PRIOR TO JUL 1, 2019 | TOTAL TAX COLLECTED | DISTRIBUTED JUL 1, 2019 -JUN 30, 2020 | TOTAL DISTRIBUTED | UNDISTRIBUTED JUL 1, 2019 -JUN 30, 2020 | OUTSTANDING RECEIVABLE AS JUN 30, 2020 |
|------|--------------|--|--|------------------------|---|----------------------|---|--|
| 2019 | NM DEBT SERV | \$ 601,947 | \$ - | \$ (559,960) | \$ (548,575) | \$ (548,575) | \$ (11,384) | \$ 45,187 |
| 2018 | NM DEBT SERV | 568,051 | (514,702) | (541,187) | (36,783) | (539,506) | (1,682) | 23,689 |
| 2017 | NM DEBT SERV | 554,583 | (529,431) | (538,507) | (9,666) | (537,555) | (952) | 15,982 |
| 2016 | NM DEBT SERV | 530,840 | (514,610) | (517,887) | (3,791) | (517,602) | (285) | 12,864 |
| 2015 | NM DEBT SERV | 517,098 | (505,046) | (506,654) | (1,661) | (506,577) | (77) | 10,408 |
| 2014 | NM DEBT SERV | 490,715 | (481,024) | (481,916) | (996) | (481,862) | (54) | 8,769 |
| 2013 | NM DEBT SERV | 481,567 | (473,081) | (473,832) | (886) | (473,792) | (39) | 7,669 |
| 2012 | NM DEBT SERV | 467,339 | (460,187) | (460,638) | (578) | (460,624) | (14) | 6,639 |
| 2011 | NM DEBT SERV | 446,097 | (440,340) | (440,662) | (351) | (440,646) | (16) | 5,373 |
| 2010 | NM DEBT SERV | 486,166 | (480,525) | (480,866) | (357) | (480,866) | 1 | 5,239 |
| | | 5,144,403 | (4,398,946) | (5,002,109) | (603,644) | (4,987,605) | (14,502) | 141,819 |
| 2019 | CO OPERATION | 4,978,555 | - | (4,616,130) | (4,616,130) | (4,616,130) | - | 389,479 |
| 2018 | CO OPERATION | 4,930,108 | (4,467,665) | (4,697,208) | (229,543) | (4,697,208) | - | 205,254 |
| 2017 | CO OPERATION | 4,714,529 | (4,502,856) | (4,578,753) | (75,897) | (4,578,753) | - | 134,994 |
| 2016 | CO OPERATION | 4,409,351 | (4,275,346) | (4,302,155) | (26,809) | (4,302,155) | - | 106,469 |
| 2015 | CO OPERATION | 4,300,586 | (4,201,090) | (4,214,187) | (13,097) | (4,214,187) | - | 86,120 |
| 2014 | CO OPERATION | 4,068,460 | (3,988,581) | (3,995,825) | (7,244) | (3,995,825) | - | 72,403 |
| 2013 | CO OPERATION | 3,924,571 | (3,855,713) | (3,861,712) | (5,999) | (3,861,712) | - | 62,328 |
| 2012 | CO OPERATION | 3,736,557 | (3,679,532) | (3,683,082) | (3,550) | (3,683,082) | - | 52,994 |
| 2011 | CO OPERATION | 3,497,403 | (3,452,347) | (3,454,843) | (2,496) | (3,454,843) | - | 42,086 |
| 2010 | CO OPERATION | 3,220,521 | (3,183,002) | (3,185,309) | (2,307) | (3,185,309) | - | 34,794 |
| | Total | 41,780,641 | (35,606,132) | (40,589,204) | (4,983,072) | (40,589,204) | - | 1,186,921 |
| 2019 | CO DEBT SERV | 383,159 | - | (355,266) | (355,266) | (355,266) | - | 29,975 |
| 2018 | CO DEBT SERV | 384,685 | (348,557) | (366,493) | (17,936) | (366,493) | - | 16,042 |
| 2017 | CO DEBT SERV | 364,555 | (348,021) | (353,987) | (5,966) | (353,987) | - | 10,506 |
| 2016 | CO DEBT SERV | 377,441 | (365,901) | (368,231) | (2,330) | (368,231) | - | 9,147 |
| 2015 | CO DEBT SERV | 352,165 | (343,956) | (345,051) | (1,095) | (345,051) | - | 7,088 |
| 2014 | CO DEBT SERV | 357,540 | (350,479) | (351,129) | (650) | (351,129) | - | 6,389 |
| 2013 | CO DEBT SERV | 338,808 | (332,837) | (333,365) | (528) | (333,365) | - | 5,396 |
| 2012 | CO DEBT SERV | 344,034 | (338,770) | (339,102) | (332) | (339,102) | - | 4,887 |
| 2011 | CO DEBT SERV | 422,669 | (417,215) | (417,520) | (305) | (417,520) | - | 5,091 |
| 2010 | CO DEBT SERV | 345,790 | (341,777) | (342,020) | (243) | (342,020) | - | 3,727 |
| | Total | 3,670,846 | (3,187,513) | (3,572,164) | (384,651) | (3,572,164) | - | 98,248 |

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| Year | Type | ADJUSTED TAX CHARGED PRIOR - JUL 1, 2019 | TAX COLLECTED PRIOR TO JUL 1, 2019 | TOTAL TAX COLLECTED | DISTRIBUTED JUL 1, 2019 -JUN 30, 2020 | TOTAL DISTRIBUTED | UNDISTRIBUTED JUL 1, 2019 -JUN 30, 2020 | OUTSTANDING RECEIVABLE AS JUN 30, 2020 |
|------|----------------|--|--|------------------------|---|----------------------|---|--|
| 2019 | SCH LEVY | \$ 191,012 | \$ - | \$ (177,521) | \$ (173,841) | \$ (173,841) | \$ (3,680) | \$ 14,614 |
| 2018 | SCH LEVY | 187,315 | (169,936) | (178,540) | (11,975) | (178,002) | (537) | 7,619 |
| 2017 | SCH LEVY | 179,632 | (171,689) | (174,512) | (2,987) | (174,214) | (297) | 5,094 |
| 2016 | SCH LEVY | 169,888 | (164,772) | (165,771) | (1,151) | (165,681) | (90) | 4,092 |
| 2015 | SCH LEVY | 166,363 | (162,540) | (163,035) | (511) | (163,011) | (23) | 3,319 |
| 2014 | SCH LEVY | 157,790 | (154,689) | (154,964) | (305) | (154,947) | (17) | 2,819 |
| 2013 | SCH LEVY | 152,383 | (149,715) | (149,942) | (265) | (149,930) | (12) | 2,421 |
| 2012 | SCH LEVY | 147,189 | (144,956) | (145,084) | (162) | (145,080) | (4) | 2,088 |
| 2011 | SCH LEVY | 139,961 | (138,171) | (138,263) | (100) | (138,258) | (4) | 1,682 |
| 2010 | SCH LEVY | 130,719 | (129,204) | (129,289) | (89) | (129,289) | - | 1,416 |
| | Total | 1,622,252 | (1,385,672) | (1,576,921) | (191,386) | (1,572,253) | (4,664) | 45,164 |
| 2019 | SCH DEBT SERV | 2,611,345 | - | (2,399,694) | (2,343,869) | (2,343,869) | (55,825) | 227,556 |
| 2018 | SCH DEBT SERV | 2,577,744 | (2,319,970) | (2,445,684) | (179,181) | (2,437,117) | (8,566) | 122,066 |
| 2017 | SCH DEBT SERV | 2,577,649 | (2,450,095) | (2,494,479) | (47,904) | (2,489,589) | (4,890) | 82,685 |
| 2016 | SCH DEBT SERV | 2,478,616 | (2,391,442) | (2,408,278) | (19,360) | (2,406,681) | (1,597) | 69,859 |
| 2015 | SCH DEBT SERV | 2,523,622 | (2,455,766) | (2,464,633) | (9,198) | (2,464,217) | (416) | 58,719 |
| 2014 | SCH DEBT SERV | 2,505,196 | (2,447,549) | (2,452,724) | (5,972) | (2,452,481) | (243) | 52,218 |
| 2013 | SCH DEBT SERV | 2,388,898 | (2,340,375) | (2,344,365) | (4,910) | (2,344,187) | (177) | 44,156 |
| 2012 | SCH DEBT SERV | 1,947,151 | (1,911,705) | (1,913,985) | (3,030) | (1,913,960) | (24) | 32,844 |
| 2011 | SCH DEBT SERV | 1,925,796 | (1,896,210) | (1,897,949) | (1,890) | (1,897,867) | (82) | 27,505 |
| 2010 | SCH DEBT SERV | 1,816,904 | (1,791,573) | (1,793,218) | (1,738) | (1,793,220) | 3 | 23,378 |
| | Total | 23,352,921 | (20,004,685) | (22,615,009) | (2,617,052) | (22,543,188) | (71,817) | 740,986 |
| 2019 | SCH CAPT IMPRV | 771,421 | - | (717,246) | (702,208) | (702,208) | (15,038) | 58,140 |
| 2018 | SCH CAPT IMPRV | 773,035 | (701,520) | (737,208) | (49,180) | (734,987) | (2,221) | 31,180 |
| 2017 | SCH CAPT IMPRV | 751,268 | (717,992) | (730,109) | (12,851) | (728,863) | (1,246) | 21,034 |
| 2016 | SCH CAPT IMPRV | 725,625 | (704,188) | (708,544) | (5,060) | (708,171) | (372) | 16,963 |
| 2015 | SCH CAPT IMPRV | 706,314 | (690,339) | (692,488) | (2,217) | (692,385) | (103) | 13,783 |
| 2014 | SCH CAPT IMPRV | 717,757 | (703,550) | (704,858) | (1,461) | (704,779) | (78) | 12,854 |
| 2013 | SCH CAPT IMPRV | 701,071 | (688,674) | (689,770) | (1,295) | (689,713) | (57) | 11,203 |
| 2012 | SCH CAPT IMPRV | 681,734 | (671,261) | (671,922) | (847) | (671,900) | (21) | 9,723 |
| 2011 | SCH CAPT IMPRV | 648,861 | (640,468) | (640,936) | (510) | (640,912) | (23) | 7,837 |
| 2010 | SCH CAPT IMPRV | 627,019 | (619,792) | (620,227) | (456) | (620,228) | 1 | 6,714 |
| | Total | 7,104,105 | (6,137,784) | (6,913,308) | (776,085) | (6,894,146) | (19,158) | 189,431 |

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| Year | Type | ADJUSTED TAX CHARGED PRIOR - JUL 1, 2019 | TAX COLLECTED PRIOR TO JUL 1, 2019 | TOTAL TAX COLLECTED | DISTRIBUTED JUL 1, 2019 -JUN 30, 2020 | TOTAL DISTRIBUTED | UNDISTRIBUTED JUL 1, 2019 -JUN 30, 2020 | OUTSTANDING RECEIVABLE AS JUN 30, 2020 |
|------|-------------|--|--|------------------------|---|----------------------|---|--|
| 2019 | SCH CHARTER | \$ 68,843 | \$ - | \$ (61,848) | \$ (60,238) | \$ (60,238) | \$ (1,610) | \$ 7,595 |
| 2018 | SCH CHARTER | 61,100 | (54,328) | (57,507) | (4,800) | (57,261) | (246) | 3,573 |
| 2017 | SCH CHARTER | 59,203 | (55,853) | (56,939) | (1,201) | (56,802) | (137) | 2,253 |
| 2016 | SCH CHARTER | 50,954 | (48,711) | (49,126) | (459) | (49,083) | (44) | 1,817 |
| 2015 | SCH CHARTER | 48,742 | (47,088) | (47,296) | (218) | (47,287) | (9) | 1,436 |
| | | 288,842 | (205,980) | (272,716) | (66,916) | (270,671) | (2,046) | 16,674 |
| 2019 | CATTLE LEVY | 44,106 | - | (41,763) | (41,455) | (41,455) | (308) | 2,177 |
| 2018 | CATTLE LEVY | 49,272 | (45,842) | (48,517) | (3,751) | (48,478) | (39) | 756 |
| 2017 | CATTLE LEVY | 62,177 | (60,798) | (61,042) | (246) | (61,003) | (39) | 1,136 |
| 2016 | CATTLE LEVY | 53,998 | (53,277) | (53,361) | (17) | (53,294) | (66) | 638 |
| 2015 | CATTLE LEVY | 49,364 | (48,862) | (48,864) | (2) | (48,864) | - | 500 |
| 2014 | CATTLE LEVY | 38,110 | (37,663) | (37,663) | - | (37,663) | - | 447 |
| 2013 | CATTLE LEVY | 41,200 | (40,850) | (40,850) | - | (40,850) | - | 350 |
| 2012 | CATTLE LEVY | 36,614 | (36,277) | (36,277) | - | (36,277) | - | 337 |
| 2011 | CATTLE LEVY | 33,028 | (32,941) | (32,941) | - | (32,941) | - | 87 |
| 2010 | CATTLE LEVY | 30,073 | (30,006) | (30,006) | - | (30,006) | - | 66 |
| | Total | 437,942 | (386,516) | (431,284) | (45,471) | (430,831) | (452) | 6,494 |
| 2019 | SHEEP LEVY | 363 | - | (322) | (320) | (320) | (2) | 40 |
| 2018 | SHEEP LEVY | 354 | (350) | (353) | (28) | (351) | (2) | 1 |
| 2017 | SHEEP LEVY | 348 | (336) | (343) | (4) | (340) | (2) | 5 |
| 2016 | SHEEP LEVY | 324 | (319) | (323) | - | (319) | (4) | 2 |
| 2015 | SHEEP LEVY | 242 | (240) | (240) | - | (240) | - | 2 |
| 2014 | SHEEP LEVY | 270 | (267) | (267) | - | (267) | - | 3 |
| 2013 | SHEEP LEVY | 425 | (421) | (421) | - | (421) | - | 3 |
| 2012 | SHEEP LEVY | 529 | (527) | (527) | - | (527) | - | 2 |
| 2011 | SHEEP LEVY | 249 | (246) | (246) | - | (246) | - | 4 |
| 2010 | SHEEP LEVY | 221 | (218) | (218) | - | (218) | - | 3 |
| | Total | 3,325 | (2,924) | (3,260) | (352) | (3,249) | (10) | 65 |
| 2019 | GOATS LEVY | 111 | - | (87) | (82) | (82) | (6) | 24 |
| 2018 | GOATS LEVY | 68 | (57) | (60) | (13) | (58) | (2) | 9 |
| 2017 | GOATS LEVY | 99 | (79) | (88) | (13) | (86) | (2) | 11 |
| 2016 | GOATS LEVY | 78 | (73) | (73) | (3) | (73) | - | 5 |
| 2015 | GOATS LEVY | 63 | (61) | (61) | (1) | (61) | - | 2 |
| 2014 | GOATS LEVY | 61 | (60) | (60) | - | (60) | - | 1 |
| 2013 | GOATS LEVY | 61 | (61) | (61) | - | (61) | - | - |
| 2012 | GOATS LEVY | 40 | (40) | (40) | - | (40) | - | - |
| 2011 | GOATS LEVY | 25 | (25) | (25) | - | (25) | - | - |
| 2010 | GOATS LEVY | 34 | (34) | (34) | - | (34) | - | - |
| | Total | 640 | (490) | (589) | (112) | (580) | (10) | 52 |

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| Year | Type | ADJUSTED TAX CHARGED PRIOR - JUL 1, 2019 | TAX COLLECTED PRIOR TO JUL 1, 2019 | TOTAL TAX COLLECTED | DISTRIBUTED JUL 1, 2019 -JUN 30, 2020 | TOTAL DISTRIBUTED | UNDISTRIBUTED JUL 1, 2019 -JUN 30, 2020 | OUTSTANDING RECEIVABLE AS JUN 30, 2020 |
|------|----------------|--|--|------------------------|---|----------------------|---|--|
| 2019 | EQUINE LEVY | \$ 1,543 | \$ - | \$ (1,443) | \$ (1,391) | \$ (1,391) | \$ (52) | \$ 97 |
| 2018 | EQUINE LEVY | 1,370 | (1,183) | (1,323) | (135) | (1,302) | (22) | 46 |
| 2017 | EQUINE LEVY | 1,406 | (1,262) | (1,287) | (25) | (1,287) | - | 119 |
| 2016 | EQUINE LEVY | 1,432 | (1,303) | (1,310) | (5) | (1,308) | (1) | 123 |
| 2015 | EQUINE LEVY | 1,287 | (1,176) | (1,186) | (7) | (1,181) | (5) | 101 |
| 2014 | EQUINE LEVY | 1,158 | (1,132) | (1,138) | - | (1,132) | (6) | 20 |
| 2013 | EQUINE LEVY | 1,232 | (1,197) | (1,203) | - | (1,197) | (6) | 29 |
| 2012 | EQUINE LEVY | 1,181 | (1,162) | (1,168) | - | (1,162) | (6) | 13 |
| 2011 | EQUINE LEVY | 1,292 | (1,283) | (1,283) | - | (1,283) | - | 9 |
| 2010 | EQUINE LEVY | 1,139 | (1,128) | (1,128) | - | (1,128) | - | 11 |
| | | 13,040 | (10,826) | (12,469) | (1,563) | (12,371) | (98) | 568 |
| 2019 | DAIRY CTL LEVY | 1,513 | - | (1,509) | (1,509) | (1,509) | - | 4 |
| 2018 | DAIRY CTL LEVY | 7,285 | (7,279) | (7,279) | (1) | (7,279) | - | 5 |
| 2017 | DAIRY CTL LEVY | 9,008 | (9,005) | (9,005) | - | (9,005) | - | 3 |
| 2016 | DAIRY CTL LEVY | 7,669 | (7,669) | (7,669) | - | (7,669) | - | - |
| 2015 | DAIRY CTL LEVY | 8,112 | (8,112) | (8,112) | - | (8,112) | - | - |
| 2014 | DAIRY CTL LEVY | 8,953 | (8,952) | (8,952) | - | (8,952) | - | 2 |
| 2013 | DAIRY CTL LEVY | 8,960 | (8,960) | (8,960) | - | (8,960) | - | - |
| 2012 | DAIRY CTL LEVY | 8,369 | (8,369) | (8,369) | - | (8,369) | - | - |
| 2011 | DAIRY CTL LEVY | 1,429 | (1,429) | (1,429) | - | (1,429) | - | - |
| 2010 | DAIRY CTL LEVY | 1,433 | (1,433) | (1,433) | - | (1,433) | - | - |
| | | 62,731 | (61,208) | (62,717) | (1,510) | (62,717) | - | 14 |
| 2019 | SWINE LEVY | 12 | - | (12) | (12) | (12) | - | - |
| 2018 | SWINE LEVY | 8 | (7) | (7) | (1) | (7) | - | 1 |
| 2017 | SWINE LEVY | 13 | (12) | (12) | - | (12) | - | 1 |
| 2016 | SWINE LEVY | 10 | (10) | (10) | - | (10) | - | - |
| 2015 | SWINE LEVY | 12 | (11) | (11) | - | (11) | - | - |
| 2014 | SWINE LEVY | 11 | (11) | (12) | - | (11) | (1) | - |
| 2013 | SWINE LEVY | 16 | (16) | (17) | - | (16) | (1) | - |
| | | 82 | (67) | (81) | (13) | (79) | (2) | 2 |
| 2019 | BISON LEVY | 172 | - | (172) | (158) | (158) | (14) | - |
| 2018 | BISON LEVY | 89 | (88) | (89) | (3) | (87) | (1) | 1 |
| 2017 | BISON LEVY | 471 | (469) | (471) | - | (469) | (2) | - |
| 2016 | BISON LEVY | 484 | (484) | (484) | (12) | (484) | - | - |
| 2015 | BISON LEVY | 517 | (517) | (517) | (8) | (517) | - | - |
| 2014 | BISON LEVY | 317 | (317) | (317) | - | (317) | - | - |
| 2013 | BISON LEVY | 352 | (346) | (346) | - | (346) | - | 7 |
| 2012 | BISON LEVY | 467 | (467) | (467) | - | (467) | - | - |
| 2011 | BISON LEVY | 392 | (392) | (392) | - | (392) | - | - |
| 2010 | BISON LEVY | 309 | (309) | (309) | - | (309) | - | - |
| | | 3,570 | (3,389) | (3,564) | (181) | (3,546) | (17) | 8 |

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|------|----------------|--|--|------------------------|---|----------------------|---|--|
| 2017 | RATITES | \$ 1 | \$ (1) | \$ (1) | \$ - | \$ (1) | \$ - | \$ - |
| 2016 | RATITES | 1 | (1) | (1) | - | (1) | - | - |
| 2015 | RATITES | 1 | (1) | (1) | - | (1) | - | - |
| 2014 | RATITES | 2 | (2) | (2) | - | (2) | - | - |
| 2013 | RATITES | - | - | - | - | - | - | - |
| | | 5 | (5) | (5) | - | (5) | - | - |
| 2019 | NON-RENDITION | - | - | - | - | - | - | 4 |
| 2018 | NON-RENDITION | - | - | - | - | - | - | 15 |
| 2017 | NON-RENDITION | 18 | (18) | (18) | - | (18) | - | 17 |
| 2016 | NON-RENDITION | 245 | (245) | (245) | - | (245) | - | 16 |
| 2015 | NON-RENDITION | 1,917 | (1,917) | (1,917) | - | (1,917) | - | 19 |
| 2014 | NON-RENDITION | 141 | (141) | (141) | - | (141) | - | 22 |
| 2013 | NON-RENDITION | 2 | (2) | (2) | - | (2) | - | - |
| 2012 | NON-RENDITION | 5 | (5) | (5) | - | (5) | - | - |
| 2011 | NON-RENDITION | 5 | (5) | (5) | - | (5) | - | - |
| 2010 | NON-RENDITION | 5 | (5) | (5) | - | (5) | - | - |
| | | 2,338 | (2,338) | (2,338) | - | (2,338) | - | 93 |
| 2019 | ADMINISTRATIVE | 4,203 | - | (3,826) | (3,689) | (3,689) | (136) | 376 |
| 2018 | ADMINISTRATIVE | 4,302 | (3,897) | (4,089) | (320) | (4,084) | (5) | 211 |
| 2017 | ADMINISTRATIVE | 4,360 | (4,118) | (4,194) | (75) | (4,187) | (8) | 162 |
| 2016 | ADMINISTRATIVE | 4,523 | (4,336) | (4,385) | (52) | (4,382) | (4) | 140 |
| 2015 | ADMINISTRATIVE | 4,767 | (4,606) | (4,645) | (36) | (4,640) | (4) | 121 |
| 2014 | ADMINISTRATIVE | 4,938 | (4,810) | (4,826) | (22) | (4,826) | - | 109 |
| 2013 | ADMINISTRATIVE | 5,870 | (5,773) | (5,777) | (6) | (5,777) | - | 89 |
| 2012 | ADMINISTRATIVE | 5,007 | (4,913) | (4,914) | (3) | (4,914) | - | 90 |
| 2011 | ADMINISTRATIVE | 5,265 | (5,168) | (5,172) | (4) | (5,172) | - | 93 |
| 2010 | ADMINISTRATIVE | 5,159 | (5,082) | (5,082) | - | (5,082) | - | 76 |
| | | 48,394 | (42,703) | (46,910) | (4,207) | (46,753) | (157) | 1,467 |
| 2019 | EDGEWOOD SWCD | 102,282 | - | (90,391) | (87,789) | (87,789) | (2,601) | 12,316 |
| 2018 | EDGEWOOD SWCD | 101,938 | (88,922) | (94,471) | (7,746) | (93,947) | (524) | 7,462 |
| 2017 | EDGEWOOD SWCD | 113,750 | (106,472) | (108,579) | (2,524) | (108,353) | (227) | 5,167 |
| 2016 | EDGEWOOD SWCD | 102,579 | (97,184) | (97,984) | (927) | (97,855) | (130) | 4,591 |
| 2015 | EDGEWOOD SWCD | 99,428 | (95,316) | (95,759) | (499) | (95,749) | (11) | 3,667 |
| 2014 | EDGEWOOD SWCD | 97,012 | (93,543) | (93,731) | (285) | (93,728) | (3) | 3,280 |
| 2013 | EDGEWOOD SWCD | 94,448 | (91,337) | (91,464) | (229) | (91,464) | 1 | 2,983 |
| 2012 | EDGEWOOD SWCD | 92,022 | (89,386) | (89,502) | (187) | (89,502) | 1 | 2,519 |
| 2011 | EDGEWOOD SWCD | 91,713 | (89,576) | (89,658) | (95) | (89,659) | 1 | 2,054 |
| 2010 | EDGEWOOD SWCD | 88,599 | (86,757) | (86,828) | (83) | (86,828) | - | 1,770 |
| | | 983,771 | (838,493) | (938,367) | (100,364) | (934,874) | (3,493) | 45,809 |

**STATE OF NEW MEXICO
TORRANCE COUNTY
PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2020**

| Year | Type | ADJUSTED TAX CHARGED PRIOR - JUL 1, 2019 | TAX COLLECTED PRIOR TO JUL 1, 2019 | TOTAL TAX COLLECTED | DISTRIBUTED JUL 1, 2019 -JUN 30, 2020 | TOTAL DISTRIBUTED | UNDISTRIBUTED JUL 1, 2019 -JUN 30, 2020 | OUTSTANDING RECEIVABLE AS JUN 30, 2020 |
|------|----------------|--|--|------------------------|---|----------------------|---|--|
| 2019 | CLAUNCH PINTO | \$ 73,739 | \$ - | \$ (70,577) | \$ (69,584) | \$ (69,584) | \$ (993) | \$ 3,321 |
| 2018 | CLAUNCH PINTO | 76,028 | (67,413) | (71,977) | (5,217) | (71,835) | (141) | 1,844 |
| 2017 | CLAUNCH PINTO | 70,662 | (68,349) | (69,540) | (1,171) | (69,499) | (42) | 1,122 |
| 2016 | CLAUNCH PINTO | 68,079 | (67,358) | (67,621) | (285) | (67,615) | (6) | 459 |
| 2015 | CLAUNCH PINTO | 64,636 | (64,241) | (64,350) | (108) | (64,349) | (1) | 287 |
| 2014 | CLAUNCH PINTO | 60,716 | (60,477) | (60,485) | (4) | (60,481) | (4) | 231 |
| 2013 | CLAUNCH PINTO | 59,783 | (59,569) | (59,571) | (2) | (59,571) | - | 211 |
| 2012 | CLAUNCH PINTO | 59,542 | (59,252) | (59,253) | (1) | (59,253) | - | 289 |
| 2011 | CLAUNCH PINTO | 56,442 | (56,268) | (56,269) | (1) | (56,269) | - | 173 |
| 2010 | CLAUNCH PINTO | 53,097 | (52,938) | (52,938) | - | (52,938) | - | 159 |
| | | 642,724 | (555,865) | (632,581) | (76,373) | (631,394) | (1,187) | 8,096 |
| 2019 | EAST TORRANCE | 156,180 | - | (147,693) | (144,405) | (144,405) | (3,288) | 9,553 |
| 2018 | EAST TORRANCE | 155,243 | (145,296) | (150,197) | (6,589) | (149,822) | (375) | 5,013 |
| 2017 | EAST TORRANCE | 140,784 | (135,474) | (137,485) | (2,070) | (137,275) | (210) | 3,272 |
| 2016 | EAST TORRANCE | 137,974 | (134,635) | (135,209) | (792) | (135,174) | (35) | 2,739 |
| 2015 | EAST TORRANCE | 131,409 | (128,821) | (129,109) | (286) | (129,097) | (12) | 2,300 |
| 2014 | EAST TORRANCE | 126,933 | (125,047) | (125,218) | (166) | (125,208) | (10) | 1,715 |
| 2013 | EAST TORRANCE | 124,105 | (122,412) | (122,596) | (176) | (122,581) | (15) | 1,509 |
| 2012 | EAST TORRANCE | 119,436 | (118,064) | (118,125) | (56) | (118,115) | (11) | 1,311 |
| 2011 | EAST TORRANCE | 115,039 | (113,784) | (113,821) | (37) | (113,818) | (3) | 1,219 |
| 2010 | EAST TORRANCE | 112,381 | (111,279) | (111,307) | (28) | (111,307) | - | 1,073 |
| | | 1,319,484 | (1,134,812) | (1,290,760) | (154,605) | (1,286,802) | (3,959) | 29,704 |
| 2019 | CARRIZOZO SWCD | 273 | - | (273) | (273) | (273) | - | 46 |
| 2018 | CARRIZOZO SWCD | 267 | (267) | (267) | - | (267) | - | - |
| 2017 | CARRIZOZO SWCD | 153 | (153) | (153) | - | (153) | - | - |
| 2016 | CARRIZOZO SWCD | 11 | (11) | (11) | - | (11) | - | - |
| 2015 | CARRIZOZO SWCD | 11 | (11) | (11) | - | (11) | - | - |
| 2014 | CARRIZOZO SWCD | 8 | (8) | (8) | - | (8) | - | - |
| 2013 | CARRIZOZO SWCD | 8 | (8) | (8) | - | (8) | - | - |
| 2012 | CARRIZOZO SWCD | 8 | (8) | (8) | - | (8) | - | - |
| 2011 | CARRIZOZO SWCD | 8 | (8) | (8) | - | (8) | - | - |
| 2010 | CARRIZOZO SWCD | 8 | (8) | (8) | - | (8) | - | - |
| | | 755 | (482) | (755) | (273) | (755) | - | 46 |

**STATE OF NEW MEXICO
TORRANCE COUNTY
PROPERTY TAX SCHEDULE (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

| Year | Type | ADJUSTED TAX CHARGED PRIOR - JUL 1, 2019 | TAX COLLECTED PRIOR TO JUL 1, 2019 | TOTAL TAX COLLECTED | DISTRIBUTED JUL 1, 2019 -JUN 30, 2020 | TOTAL DISTRIBUTED | UNDISTRIBUTED JUL 1, 2019 -JUN 30, 2020 | OUTSTANDING RECEIVABLE AS JUN 30, 2020 |
|------|---------------|--|--|------------------------|---|----------------------|---|--|
| 2019 | MUN OPERATION | \$ 199,001 | \$ - | \$ (182,758) | \$ (179,213) | \$ (179,213) | \$ (3,545) | \$ 17,727 |
| 2018 | MUN OPERATION | 188,281 | (171,490) | (182,196) | (16,575) | (181,423) | (773) | 5,940 |
| 2017 | MUN OPERATION | 169,324 | (162,348) | (166,016) | (3,705) | (165,499) | (516) | 3,215 |
| 2016 | MUN OPERATION | 164,781 | (161,464) | (163,229) | (1,872) | (163,198) | (32) | 1,461 |
| 2015 | MUN OPERATION | 162,145 | (161,227) | (161,443) | (206) | (161,427) | (16) | 676 |
| 2014 | MUN OPERATION | 153,470 | (152,687) | (152,795) | (91) | (152,778) | (17) | 649 |
| 2013 | MUN OPERATION | 147,421 | (147,041) | (147,105) | (57) | (147,096) | (9) | 273 |
| 2012 | MUN OPERATION | 139,217 | (138,964) | (138,968) | (13) | (138,967) | - | 206 |
| 2011 | MUN OPERATION | 129,302 | (129,057) | (129,064) | (7) | (129,064) | - | 194 |
| 2010 | MUN OPERATION | 118,102 | (117,949) | (117,955) | (6) | (117,955) | - | 130 |
| | Total | 1,571,044 | (1,342,227) | (1,541,529) | (201,745) | (1,536,620) | (4,908) | 30,471 |
| 2018 | SCH TECH DEBT | 66,182 | (65,679) | (65,925) | (429) | (65,925) | - | 246 |
| 2017 | SCH TECH DEBT | 50,626 | (50,399) | (50,509) | (46) | (50,441) | (68) | 110 |
| 2016 | SCH TECH DEBT | 52,973 | (52,844) | (52,850) | (10) | (52,850) | - | 113 |
| 2015 | SCH TECH DEBT | 28,398 | (28,358) | (28,360) | (3) | (28,360) | - | 36 |
| 2014 | SCH TECH DEBT | 24,795 | (24,765) | (24,765) | - | (24,765) | - | 26 |
| 2013 | SCH TECH DEBT | 14,962 | (14,954) | (14,954) | - | (14,954) | - | 5 |
| 2011 | SCH TECH DEBT | 41,773 | (41,319) | (41,341) | (24) | (41,340) | (1) | 429 |
| 2010 | SCH TECH DEBT | 376,113 | (372,507) | (372,680) | (173) | (372,680) | - | 3,409 |
| | Total | 655,822 | (650,825) | (651,384) | (685) | (651,315) | (69) | 4,374 |

**STATE OF NEW MEXICO
TORRANCE COUNTY
PROPERTY TAX SCHEDULE (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2020**

GRAND TOTAL

| | ADJUSTED TAX CHARGED | | TAX COLLECTED | | DISTRIBUTED | | UNDISTRIBUTED | OUTSTANDING |
|-------------|---------------------------------|------------------------|--------------------------|------------------------|------------------------------|---------------------|----------------------------|--------------------|
| | PRIOR - JUL 1, | | PRIOR TO JUL 1, | | JUL 1, 2019 -JUN | | JUL 1, 2019 -JUN | RECEIVABLE |
| Year | 2019 | 2019 | COLLECTED | 30, 2020 | TOTAL DISTRIBUTED | 30, 2020 | AS JUN 30, 2020 | |
| 2019 | \$ 10,189,780 | \$ - | \$ (9,428,491) | \$ (9,330,007) | \$ (9,330,007) | \$ (98,482) | \$ 818,230 | |
| 2018 | 10,132,725 | (9,174,448) | (9,650,577) | (570,206) | (9,635,439) | (15,136) | 430,973 | |
| 2017 | 9,824,619 | (9,375,230) | (9,536,029) | (166,351) | (9,527,391) | (8,638) | 286,888 | |
| 2016 | 9,337,876 | (9,046,183) | (9,104,757) | (62,935) | (9,102,092) | (2,666) | 231,498 | |
| 2015 | 9,167,199 | (8,949,302) | (8,977,930) | (29,153) | (8,977,252) | (677) | 188,584 | |
| 2014 | 8,814,353 | (8,635,754) | (8,651,796) | (17,196) | (8,651,362) | (433) | 161,957 | |
| 2013 | 8,486,143 | (8,333,342) | (8,346,321) | (14,353) | (8,346,003) | (315) | 138,632 | |
| 2012 | 7,786,441 | (7,663,845) | (7,671,436) | (8,759) | (7,671,354) | (79) | 113,942 | |
| 2011 | 7,556,749 | (7,456,252) | (7,461,827) | (5,820) | (7,461,697) | (128) | 93,836 | |
| 2010 | 7,413,792 | (7,325,526) | (7,330,860) | (5,480) | (7,330,863) | 5 | 81,965 | |
| | <u>\$ 88,709,677</u> | <u>\$ (75,959,882)</u> | <u>\$ (86,160,024)</u> | <u>\$ (10,210,260)</u> | <u>\$ (86,033,460)</u> | <u>\$ (126,549)</u> | <u>\$ 2,546,505</u> | |

**STATE OF NEW MEXICO
TORRANCE COUNTY
LIST OF INDIVIDUAL DEPOSIT AND INVESTMENT ACCOUNTS
AS OF JUNE 30, 2020**

| Account Name | US Bank | NMFA Cash Reserves | New Mexico LGIP | Total |
|---|---------------------|-------------------------------|----------------------------|---------------------|
| Checking Operational | \$ 4,480,000 | \$ - | \$ - | \$ 4,480,000 |
| Investments | 3,250,026 | - | 2,034,556 | 5,284,582 |
| NMFA Reserve | - | 178,069 | - | 178,069 |
| Total | 7,730,026 | 178,069 | 2,034,556 | 9,942,651 |
| Reconciling Items | (2,421,965) | - | - | (2,421,965) |
| Reconciled Balance | <u>\$ 5,308,061</u> | <u>\$ 178,069</u> | <u>\$ 2,034,556</u> | <u>\$ 7,520,686</u> |
| Petty Cash | | | | \$ 1,000 |
| Less: Investments | | | | (2,034,556) |
| Less: Agency Funds Cash | | | | (582,749) |
| Less: Restricted Cash and Cash Equivalents | | | | (178,069) |
| Total unrestricted cash and cash equivalents | | | | <u>\$ 4,726,312</u> |

**STATE OF NEW MEXICO
TORRANCE COUNTY
SCHEDULE OF PLEDGED COLLATERAL
FOR THE YEAR ENDED JUNE 30, 2020**

| <u>Name of Depository</u> | <u>Description of Pledged Collateral</u> | <u>Maturity</u> | <u>LOC Number</u> | <u>Fair Market Value at June 30, 2020</u> | <u>Name and Location of Safekeeper</u> |
|--------------------------------------|---|------------------------|------------------------------|--|---|
| US Bank | Letter of Credit | 10/1/2020 | 551279 | \$ 6,000,000 | FHLB Cincinnati, Cincinnati, OH |
| US Bank | Letter of Credit | 10/1/2020 | 550452 | <u>3,000,000</u> | FHLB Cincinnati, Cincinnati, OH |
| Total Pledged Collateral | | | | <u>\$ 9,000,000</u> | |

The accompanying notes are an integral part of these financial statements



INDEPENDENT AUDITORS' 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

Honorable Brian S. Colón, Esq.
New Mexico State Auditor
Santa Fe, New Mexico
and
Honorable Members of the Board of County Commissioners
Torrance County
Estancia, New Mexico

We have audited, 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, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons of the general fund and major special revenue funds of Torrance County, New Mexico (the "County") as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and the combining and individual funds of the County, presented as supplementary information, and have issued our report thereon dated November 25, 2020.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies: *FS 2019-001*.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County'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 that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying schedule of findings and responses as item *FS 2020-001*.

We noted certain matters that are required to be reported per section 12-6-5 NMSA 1978 that we have described in the accompanying schedule of findings and responses – Section III. 12-6-5 NMSA 1978 Findings as items *NM 2020-001* and *NM 2020-002*.

County's Response to Findings

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The County'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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kubiak Melton & Associates, LLC

Kubiak Melton & Associates, LLC
Auditors – Business Consultants - CPAs

Albuquerque, New Mexico
November 25, 2020

**STATE OF NEW MEXICO
TORRANCE COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2020**

Section I. Summary of Audit Results

Financial Statements:

- | | |
|--|------------|
| 1. Type of Auditors' Report Issued: | Unmodified |
| 2. Internal Control Over Financial Reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified? | Yes |
| c. Noncompliance material to financial statements noted? | No |

**STATE OF NEW MEXICO
TORRANCE COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2020**

Section II. Financial Statement Findings

FS 2019-001 (2019-001) Financial Close and Material Adjustments (Significant Deficiency) (Repeated and Modified)

Condition: While conducting the audit, three (3) adjustments were identified by the auditor that were required to be made in order to present the financial statements materially correct. Based on the adjustments made, it was determined that the County should improve the effectiveness of its financial close, monitoring, and reporting process. The financial close should include, but not be limited to:

- Establishing and implementing procedures to initiate, authorize, record, process, and correct the general ledger, and report transactions and
- Monitoring if assigned personnel are completing their task timely and accurately.

The following outlines the categories and balances of significant adjustments that were proposed:

- Gross receipts tax revenues: \$88,809
- MVD & Fuel Tax Revenues: \$80,251
- Invoice Paid Twice & Refunded: \$32,084
- Total Restatement to Fund Balance: \$201,144

Management's Progress: The County did not make significant progress toward correcting this during FY2020.

Criteria: Some of the key underlying concepts of AU-C 265 Communicating Internal Control Related Matters Identified in an audit:

- The auditor cannot be part of a client's internal control. Becoming part of a client's internal control impairs the auditor's independence.
- What the auditor does is independent of the client's internal control over financial reporting. Therefore, the auditor cannot be a compensating control for the client.
- A system of internal control over the financial reporting does not stop at the general ledger; rather it includes controls over the review of the financial statements.

Financial Close and the recording of these adjustments are considered significant processes of internal control and should be performed by the County's staff or addressed as nonaudit procedures to be performed by the auditor, but all threats to independence must be properly mitigated according to independence requirements.

Cause: The County did not have proper internal controls in place to ensure that revenues are being recognized in the correct fiscal year.

Effect: Revenues were materially overstated as of June 30, 2020.

Auditors' Recommendations: The County should design and implement internal controls to ensure revenues are being captured in the correct fiscal periods.

Management's Response: Torrance County will develop a written procedure to ensure all aspects of the fiscal year closeout are fully completed.

Management's Timeline to Correct: June 30, 2021 closeout.

Responsible Party: Finance Director, Assistant Finance Director, County Treasurer, and Grants Manager.

**STATE OF NEW MEXICO
TORRANCE COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2020**

Section II. Financial Statement Findings (continued)

FS 2020-001 Reporting (Other Noncompliance)

Condition: The County had fourteen (14) instances of late reporting under the DWI Distribution (4) and Rural Primary Health Care (10) grants for the year ended June 30, 2020.

Criteria: The *Local DWI Grant and Distribution Program* agreement, fiscal year 2020, between the County and the Department of Finance and Administration Local Government Division (DFA), states that the County shall submit the following reporting:

- The first quarter narrative and fiscal reports due on the last working day of October; the second quarter due on the last working day of January; the third quarter reports due on the last working day of April; and the fourth and final narrative and distribution fiscal reports due the last working day of July.
- Annual protocols for the screening, treatment, and compliance monitoring components are due the last working day of July for the current fiscal year.

The Memorandum of Agreement between New Mexico department of Health (DOH), dated July 8, 2019, states the County shall comply with the following reporting:

- Submit for agency approval a monthly invoice equal to 1/12 draw for the previous completed month's services by the 3rd working day of each month in the amount of \$7,502.
- Submit for agency approval the annual project level of operations forms, Contract Action Plan, and Quality Improvement/Assurance Plan by the 3rd working day in August in each fiscal year with an invoice no to exceed \$11,100.
- Submit for agency approval the Monthly Level of Operations and Summary Monthly Narrative Report by the 2nd Friday of each month in each fiscal year.

Cause: The County did not have proper internal controls in place to ensure compliance with the above reporting requirements.

Effect: The County was noncompliant with its reporting requirement set by its Grantor for the fiscal year ended June 30, 2020.

Auditors' Recommendations: The County should design and implement internal controls to ensure the County is submitting all reporting to Grantors in a timely manner.

Management's Response: The County will develop better internal controls within the Grants Department to ensure that all deadlines are met. The County also recently (October 2020) hired an assistant for the grants department.

Management's Timeline to Correct: Immediately moving forward.

Responsible Party: Grants Manager, Grants Assistant, Finance Director, DWI Program Coordinator.

**STATE OF NEW MEXICO
TORRANCE COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2020**

Section III. New Mexico State Audit Rule Section 12-6-5 NMSA 1978 Findings

NM 2020-001 Exceeded Budget Authority (Other Noncompliance)

Condition: The County over expended its budget in the following funds:

Criteria: Section 2.2.2.10.(R)(1)(a) NMAC, states that if the actual budget exceed budgeted expenditures at the legal level of budgetary control, that fact shall be reported in a finding and disclosed in the notes to the financial statements. The following funds exceeded budget authority:

- | | |
|-------------------------------|----------|
| • 631 Senior Citizens Program | \$ 1,440 |
| • 805 Traffic Safety Grant | \$ 5,595 |

Cause: The County over expended its budget in the above funds because of inadequate monitoring of the budget.

Effect: The County was noncompliant with 2.2.210(R)(1)(a) NMAC.

Auditors' Recommendations: The County should monitor their budget regularly and make budget adjustments through commission resolution as needed.

Management's Response: The County will develop internal procedures to ensure that all budget funds are correctly captured within the yearly fiscal budget for the County. The County will coordinate with DFA Local Government Division to ensure that all funds are within compliance. The County will ensure that all new revenues not previously captured into the budget receive a BAR passed by the County Commission and submitted and approved by DFA.

Management's Timeline to Correct: Immediately to affect FY 2021.

Responsible Party: Finance Director.

**STATE OF NEW MEXICO
TORRANCE COUNTY
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2020**

Section IV. Status of Prior Year Findings

FS 2019-001 (2019-001) Financial Close and Material Adjustments (Significant Deficiency) (Repeated and Modified)

2019-002 - Improper Use of Vehicle and Timesheet Inconsistencies (Resolved)

2019-003 - Payroll-Termination of Benefits (Resolved)

2019-004 - Payroll-RHC Withholding (Resolved)

2019-005 - Controls Over Disbursements (Resolved)

2019-006 - Outstanding Check Listing (Resolved)

2019-007 - Capital Assets (Resolved)

2019-008 - Certification of Capital Assets Annual Inventory (Resolved)

**STATE OF NEW MEXICO
TORRANCE COUNTY
EXIT CONFERENCE
FOR THE YEAR ENDED JUNE 30, 2020**

An exit conference was held on November 25, 2020 to discuss the results of the audit. Attending were the following:

Representing the County:

Kevin McCall, County Commissioner
Tracy Sedillo, County Treasurer
Janice Barela, County Manager
Jeremy Oliver, Finance Director
Noah Sedillo, Chief Procurement Officer
Michelle Gardner, Treasury Controller
Kathryn Hernandez, Chief Deputy Treasurer
Joanna Romero, Assistant Finance Director

Representing the Independent Auditors:

Daniel O. Trujillo, CPA, CFE, CGFM, CGMA
Jose "Joe" Ortiz, Audit Manager

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