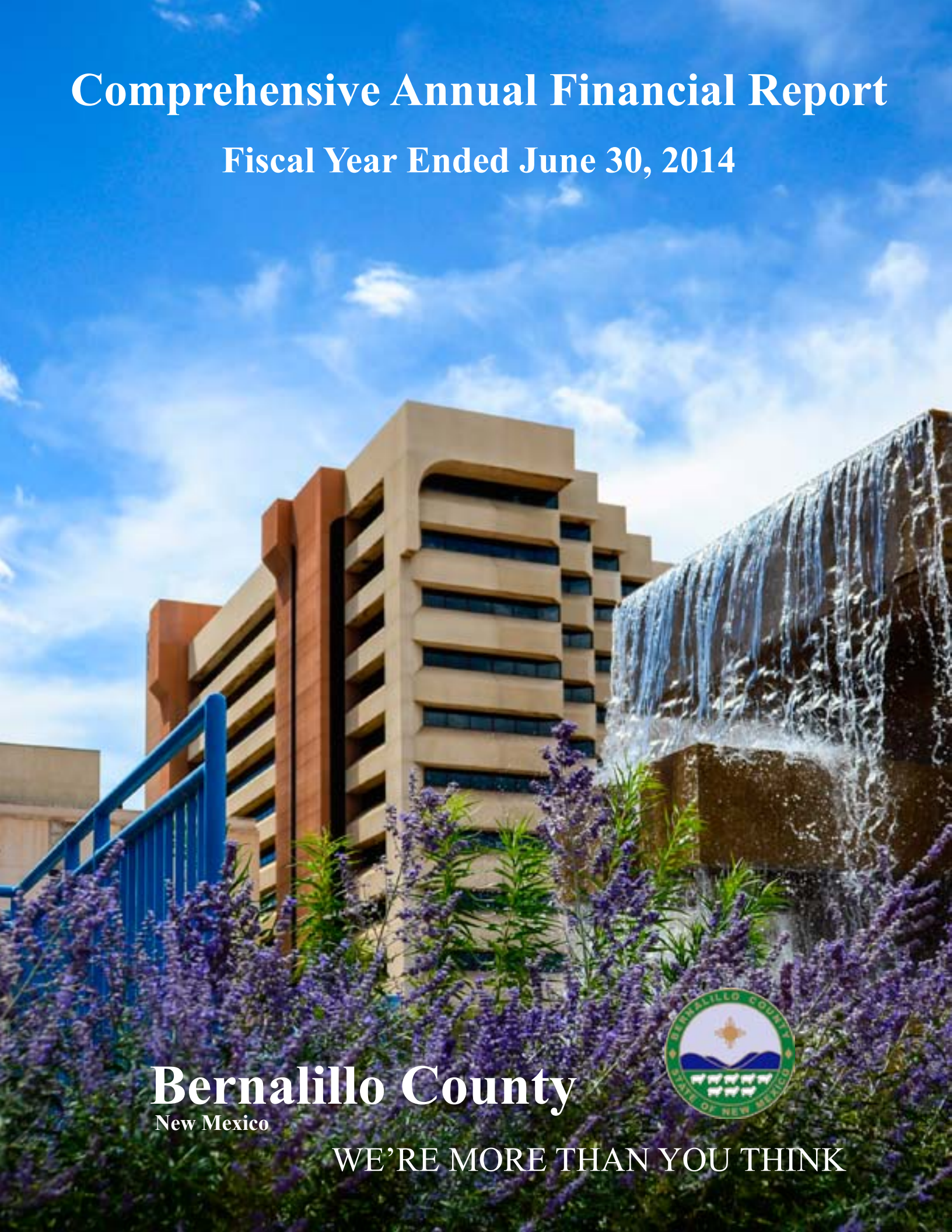
Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2014



Bernalillo County

New Mexico

WE'RE MORE THAN YOU THINK

STATE OF NEW MEXICO
COUNTY OF BERNALILLO

COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT
Fiscal Year Ended June 30, 2014

COUNTY OF BERNALILLO GOVERNMENT
Board of County Commissioners
Tom Zdunek, County Manager
Shirley Ragin, Deputy County Manager for Finance

Prepared by:
The Accounting Department

BERNALILLO COUNTY
STATE OF NEW MEXICO

COUNTY OF BERNALILLO, NEW MEXICO

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COUNTY OF BERNALILLO, NEW MEXICO

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County of Bernalillo
State of New Mexico

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COMMISSIONERS

Debbie O'Malley, Chair
District 1

Art De La Cruz, Vice Chair
District 2

Maggie Hart Stebbins, Member
District 3

Lonnie C. Talbert, Member
District 4

Wayne A. Johnson, Member
District 5

COUNTY MANAGER

Tom Zdunek

ELECTED OFFICIALS

Tanya R. Giddings
Assessor

Maggie Toulouse Oliver
Clerk

Willow Misty Parks
Probate Judge

Dan Houston
Sheriff

Manny Ortiz
Treasurer

November 14, 2014

Board of County Commissioners
Debbie O'Malley, Chair
Art De La Cruz, Vice Chair
Maggie Hart Stebbins, Member
Wayne A. Johnson, Member
Lonnie C. Talbert, Member
One Civic Plaza, 10th Floor
Albuquerque, New Mexico 87102

Dear Commissioners:

Management hereby submits the Comprehensive Annual Financial Report (CAFR) of the County of Bernalillo (the County), New Mexico, for fiscal year ending June 30, 2014.

New Mexico State Statute 12-6-3, NMSA (1978) requires that an annual audit of a governmental unit's accounting records and Comprehensive Annual Financial Report be performed by independent public accountants. This year's audit was performed as a joint venture between Moss Adams LLP and the New Mexico Office of the State Auditor. Federal law also requires that a single audit be performed for federal grant funds in conformance with the provisions of the Single Audit Act of 1984 and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." All information related to the single audit, including the schedule of expenditures of federal awards, findings and recommendations, and the independent auditors' reports on the internal control structure and compliance with applicable laws and regulations are included in the Single Audit Section.

County management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal controls that were established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Moss Adams LLP, Certified Public Accountants, has issued the highest possible opinion, an unmodified opinion, on the county's comprehensive annual financial report for the fiscal year ending June 30, 2014. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors report and it provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A provides a context to this letter of transmittal and should be read in conjunction with it.

Profile of the County

Bernalillo County, which encompasses the entire City of Albuquerque, is located in the central region of the state and is the economic and population hub of New Mexico. With an estimated population of 674,221 in 2013, Bernalillo County is the 92nd most populous county of the nation's 3,143 counties. It comprises 32 percent of New Mexico's population and 75 percent of the Albuquerque Metropolitan Statistical Area (MSA) comprised of Bernalillo County and portions of Sandoval, Torrance and Valencia counties.

The county provides sheriff and fire protection to county residents, highways and streets, sanitation, cultural and recreational services, public improvements, building, planning and zoning, and general administrative services. The county also operates the largest jail in the state with a bed count of one thousand nine hundred and fifty inmates. The county has a Commission-Manager form of government in which most of the day-to-day administrative duties are delegated to the County Manager. All legislative power within the county is vested in a five-member Board of County Commissioners (Board), each of whom is elected to four-year terms from single member districts, with a two-term limit. The executive functions are divided; the powers are shared by the Board and five elected county officials: the Treasurer, Assessor, Clerk, Probate Judge, and Sheriff.

The county maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board. The county's legal level of budgetary control is at the fund level, except for the Emergency Medical Services and Fire Districts funds, whose legal level of budgetary authority is at the program or district level. Appropriations within a fund may be adjusted under the authority of Department Directors and the Budget Director as long as total fund appropriations remain the same. Adjustments to appropriations must be approved by the Board and New Mexico State Department of Finance and Administration (DFA), with the exception of adjustments less than $300,000, which can be approved by the County Manager in accordance with administrative resolution 2012-17. The Local Government Division of DFA is the agency responsible for regulating the budgetary affairs of the county. Budget adjustments that do not require DFA approval are limited to transfers of budget between departments within a fund or transfers between line items within a department within a fund. State statutes prohibit the county from making expenditures in excess of the final approved budget at the fund level. The appropriated amounts reflected in the accompanying financial statements are at the function and activity level for the general fund and by object class for all other funds.

Local Economy

Bernalillo County, with the City of Albuquerque making up 83 percent of its population, serves as a hub for commerce and industry in the Southwest. It accounts for nearly half of all economic activity in New Mexico. Its success can be attributed to a diverse economic base consisting of government, services, trade, agriculture, tourism, manufacturing, and research and development. In the 2014 Forbes List of "Best Places for Business and Careers," Albuquerque placed 166th out of the 200 ranked metro areas in the country and was ranked 68th in the "Cost of Doing Business" category and 189th in the "Job Growth Expected" category.

Forecasts by the University of New Mexico's Bureau of Business and Economic Research suggest that the Albuquerque Metropolitan Statistical Area (MSA) will experience a slow increase in reported job numbers in 2014. For 2014, forecasts indicate that total employment will grow by 1.0 percent and the MSA is expected to add 3,669 jobs. The economy is expected to add 3,608 jobs (1.3 percent) in the private sector and 61 jobs in the government sector (0.1 percent). In the longer-term, the Albuquerque MSA economy is forecast to add a total of nearly 29,800 jobs (1.4 percent average annual growth) by 2019. Growth will be concentrated in the private sector (27,800 additional jobs, 1.6 percent average annual growth). The unemployment rate in June 2014 was 6.8 percent—higher than the national rate of 6.1 percent and 0.3 percent higher than the statewide rate of 6.5 percent. The unemployment rate for the Albuquerque MSA has remained unchanged at 6.8% percent in July 2014.

The FY15 general fund budgeted appropriations of $244,974,555 represents a 3.3 percent increase over the FY14 budget. Property taxes are anticipated to make up 52.6 percent of general fund revenue in FY15 and are projected to increase by approximately 4.7 percent over the FY14 budget. Gross receipts taxes make up 39.2 percent of the general fund revenue. The FY15 budget for gross receipts taxes includes an increase of approximately 3.8 percent in tax revenues due to Bernalillo County exceeding tax revenue expectations in FY14. The general fund budget does not include the Payment In Lieu of Taxes (PILT), Regional Detention Center, and Community Services sub-funds where revenues and expenditures have been restricted by the Bernalillo County Commission and are not available for operating purposes.

Even in these uncertain economic times, however, the county has been a conscientious steward of tax revenue by maintaining sufficient reserve funds and being conservative in revenue projections.

Long-Term Financial Planning

The financial condition of the county is strong as reflected by the county's current bond ratings. The county's 2014 General Obligation Bonds were rated "AAA" by the nation's three top rating agencies: Standard & Poor's, Moody's, and Fitch Ratings. The county continues its effort to incorporate comprehensive financial planning in its long-range vision in order to remain solvent during the gradual economic recovery. In addition to the 3/12th reserve requirement, required by the State of New Mexico, of $69,344,139, the county's long-term financial plan includes maintaining adequate reserves to accommodate the county's future cash flow needs and any unforeseen emergency contingency concerns in its minimum fund balance policy consisting of an unassigned amount of $13,249,978. Industry best practices indicates that counties the size of Bernalillo County should maintain a reserve between 25 to 30% of their operating expenditures in the General Fund. The combination of both reserves equates to 32% of the fiscal year 2014 General Fund operating expenditures.

Relevant Financial Policies

Bernalillo County is currently in its sixth biennial budget cycle. Through the biennial budget process, approval is granted by the Board for an appropriation of two fiscal years at once, with funding being available to departments one year at a time. Departments were provided a base budget and salary projections for each of the two years. Departments have the opportunity to evaluate their budgets prior to commencement of the second year. Any necessary changes will be presented to the Board as adjustments to the base budget. The biennial budget process has encouraged a long-term view of financial planning and shifted the emphasis from the process itself

to a more careful examination of resource allocation choices. FY14 represented the second year of the past biennial cycle and FY15 represents the first year of the current biennial cycle.

Major Initiatives

In September 2013, the county launched a Mobile Asset Management application which provides a comprehensive mobile solution that allows remote workers to access, transfer, complete and manage their assigned work orders and service requests. The application is fully integrated with the county's current enterprise resource planning financial system. It has the ability to track personnel, equipment and material resources at point of performance regardless of connectivity. It also increases productivity by eliminating a paper-based work order system with an electronic automated solution.

In April 2014, the county launched a new in house developed software for electronic timecards and leave requests. This system was developed by the Human Resources Information Systems (HRIS) team for Rules and Regulation and Blue and White collar employees and has expanded to include the Department of Substance Abuse Program in Public Safety. The system eliminates the need for paper timesheets and leave request forms. It is easy to use and allows employees, supervisors, timekeepers and directors the ability to view and track timesheets and leave requests. It contains the ability to track history and look for trends by pay periods or by employees. The data is current and up to date and contains the leave balances as well as the historical leave balances for each pay period. A workflow process is embedded into the system to allow for tracking approvals and rejections for leave requests. This eTimecard system streamlines the bi-weekly process for timecards used by county employees each pay period and interfaces with the emPath HR/Payroll system.

During FY14, the county along with an investment sub-committee developed a new Investment Policy to replace an existing policy. The seven-member committee was comprised of community volunteers with extensive knowledge and expertise in the subject matter. The Bernalillo County Board of Finance unanimously approved the new investment policy for the county on January 28, 2014. The new investment policy is more detailed than the old policy and establishes stricter parameters for how the county invests its savings and on-hand cash not needed for immediate expenses. Key elements in the investment policy include:

- Prioritizing safety, liquidity and return, in that order, to ensure that the principal investment is preserved.
- Maintaining proper liquidity by matching the county's cash flow projections with short-term cash balances and investments.
- Long-term securities cannot exceed a five year maturity date unless the Board of Finance and the Treasurer agree.
- Investment transactions and the investment portfolio will be available on BernCo View, the county's transparency portal.

Also in FY14, the county developed an Economic Development Financing Policy designed to set forth the parameters for issuing conduit bonds and monitoring the outstanding conduit bond portfolio. Conduit Financing is a financing arrangement involving a government using its name in an issuance of fixed income securities for an organization. Depending upon the project and its objectives, various financing arrangements include *Industrial Revenue Bonds (IRB); Project Revenue Bonds (PRB); Private Activity Bonds (PA);* and *Housing Revenue Bonds (HRB)*. (Note: Bernalillo County is not responsible for paying the required cash flows to investors-- all cash flows come directly from the project). This *County Conduit Financing Policy & Procedures* provides

guidance to decision-makers regarding conduit financing and economic development incentives. Adherence to *Conduit Financing Policy & Procedures* works to ensure that Bernalillo County's credit quality is protected. This single source of information for elected officials, management, staff and the public serves to:

- Ensure high-quality economic development decisions.
- Impose order and consistency in the conduit financing process.
- Promote consistency and continuity in the decision-making process.
- Provide all disclosures required by law to promote transparency.
- Ensure conduit-financing decisions are viewed positively by Bernalillo County Commissioners, the investment community, and the property taxing agencies.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the county for its comprehensive annual financial report for the fiscal year ended June 30, 2013. This was the tenth consecutive year that the county has received this prestigious award. In order to be awarded a Certificate of Achievement, the county must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. The county believes that its current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and is submitting it to the GFOA to determine its eligibility for this prestigious recognition again this year.

Management and staff would like to acknowledge and thank the Board of County Commissioners for its stewardship and support. The preparation of this report would not have been possible without the dedicated service of the Accounting Department. Management would also like to express appreciation to all county departments who assisted and contributed to the preparation of this report, especially the county Treasurer's Office and the Housing Department.

Sincerely,

Tom Zdunek
Bernalillo County Manager

Shirley Ragin
Deputy County Manager for Finance

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Bernalillo

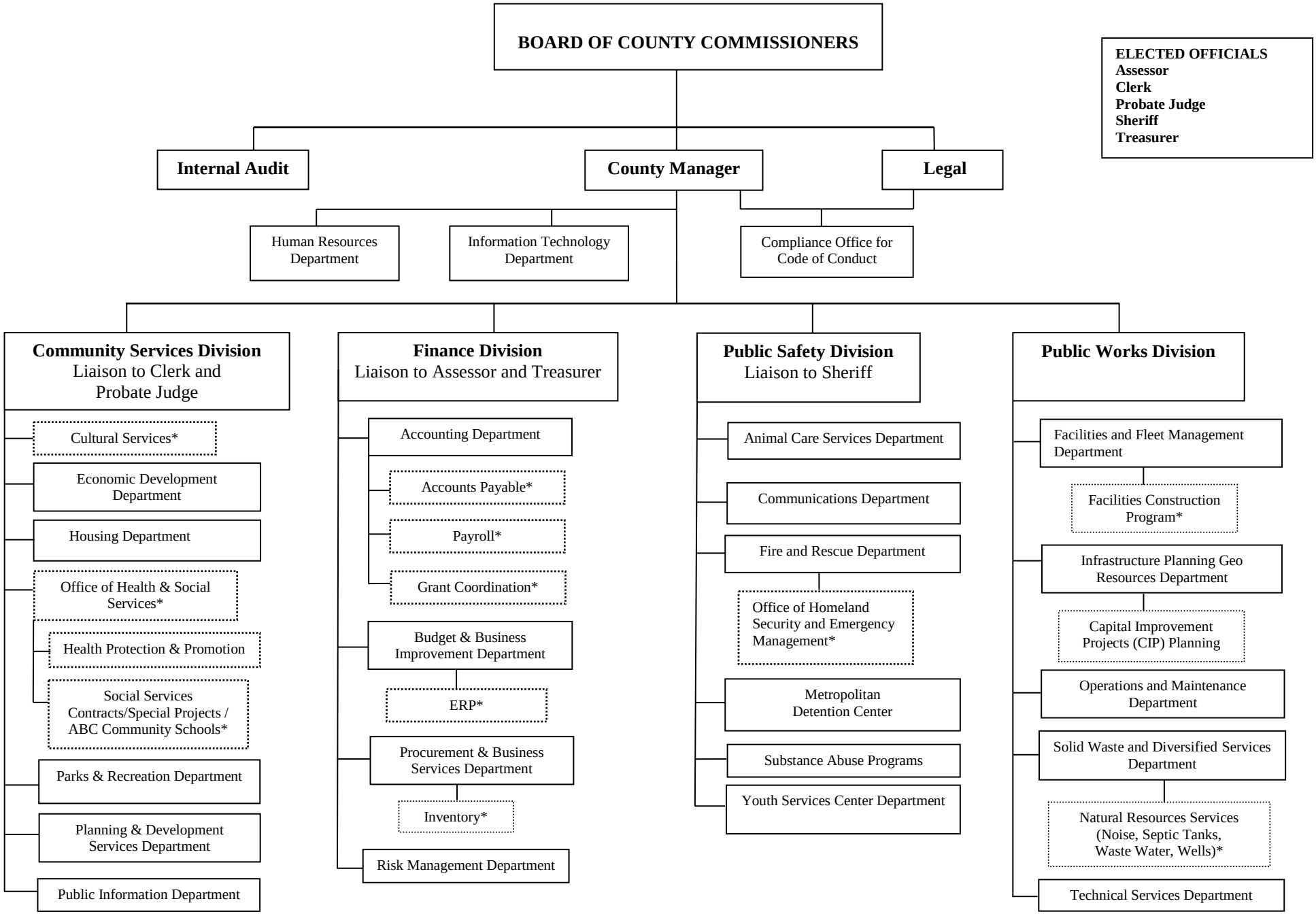
New Mexico

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

BERNALILLO COUNTY ORGANIZATIONAL CHART



*Organizational unit of county government reporting to assigned Deputy County Manager/Director
Last updated 5/2014

COUNTY OF BERNALILLO

PRINCIPAL OFFICIALS

June 30, 2014

COUNTY COMMISSIONERS

Debbie O'Malley, Chair	District 1
Art De La Cruz, Vice Chair	District 2
Maggie Hart Stebbins, Member	District 3
Lonnie C. Talbert, Member	District 4
Wayne A. Johnson, Member	District 5

COUNTY ELECTED OFFICIALS

Tanya R. Giddings	Assessor
Maggie Toulouse Oliver	Clerk
Willow Misty Parks	Probate Judge
Dan Houston	Sheriff
Manny Ortiz	Treasurer

COUNTY MANAGER

Tom Zdunek

DEPUTY COUNTY MANAGERS

Shirley Ragin, Deputy County Manager for Finance
Vince Murphy, Deputy County Manager for Community Services
Tom Swisstack, Deputy County Manager for Public Safety
Jarvis Darnell Middleton, Deputy County Manager for Public Works

COUNTY OF BERNALILLO, NEW MEXICO

CONTRIBUTORS

June 30, 2014

Shirley Ragin
Deputy County Manager for Finance

Financial Reporting Personnel

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Accounting Director

Bonnie Ulibarri-Romero, CPA
Financial Projects Coordinator

Anthony Infantino, MBA
Financial Projects Coordinator

Trudy McGregor, CPA
Financial Administrator

Nataliya Rubinchik, MSA
Financial Administrator

John Watt
Financial Administrator

Ryan Travelstead
Financial Administrator

Sueko Solosky
Financial Services Administrator

Cindy Torres
Accounting Officer

Leticia Carreon
Accounting Officer

Virginia C. Montoya
Accounting Officer

Victoria Herring
Administrative Officer

Treasurer's Office

Isabelle Purcella
Chief Deputy Treasurer
Christopher J. Sanchez
Accounting Manager

Fixed Assets Section

Martin Gallegos
Fixed Asset Manager

Budget and Business Improvement

Budget staff

Housing

Jackie Sanchez
Fiscal Housing Administrator

Cover photo by Randy Landavazo

BERNALILLO COUNTY
STATE OF NEW MEXICO

MOSS-ADAMS LLP
Certified Public Accountants | Business Consultants

REPORT OF INDEPENDENT AUDITORS

Commission Chairwoman,
Members of the County Commission
Bernalillo County and
Hector H. Balderas, State Auditor

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund of Bernalillo County, New Mexico (County) as of and for the year ended June 30, 2014, and the related notes to the financial statements which collectively comprise the County's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the County's nonmajor governmental, nonmajor enterprise, internal service fund, fiduciary funds and the budgetary comparisons for all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2014, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the 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.

Praxity MEMBER
GLOBAL ALLIANCE OF INDEPENDENT FIRMS

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 financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2014, and the respective changes in financial position and where applicable, cash flows thereof and the respective budgetary comparisons for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental, nonmajor enterprise, internal service fund and fiduciary funds of the County as of June 30, 2014, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-31 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the County's financial statements, the combining and individual fund financial statements, and the budgetary comparison. The Schedule of Expenditures of federal awards as required by Office of Management and Budget *Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, introductory and statistical section and the other schedules required by 2.2.2. NMAC* included as Other Supplementary Information as listed in the Table of Contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2014 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 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.

Moss Adams LLP

Albuquerque, New Mexico
November 14, 2014

BERNALILLO COUNTY
STATE OF NEW MEXICO

COUNTY OF BERNALILLO NEW MEXICO
Management's Discussion and Analysis
June 30, 2014

As management of the County of Bernalillo (*County*), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information furnished in our letter of transmittal, which can be found on pages i-v of this report.

Financial Highlights

Government-wide financial statements (Statement of Net Position and Statement of Activities)

- The total government-wide assets of the County exceed its liabilities as of June 30, 2014 by $557,271,283 (*net position*), a decrease of $36,492,803 or a 6.2% decrease. The decrease included a prior period adjustment of $1,096,983 to expense bond costs from prior years to comply with GASB 65. Of this amount, $375,623,222 is net investment in capital assets. Of the remaining balance, $128,700,419 is restricted for specific purposes and $52,947,642 is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.

- As of June 30, 2014, the County's governmental activities and business type activities have a net position of $549,897,148 and $7,374,135 respectively.

- Total net position of the County is comprised of the following:

Net Position by Category	June 30, 2014	% to Total	June 30, 2013	% to Total
Net investment in capital assets	$ 375,623,222	67%	$ 372,504,791	63%
Restricted net position	128,700,419	23%	133,136,883	22%
Unrestricted net position	52,947,642	10%	88,122,412	15%
Total net position	$ 557,271,283	100%	$ 593,764,086	100%

Individual Fund Financial Statements

- As of June 30, 2014, the County's governmental funds reported combined fund balances of $244,380,696. This reflects a decrease of $39,758,990 or a 14% decrease from the previous fiscal year and is primarily attributed to a planned draw down of fund balance in the General Fund and the Construction Fund of $27.3 and $7.1 respectively on expenditures approved by the Bernalillo County Commission for various county projects and other initiatives, the establishment of a debt service reserve fund for the 2005 GRT refunding bond of $4.9 million and the recognition of a net realized investment loss of $4.3 million.

- The fund balance in the County's General Fund decreased from $180,982,624 in FY13 to $139,202,445 in FY14, a decrease of $41,780,179 or a 23.1% decrease. The decrease was primarily attributed to planned expenditures for various county projects such as information technology maintenance and upgrades, Clerk's election costs, economic development initiatives, social service programming, Metropolitan Detention Center (MDC) initiatives, and

other one-time projects. In addition, funds were transferred and used to establish a debt service reserve fund for the 2005 GRT refunding bond and the County's recognized net realized investment loss as stated in the first bullet above. Of the FY14 fund balance amount, $69,344,139 or 49.8% of the general fund is for the State of New Mexico Department of Finance and Administration required reserve (*reported as part of the restricted fund balance; see note disclosure on page 71 for detail*), $36,349,629 or 26.1% is committed for various county projects, and $15,400,000 or 11.1% is assigned for subsequent years' expenditures.

- The County was able to maintain adequate reserves in the amount of $69,344,139 (*reported as part of the restricted fund balance; see note disclosure on page 71 for detail*) as required by the State of New Mexico Department of Finance and Administration, Local Government Division – 3/12 of the General Fund Budget for FY15.

- At the end of the fiscal year, the nonspendable fund balance of the County's General Fund was $4,599,780 for notes receivable, advances to other funds, and inventory (*see note disclosure on page 71 for detail).*

- At the end of the fiscal year, the unassigned fund balance of the County's General Fund was $13,249,978 set aside for unforeseen emergency contingencies and cash flow needs. In the future, to comply with the County's minimum fund balance policy of 2/12 of the prior year General Fund operating expenditures the current plan is to continue with cost containment efforts over the next few years, look for other revenue sources, and/or amend the current policy to reflect industry best practices with the goal to exceed those levels over time.

Long-Term Debt

- During the year, the County sold $8,700,000 of General Obligation Bonds, Series 2014, which included $5,000,000 for roads, $2,500,000 for storm drains, $800,000 for libraries, and $400,000 for facility improvements. In addition, the County issued $2,995,000 of General Obligation Refunding Bonds, Series 2014A, with and average interest rate of 2.496% to advance refund $3,029,000 of the County's outstanding General Obligation Bonds, Series 2004.

- The County has $457,241,594 in available bonding capacity or 78.8% of allowable bonding capacity per the New Mexico State Constitution (*see page 162*).

- The County's 2014 General Obligation Bonds were rated "AAA" by both Fitch Ratings and Standard & Poor's and rated "Aaa" by Moody's Investors Service. In addition, both Fitch Ratings and Standard & Poor's affirmed its "AAA" rating and Moody's Investors Service affirmed its "Aaa" rating on the County's existing GO Bond debt with an outlook of stable.

- In addition to its "AAA" rating, Standard & Poor's rates Bernalillo County as "STRONG" on its financial management policies, liquidity, and budgetary flexibility. In addition, the rating agency recognized the County for the consistent maintenance of healthy general fund reserves. The County continues its effort to incorporate comprehensive financial planning in its long-range vision in order to remain solvent during the slow growing economy.

Miscellaneous

- The County property valuations increased 0.8% from $14.39 billion in FY13 to $14.50 billion in FY14 (*see page 153*).

- The County managed and expended $17,009,825 in Federal Funds in FY14 (*see page 171*).

Overview of the Financial Statements

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

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. Revenues are recorded when earned and expenses recorded when a liability is incurred, regardless of the timing of related cash flows. For example, property taxes are recognized as revenues in the year in which they are levied. The statement of net position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. The statement of activities presents information showing how the County's net position is reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both of the government-wide financial statements differentiate functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public works, public safety, culture and recreation, health and welfare and interest on long-term debt. The business-type activities of the County include Solid Waste, Bernalillo County Housing Authority, Seybold Village Handicapped Project, Regional Juvenile Detention Center, and El Centro Familiar. The government-wide financial statements can be found on pages 32-33 of this report.

Fund financial statement. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

***Governmental funds*.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. For this purpose, the County considers revenues to be available if they are collected within 60 days of the current fiscal period. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower

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

In addition to the General fund, the County maintains thirty other individual governmental funds of which thirteen are classified as Special Revenue funds, fourteen are classified as Debt Service funds, and three are classified as Capital Projects funds. Information for the General fund, the Grants fund, and the Capital Construction fund, all of which are considered to be major funds, are presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its General fund. A budgetary comparison statement for the General fund is presented on pages 38-39. In addition, the County adopts an annual budget for other non-major funds. A budgetary statement is presented individually for all those funds that have an adopted budget.

The basic governmental fund financial statements can be found on pages 34-39 of this report.

Proprietary funds. The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for Solid Waste, Bernalillo County Housing Authority, Seybold Village Handicapped Project, Regional Juvenile Detention Center, and El Centro Familiar. An *Internal service fund* is used to account for operations that provide services to other departments or agencies of the County on a cost-reimbursement basis. The County's internal service fund is the Risk Management fund, which is used to account for its risk management activities. Because the services provided by the Risk Management fund predominantly benefit governmental rather than business-type functions, this fund is included within *governmental activities* in the government-wide financial statements. The basic proprietary fund financial statements can be found on pages 40-42 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary funds financial statements can be found on page 43 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and the fund financial statements. The notes to the financial statements can be found on pages 44-79 of this report.

Other information. The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the Notes to the Financial Statements. Combining and individual fund statements and schedules can be found on pages 80-122 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The County's governmental-wide assets exceeded liabilities by $557,271,283 for the fiscal year ending June 30, 2014. By far the largest portion of the County's net position (*67.4 percent*) reflects its investment in capital assets (*e.g., infrastructure, land, buildings, machinery, and equipment*) less any debt used to acquire those assets, which is still outstanding. In the prior year, the County's investment in capital assets was 62.7% of net position. The County uses these capital assets to provide services to the citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

County of Bernalillo Net Position

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Assets:						
Current and other assets	$ 304,353,807	$ 330,785,617	$ 6,620,885	$ 6,183,485	$ 310,974,692	$ 336,969,102
Capital assets	573,681,696	584,634,186	3,136,558	3,394,992	576,818,254	588,029,178
Total assets	878,035,503	915,419,803	9,757,443	9,578,477	887,792,946	924,998,280
Deferred outflow of resources:						
Deferred charge on refunding	734,732	-	-	-	734,732	-
Total deferred outflows of resources	734,732	-	-	-	734,732	-
Liabilities:						
Long-term liabilities	263,100,206	271,966,969	356,784	331,834	263,456,990	272,298,803
Other liabilities	65,772,881	56,731,176	2,026,524	2,204,215	67,799,405	58,935,391
Total liabilities	328,873,087	328,698,145	2,383,308	2,536,049	331,256,395	331,234,194
Net Position:						
Net investment in capital assets	372,486,664	369,109,799	3,136,558	3,394,992	375,623,222	372,504,791
Restricted	128,700,419	133,136,883	-	-	128,700,419	133,136,883
Unrestricted	48,710,065	84,474,976	4,237,577	3,647,436	52,947,642	88,122,412
Total net position	$ 549,897,148	$ 586,721,658	$ 7,374,135	$ 7,042,428	$ 557,271,283	$ 593,764,086

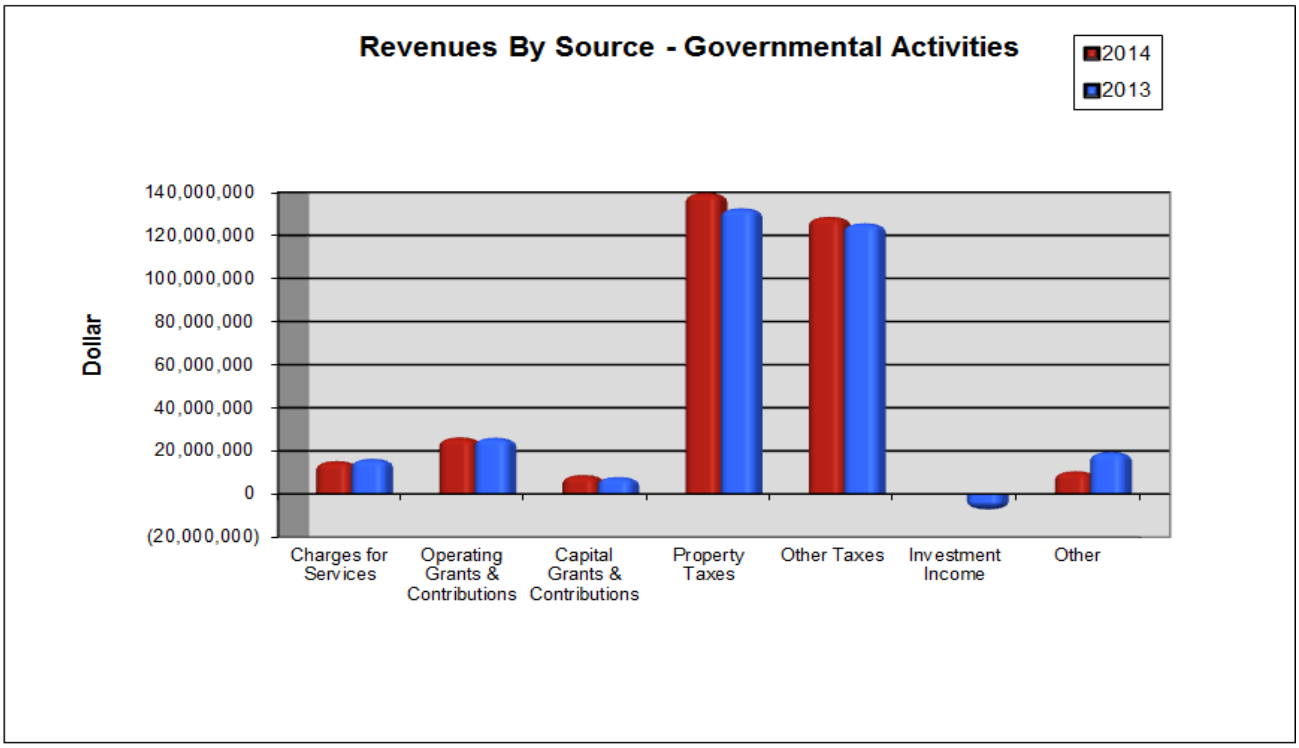
Restricted net position in the amount of $128,700,419 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, $52,947,642, may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County was able to report positive balances in all three categories of net position; for the government as a whole, as well as for its separate governmental and business-type activities.

Governmental activities. Governmental activities during the year decreased the County's net position by $36,824,510 in FY14 compared to a decrease of $24,063,555 in FY13.

County of Bernalillo's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program revenues:						
Charges for services	$15,355,300	$16,405,544	$6,742,015	$6,622,921	$22,097,315	$23,028,465
Operating grants and contributions	26,361,325	26,164,799	909,066	1,128,440	27,270,391	27,293,239
Capital grants and contributions	8,883,616	7,941,803	48,142	20,518	8,931,758	7,962,321
General revenues:						
Property taxes	139,744,912	132,624,981	-	-	139,744,912	132,624,981
Other taxes	128,638,093	125,662,324	-	-	128,638,093	125,662,324
Investment income (loss)	478,218	(7,191,138)	3,149	3,914	481,367	(7,187,224)
Other	10,219,010	19,592,905	360,438	348,685	10,579,448	19,941,590
Total revenues	329,680,474	321,201,218	8,062,810	8,124,478	337,743,284	329,325,696
Expenses:						
General government	66,086,137	67,393,999	-	-	66,086,137	67,393,999
Public works	56,040,669	45,883,104	-	-	56,040,669	45,883,104
Public safety	169,437,545	153,629,728	-	-	169,437,545	153,629,728
Health and welfare	44,982,475	45,278,882	-	-	44,982,475	45,278,882
Culture and recreation	18,234,756	21,360,907	-	-	18,234,756	21,360,907
Interest on long-term debt	10,613,790	10,876,254	-	-	10,613,790	10,876,254
Solid Waste	-	-	4,685,743	4,710,379	4,685,743	4,710,379
Housing Authority	-	-	1,314,007	1,306,043	1,314,007	1,306,043
Seybold Village	-	-	287,847	355,259	287,847	355,259
Juvenile Detention Center	-	-	915,406	1,017,035	915,406	1,017,035
El Centro Familiar	-	-	540,819	336,185	540,819	336,185
Total expenses	365,395,372	344,422,874	7,743,822	7,724,901	373,139,194	352,147,775
Increase (decrease) in net position before transfers	(35,714,898)	(23,221,656)	318,988	399,577	(35,395,910)	(22,822,079)
Transfers in (out)	(12,719)	(841,899)	12,719	841,899	-	-
Capital contributions	-	-	-	-	-	-
Increase (decrease) in net position	(35,727,617)	(24,063,555)	331,707	1,241,476	(35,395,910)	(22,822,079)
Net position – beginning	586,721,658	610,785,213	7,042,428	5,800,952	593,764,086	616,586,165
Prior period adjustment	(1,096,893)	-	-	-	(1,096,893)	-
Net position – beginning as restated	585,624,765	610,785,213	7,042,428	5,800,952	592,667,193	616,586,165
Net position – ending	$549,897,148	$586,721,658	$7,374,135	$7,042,428	$557,271,283	$593,764,086



Governmental Activities revenues increased by $8.5 million from $321.2 million in FY13 to $329.7 million in FY14, an increase of 2.7%. Key elements in the increase of governmental activities revenues are as follows:

- Program revenues charges for services decreased $1 million from $16.4 million in FY13 to $15.4 million in FY14, a 6.1% decrease. The decrease was attributed to decreases in collections of $500 thousand in Clerk's fee, $289 thousand in Metropolitan Detention Center (MDC) commissary commission fees, and $215 thousand in MDC feed and care of prisoner's fees. The decrease was offset by slight increases in other areas within this category.

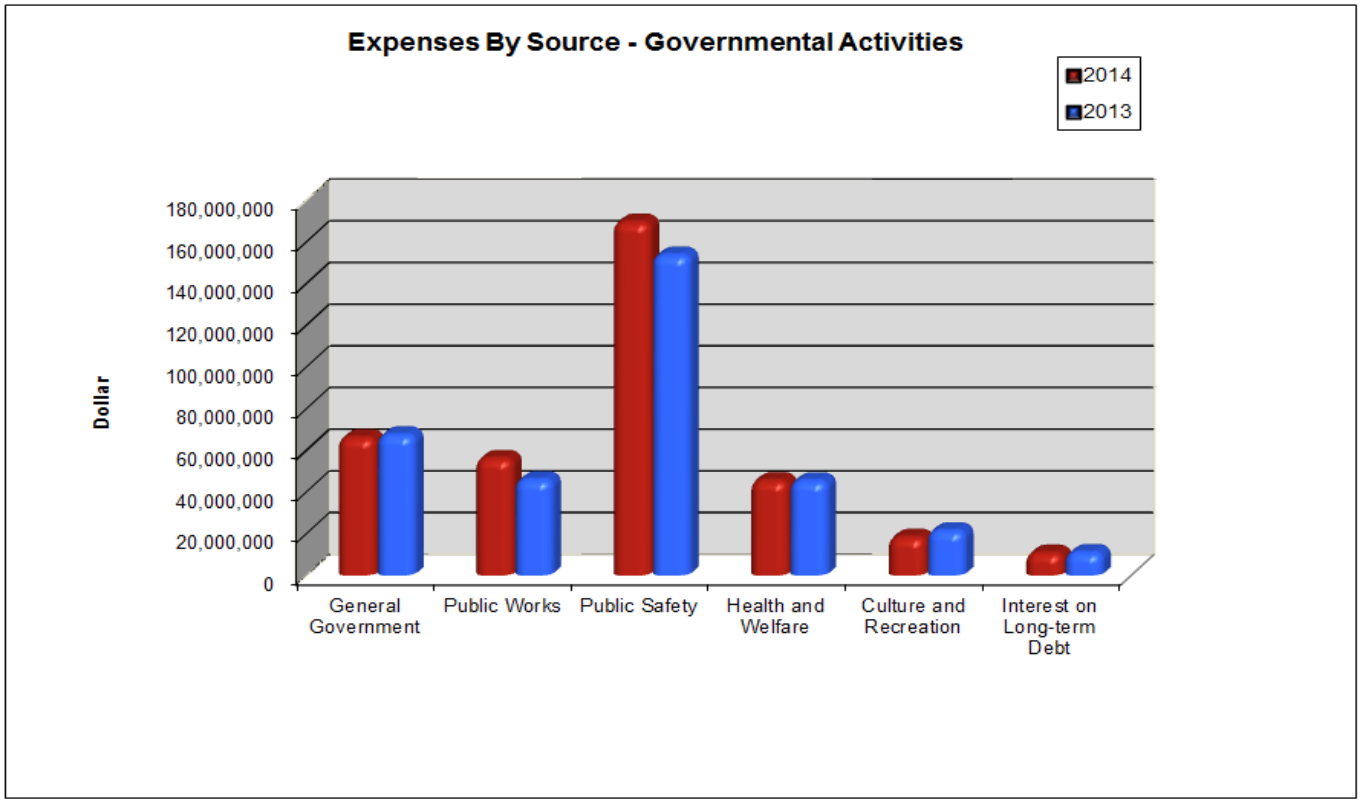
- Program revenues capital grants and contributions increased $942 thousand from $7.9 million in FY13 to $8.9 million in FY14, an 11.9% increase. The increase was primarily attributed to $1.1 million received from the state in FY14 to acquire 57 acres for the Trust for Public Lands. The Trust for Public lands will then convey the land to the US Fish and Wildlife Service. In addition, the County received $225 thousand from the City of Albuquerque for the Paradise Hills Little League project.

- General revenues property taxes increased $7.1 million from $132.6 million in FY13 to $139.7 million in FY14, a 5.3% increase. The increase was attributed to an increase in the County's operational residential mill levy from 7.208 to 7.320 per $1,000 of assessed taxable value and an increase in the County's debt service residential and non-residential mill levy from 0.897 to 1.246 per $1,000 of assessed taxable value. In addition, there was an increase in the assessed taxable valuation within the County of $110 million from $14.394 billion in FY13 to $14.504 billion in FY14. Also, there was a slight increase in the current property tax collections rate from 96.33% in FY13 to 96.52% in FY14.

- General revenues other taxes increased $2.9 million from $125.7 million in FY13 to $128.6 million in FY14, a 2.3% increase. The increase was primarily attributed to the recognition of FY14 gross receipts tax (*GRT)* earned revenue which was due to the County but was not collected and distributed, by the State of New Mexico, to the County during FY14. In prior years, the County has recognized this transaction as unearned revenue, but the nature of this transaction is earned revenue and will be recorded as revenue in future fiscal years.

- General revenues investment income increased $7.7 million from a negative $7.2 million in FY13 to $478 thousand in FY14, a 106.9% increase. The increase was primarily attributed to earned interest income of $4.7 million, which was offset by a realized investment loss of $4.3 million for a net total investment income of $478 in FY14. In FY13, the County recognized an unrealized investment income loss of $12.8 million, which was offset by earned interest income of $5.6 million for a total net income loss of $7.2 million resulting in a net increase change in investment income of $7.7 million in FY14.

- Other revenues decreased $9.4 million from $19.6 million in FY13 to $10.2 million in FY14, a 48% decrease. The decrease was primarily attributed to a one-time $9.7 million recognized in FY13 as miscellaneous revenue to capitalize, as a non-cash donation, the Public Safety Center (*land and building*) located at 501 Roma NW, which was transferred to the County from the State of New Mexico through passed legislation.



Governmental activities expenses increased by $21 million from $344.4 million in FY13 to $365.4 million in FY14, an increase of 6.1%. Key elements of the increase in governmental activities expenses are as follows:

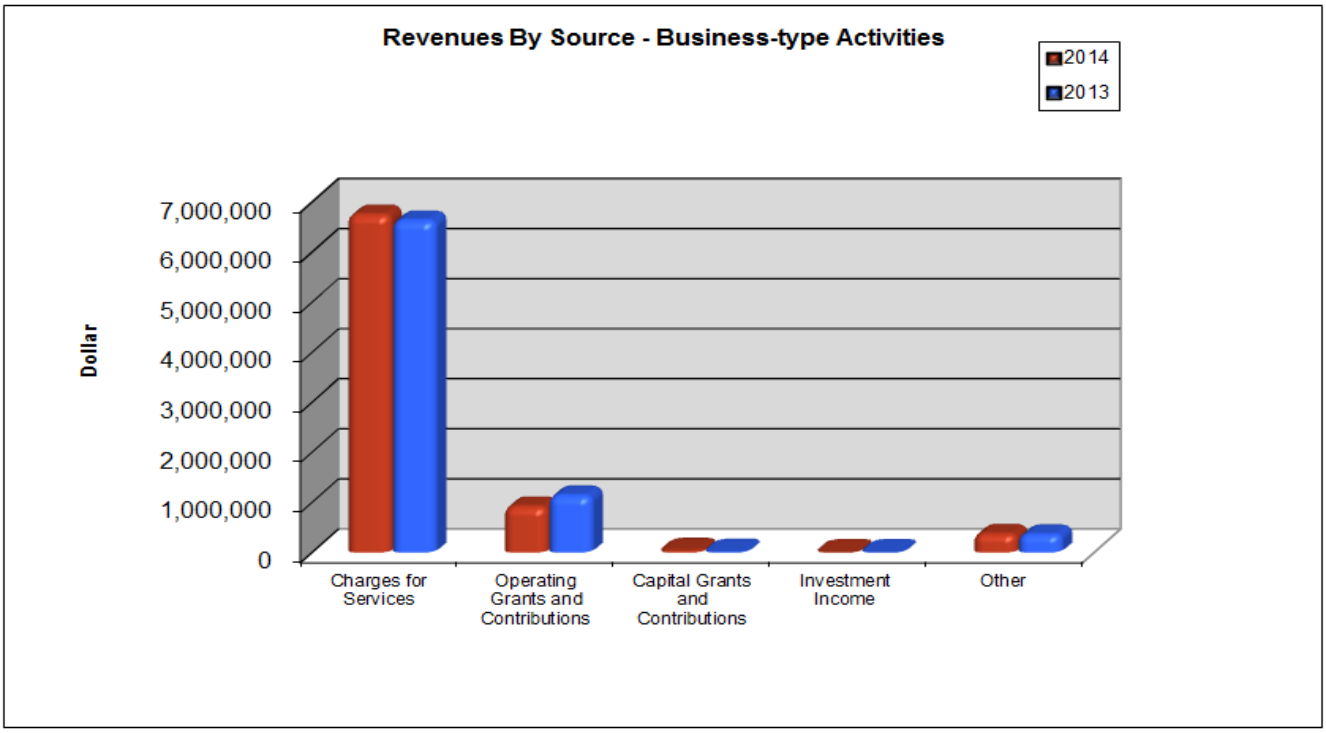
- General government expenses decreased by $1.3 million from $67.4 million in FY13 to $66.1 million in FY14, a 1.9% decrease. The decrease was primarily attributed to a decrease in capital outlay for others expense of $1.9 million in FY14. In addition, depreciation expense increased by $554 thousand in FY14.

- Public works expenses increased by $10.1 million from $45.9 million in FY13 to $56 million in FY14, a 22% increase. A portion of the increase was attributed to the reclassification of capital outlay expenses of $4 million to this category as non-capital expense in FY14. In addition, capital outlay for others expense increased by $2 million in FY14. Also, there was an increase in operating expenses of $3.3 million in areas such as the Public Works Information Technology program, the Road Traffic Engineering Maintenance program, the Vehicle Maintenance program, and various other public works programs; and, there was also an increase in expenses related to various projects such as the Black Mesa project, the South Valley Flood Reduction project, the South Valley Drinking Water Phase VI project, and various other projects at public works. Depreciation expense also increased by $700 thousand in FY14.

- Public safety expenses increased by $15.8 million from $153.6 million in FY13 to $169.4 million in FY14, a 10.3% increase. The increase was primarily attributed to an increase in operating expenses of $11.6 million related to the Metropolitan Detention Center (MDC) Population Initiative Program which in FY14 transported inmates out of the County to other inmate institutions in an effort to control the MDC inmate population and expenses related to the electronic monitoring of MDC inmates. In addition, operating expenses increased for the Sheriff's Field Services Program by $1 million, for the MDC facility of $1.7 million, for the MDC Transport Unit Program of $616 thousand, and for the MDC Community Custody Program (CCP) of $500 thousand.

- Culture and recreation expenses decreased by $3.2 million from $21.4 million in FY13 to $18.2 million in FY14, a 14.9% decrease. The decrease was attributed to a decrease of $5.3 million in expenses for capital outlay for others. In addition, there was an increase in expenses of $1.7 million for various operating costs and for various projects such as multiple community center renovations and the Open Space Land Management project.

Business-type activities. Business-type activities net position increased by $331,707 during the current fiscal year. During the year, the Solid Waste fund and the Regional Juvenile Detention Center fund had more total program revenues than total program expenses resulting in income before contributions and transfers in of $770,394 and $149,647 respectively. The Bernalillo County Housing Authority fund, the Seybold Village fund, and the El Centro Familiar fund had less total program revenues than total program expenses resulting in a loss before contributions and transfers in of $285,572, $194,385, and $169,238 respectively. Overall, the business-type activities experienced a $689,069 operating loss (program revenues less expenses) before non-operating revenues of $959,915, capital grant subsidies of $48,142, and transfers in of $12,719.



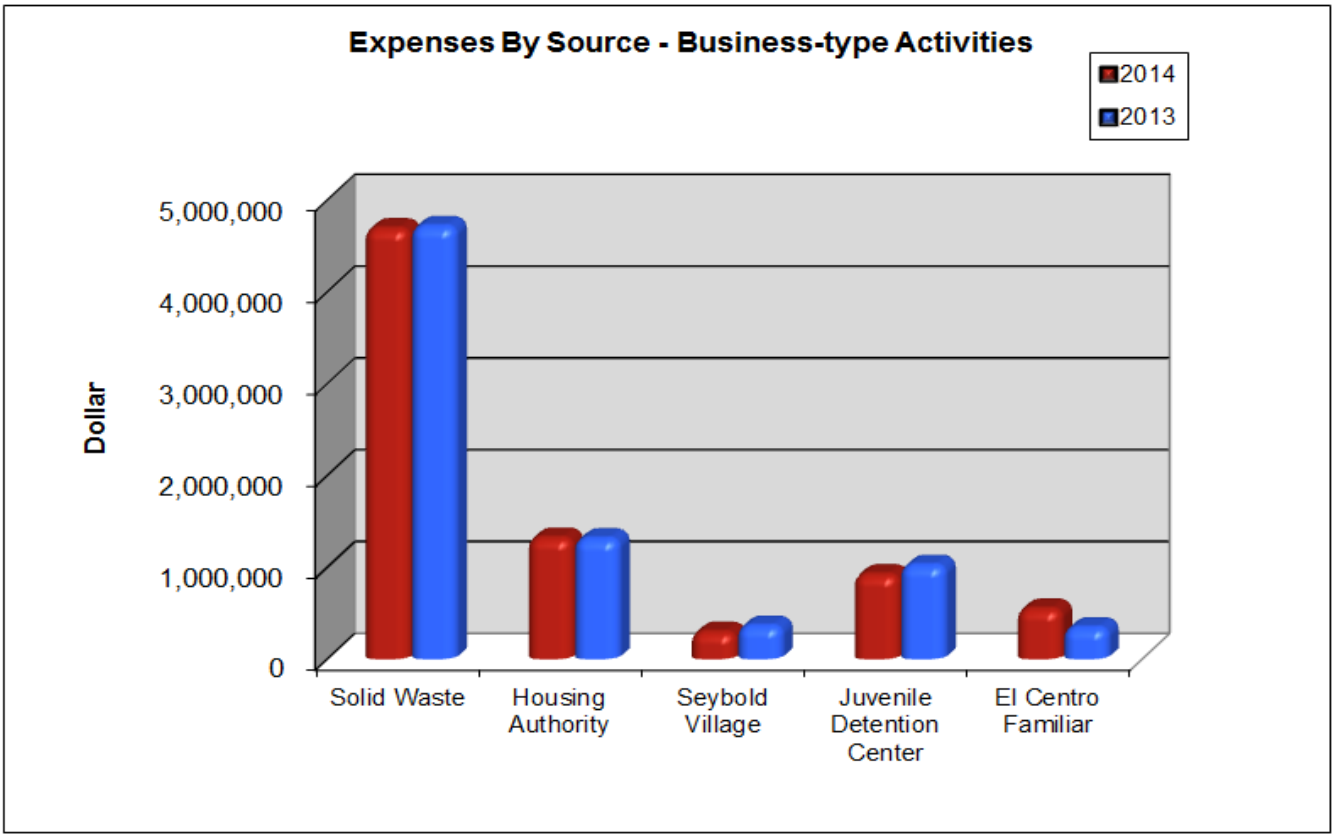
Business-type activities revenue decreased from $8.124 million in FY13 to $8.063 million in FY14, a 0.75% decrease. Key elements in the decrease of business-type activities revenue are as follows:

- Revenue program charges for services increased from $6.6 million in FY13 to $6.7 million in FY14, a 1.5% increase. The increase was attributed to $269 thousand more in administrative fees collected for solid waste services and $12 thousand more in administrative fees collected at the Bernalillo County Housing Authority in FY14.

- Revenue program operating grants and contributions decreased from $1.1 million in FY13 to $909 thousand in FY14, a 17.4% decrease. The decrease was primarily attributed to $228 thousand less in other government grant subsidies received from Housing and Urban Development (*HUD*) for rehabilitation of homes at the Bernalillo County Housing Authority due to the scope of work performed and the reduction of homes to rehabilitate in FY14.

- Revenue program capital grants and contributions increased from $21 thousand in FY13 to $48 thousand in FY14, a 128.8% increase. The increase was attributed to more in capital grant subsidies received from HUD for the Seybold Village Handicapped Project due to the increase in improvements needed.

- Other revenues increased from $349 thousand in FY13 to $360 thousand in FY14, a 3.2% increase. The increase was primarily attributed to more in miscellaneous revenue recognized in the Bernalillo County Housing Authority fund in FY14.



Business-type activities expenses increased from $7.725 million in FY13 to $7.744 million in FY14, a 0.25% increase. Key elements of the increase are as follows:

- Solid Waste expenses decreased from $4.710 million in FY13 to $4.686 million in FY14, a 0.51% decrease. The decrease was attributed to a decrease in contractual services of $143 thousand and a in material and supplies of $19 thousand. The decrease was offset by an increase in salaries and wages of $135 thousand.

- Housing Authority expenses increased from $1.306 million in FY13 to $1.314 million in FY14, a 0.61% increase. The increase was primarily attributed to an increase in salaries and wages of $253 thousand and in material and supplies of $7 thousand. The increase was offset by a decrease in contractual services of $198 thousand and in other charges and services of $56 thousand.

- Seybold Village expenses decreased from $355 thousand in FY13 to $288 thousand in FY14, an 18.9% decrease. The decrease was primarily attributed to a decrease in contractual services of $86 thousand and in other services and charges of $9 thousand. This was offset by an increase in depreciation expense of $11 thousand, in salaries and wages of $7 thousand, and in materials and supplies of $9 thousand.

- Juvenile Detention Center expenses decreased from $1.017 million in FY13 to $915 thousand in FY14, a 10% decrease. The decrease was primarily attributed to a decrease in salaries and wages of $33 thousand, in materials and supplies of $76 thousand, and in other services and charges of $3 thousand. This was offset by an increase in contractual services of $9 thousand.

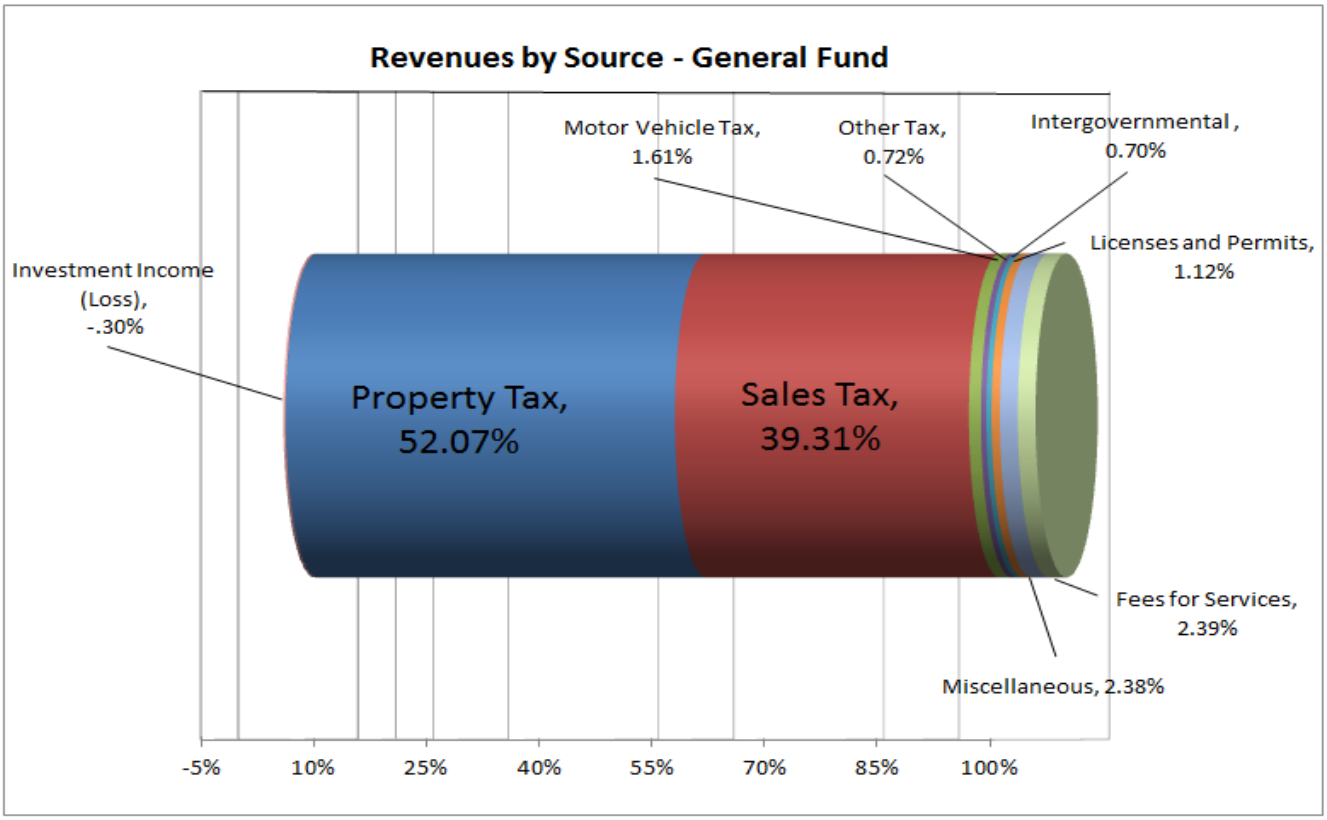
- El Centro Familiar expenses increased from $336 thousand in FY13 to $541 thousand in FY14, a 61% increase. The increase was primarily attributed to an increase in contractual services of $168 thousand and in other services and charges of $35 thousand.

Financial Analysis of the County's Funds

Governmental Funds. The focus of the County's governmental funds is to provide information on near-term inflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, assigned and unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of $244,380,696, a decrease of $39.7 million. Approximately 17.7% of this total, $43,321,997, constitutes assigned ($30,072,019) and unassigned ($13,249,978), which is available for spending at the County's discretion. The remainder of fund balance is made up of non-spendable in form (*i.e., inventory, advances, and notes receivable*) amounts of $23,752,843, restricted amounts of $140,956,227, and committed amounts of $36,349,629 which are detailed in the notes to the financial statements.

General Fund. The County's general fund balance decreased $41,780,179 during the current fiscal year. Key factors in this decrease were based on planned expenditures approved by the County Commission for various county projects such as information technology maintenance and upgrades, Clerk's election costs, economic development initiatives, social service programming, Metro Air costs, MDC initiatives, and other one-time projects. In addition, funds were transferred and used to establish a debt service reserve fund for the 2005 GRT refunding bond and the recognition of a net realized investment lost in FY14.



General Fund revenues increased by $2.1 million from $232.5 million in FY13 to $234.6 million in FY14, an increase of 0.9%. Key elements in the increase of General Fund revenues are as follows:

- Property tax revenue increased by $1.7 million from $120.4 million in FY13 to $122.1 million in FY14, a 1.4% increase. The increase was attributed to an increase in the County's operational residential mill levy from 7.208 to 7.320 per $1,000 of assessed taxable value. In addition, there was an increase in the assessed taxable valuation within the County of $110 million from $14.394 billion in FY13 to $14.504 billion in FY14. Also, there was a slight increase in the current property tax collections rate from 96.33% in FY13 to 96.52% in FY14.

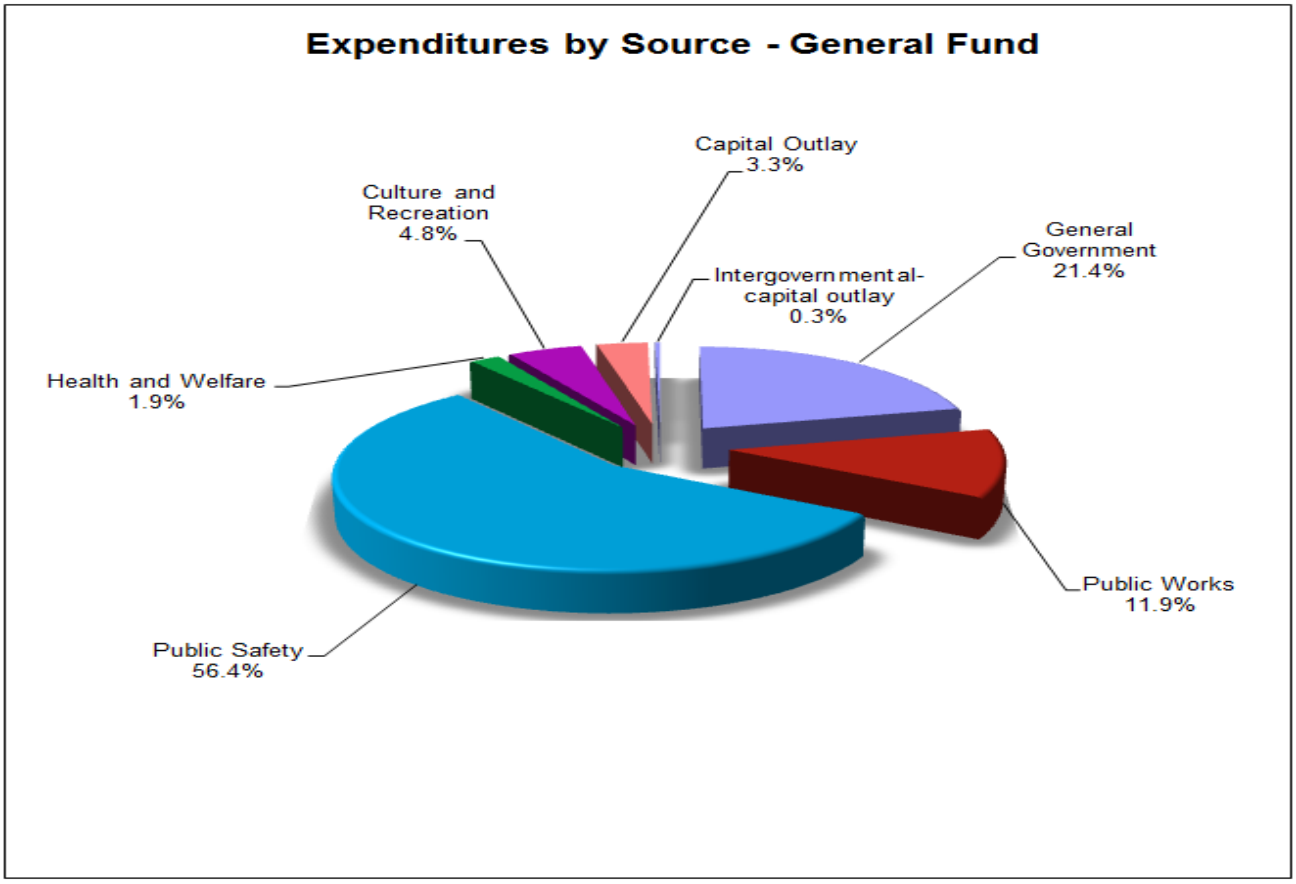
- Gross receipts tax revenue (*GRT*) decreased by $4.1 million from $96.3 million in FY13 to $92.2 million in FY14, a 4.3% decrease. The decrease was primarily attributed to the recognition of gross receipts tax as revenue in FY13 for the County's FY12 and FY13 GRT equalization distribution from the State of New Mexico of $3 million and $3.2 million respectively and the recognition of the FY14 equalization distribution of $3.2 million as a deferred inflow of resources (*a liability)* in FY14 to satisfy the implementation of GASB 63. In future years, if the equalization distribution is received after the 60 day availability period (*after August of the succeeding fiscal year*), it will continue to be recorded as a deferred inflow of resources per GASB 63.

- Fees for services revenue decreased by $848 thousand from $6.5 million in FY13 to $5.6 million in FY14, a decrease of 13.1%. The decrease was attributed to a decrease in the recognition of fees collected for the MDC Feed and Care of Prisoners program of $215 thousand, for the Commissary Commissions program of $289 thousand, and for Clerk's fees of $470 thousand.

- Investment income revenue increased by $7.7 million from a negative $8.4 million in FY13 to a negative $703 thousand in FY14, an increase of 91.7%. The increase was primarily attributed to earned interest income of $3.6 million, which was offset by a net investment loss of $4.3 million for a net total investment income loss of $703 thousand in FY14. In FY13, the County recognized an unrealized investment income loss of $12.8 million, which was offset by earned interest income of $4.4 million for a total net income loss of $8.4 million resulting in a net increase change in investment income of $7.7 million in FY14.

- Miscellaneous income revenue decreased by $2.2 million from $7.8 million in FY13 to $5.6 million in FY14, a 28.2% decrease. The decrease was primarily attributed to the recognition of revenue in FY13 of $1.5 million for cash received from the City of Albuquerque for the return of a portion of health insurance premium payments made by the County which exceeded the cost of claims and administration for the fiscal years 2007 through 2013. In addition, in FY13, the County received a reimbursement of $1.2 million from a $3 million settlement payment made in FY12 following a judgment in a class action suit brought against the Sheriff's Office involving the narcotics fund.

General Fund expenditures increased $9.8 million from $248.9 million in FY13 to $258.7 million in FY14, an increase of 3.9%. Key elements in the increase in General Fund expenditures are as follows:



- General government expenditures increased by $575 thousand from $54.7 million in FY13 to $55.2 million in FY13, a 1.1% increase. The increase was primarily attributed to expenditures for maintenance and upgrades for the Annex Building located at 415 Tijeras NW, for roof and HVAC upgrades at the Juvenile Detention center, and for various other county-wide maintenance initiatives.

- Public works expenditures increased by $2 million from $28.6 million in FY13 to $30.6 million in FY14, a 7.0% increase. The increase was primarily attributed to an increase in operating expenditures for the Public Works Information Technology program, the Road Traffic Engineering Maintenance program, the Vehicle Maintenance program, and various other public works programs. In addition, there was an increase in operating expenditures related to various projects such as the Black Mesa project, the South Valley Flood Reduction project, the South Valley Drinking Water Phase VI project, and various other projects managed by public works.

- Public safety expenditures increased by $15.7 million from $130.1 million in FY13 to $145.8 million in FY14, a 12.1% increase. The increase was primarily attributed to an increase in operating expenditures of $11.6 million related to the MDC Population Initiative program which included in FY14 the transportation of inmates out of the County to other inmate institutions in an effort to control the MDC inmate population (*at a cost of $7.8 million*) and for expenditures related to the electronic monitoring of MDC inmates (*at a cost of $1.1 million)*. Also, operating expenditures increased for the Sheriff's Field Services program by $1 million,

for the MDC facility of $1.7 million, for the MDC Transport Unit program of $616 thousand, and for the MDC Community Custody program of $500 thousand.

- Health and welfare expenditures increased by $2.1 million from $2.9 million in FY13 to $5 million in FY14, a 72.4% increase. The increase was primarily attributed to expenditures recorded in the General Fund in FY14 for medical health care services provided to inmates at the MDC and other MDC expenditures which were recorded in the Health Care GRT Fund in FY13.

- Culture and recreation expenditures increased by $1.7 million from $10.8 million in FY13 to $12.5 million in FY14, a 15.7% increase. The increase was primarily attributed to increases in operating expenditures for maintenance or renovation projects at various County community centers.

- Capital outlay expenditures decreased by $6.4 million from $15 million in FY13 to $8.6 million in FY14, a 42.7% decrease. The decrease was primarily attributed to the final classification of project expenditures at project completion as non-capital expense. These non-capital expenses totaled $5 million.

- Intergovernmental-capital outlay expenditures decreased by $6 million from $6.8 million in FY13 to $829 thousand in FY14, an 88.2% decrease. The decrease was primarily attributed to FY13 one-time expenditures of $5 million for the Middle Rio Grande Urban Wildlife Refuge project and $1.6 million for the Mid-Region Council of Governments (*MRCOG*) bond redemption.

Grants Fund. The Grants Fund accounts for various federal, state and other grant funding sources received by the County. The grants are restricted to specific purposes as agreed to between the County and the funding source as enumerated in the grant agreement/contract. Grants related to the County's Housing Department are accounted for in the Housing Funds.

The Grants Fund had a fund balance of zero during the current fiscal year as revenues equaled expenditures.

Grants Fund revenues decreased by $492 thousand from $18.9 million in FY13 to $18.4 million in FY14, a decrease of 2.6%. Key elements in the decrease of the Grants Fund revenues are as follows:

- Intergovernmental federal revenues decreased by $1.8 million from $5.1 million in FY13 to $3.3 million in FY14, a 35.3% decrease. The decrease was primarily attributed to a decrease in intergovernmental federal grant revenue reimbursements of $1.4 million in FY14 for the Eubank Road project which was completed and reimbursed in FY13.

- Intergovernmental state revenues decreased by $1.4 million from $12.3 million in FY13 to $10.9 million in FY14, an 11.4% decrease. The decrease was primarily attributed to a decrease in intergovernmental state grant revenue reimbursements in FY14 for the Cordero Mesa Trans Line and Pump Station project.

- Intergovernmental other revenues increase by $3.1 million from $874 thousand in FY13 to $3.9 million in FY14, a 354.7% increase. The increase was primarily attributed to intergovernmental other grant revenue reimbursements of $1.8 million from Western Albuquerque Land Holdings for the Cordero Mesa Trans Line and Pump Station project, $429 thousand from AMAFCA and $467 thousand from the Albuquerque Bernalillo County Water Utility Authority for the Vista Del Rio Drainage project, and $291 thousand from AMAFCA for the Goff Road Widening project.

- Miscellaneous revenue decreased by $310 thousand from $535 thousand in FY13 to $225 thousand in FY14, a 57.9% decrease. The decrease was primarily attributed to a decrease in non-governmental grant revenue reimbursements in FY14 for the University of New Mexico Milagro grant for women substance abuse treatment and the Annie Casey private foundation grant for juvenile detention alternatives.

Grants Fund expenditures decreased by $492 thousand from $18.9 million in FY13 to $18.4 million in FY14, a decrease of 2.6%. Key elements in the decrease of the Grants Fund expenditures are as follows:

- General government expenditures decreased by $364 thousand from $436 thousand in FY13 to $72 thousand in FY14, an 83.5% decrease. The decrease was attributed to grant expenditures incurred by the Clerk's Office for the APS/CNM school board election held during FY13.

- Public safety expenditures decreased by $529 thousand from $9.1 million in FY13 to $8.6 million in FY14, a 5.8% decrease. The decrease was primarily attributed to a decrease in grant expenditures of $380 thousand for the Homeland Security Emergency Management grants and $133 thousand for the Sheriff's miscellaneous grants.

- Health and welfare expenditures decreased by $323 thousand from $654 thousand in FY13 to $331 thousand in FY14, a 49.4% decrease. The decrease was attributed to a decrease in grant expenditures of $395 thousand for the CDC Neighborhood County Health grant.

- Capital outlay expenditures increased by $737 thousand from $3.9 million in FY13 to $4.7 million in FY14, an 18.9% increase. The increase was primarily attributed to an increase in grant expenditures of $695 thousand for the Paradise Hills Little League project.

Construction Fund. The Construction Fund accounts for various construction projects related to road projects, storm sewer systems, acquiring of library books and library resources, remodeling required by the Americans with Disabilities Act, acquisition of land for expanding parks and recreational facilities, constructing and equipping sheriff's sub-stations, improvement of facilities for the County Public Health Department, and other projects. Financing for these projects is provided by general obligation bonds, gross receipts tax revenue bonds and earnings from the investment of those monies.

The Construction Fund balance decreased by $7.1 million from $44.8 million in FY13 to $37.7 million in FY14, a 15.8% decrease. The decrease was primarily attributed to a $9.1 million decrease in bond proceeds as, during the fiscal year, the County issued $8.7 million in General Obligation Bonds, Series 2014 and in FY13 the County issued $17.8 million in General Obligation Bonds, Series 2013. In addition, expenditures increased in FY14 by $3.6 million.

Construction Fund revenues decreased by $51 thousand from $359 thousand in FY13 to $308 thousand in FY14, a 14.2% decrease, which was primarily due to the decrease in earned interest income of $38 thousand.

Construction Fund expenditures increased by $3.6 million from $12.7 million in FY13 to $16.3 million in FY14, a 28.3% increase. Key elements in the increase in Construction Fund expenditures are as follows:

- General government expenditures decreased by $618 thousand from $1.2 million in FY13 to $598 thousand in FY14, a 51.5% decrease. The decrease was attributed a decrease in expenditures for library books of $279, for County traffic signs of $199, and for thermo road striping of $145 thousand.

- Public works expenditures increased by $1.3 million from $928 thousand in FY13 to $2.2 million in FY14, a 140.1% increase. The increase was primarily attributed to expenditures for the Black Mesa project of $756 thousand, for the South Valley Flood Reduction project of $313 thousand, and for the South Valley Drinking Water Phase VI project of $551 thousand.

- Intergovernmental-capital outlay expenditures increased by $2.6 million from $329 thousand in FY13 to $2.9 million in FY14, a 790.3 % increase. The increase was primarily attributed to an increase in expenditures for the Rio Bravo/Del Rio Water/Sewer project of $1.3 million, for the South Valley Drinking Water Phase VI project of $827 thousand, and for the South Valley Drinking Water Phase VII project of $241 thousand.

Additional comparison of General, Special Revenue, and Debt Service Fund revenue and expenditures of prior years can be found in the statistical section of this report.

Special Revenue funds. As of the end of fiscal year 2014, the County's Special Revenue funds reported combined ending fund balances of $30,461,490, a decrease of $171,626. Of the fund balance, $7,365 is non-spendable in form and the reminder of $30,454,125 is restricted for specific purposes. Key elements in the decline of the total special revenue fund balance are as follows:

- The decrease was primarily attributed to a decrease of $2.9 million in the fund balance of the Health Care GRT fund from $9 million in FY13 to $6.1 million in FY14, a 32.2% decrease. In FY14, this fund generated $10.3 million in revenues, expenditures of $12.3 million, and other financial uses of $894 thousand.

- The decrease was also attributed to a $664 thousand decrease in the fund balance of the Environmental Health fund from $2.6 million in FY13 to $1.9 million in FY14, a 25.5% decrease. In FY14, this fund generated $2.6 million in revenues, expenditures of $1.4 million, and other financing sources of $1.9 million.

- The decrease was offset by an increase of $1.7 million in the fund balance of the Valuation fund from $15.2 million in FY13 to $16.9 million in FY14, an 11.2% increase. In FY14, this fund generated $5.7 million in revenues, expenditures of $3.7 million, and other financing uses of $313 thousand.

- The decrease was offset by an increase of $367 thousand in the Housing-Voucher fund from $916 thousand in FY13 to $1.3 million in FY14, a 40.1% increase. In FY14, this fund generated $13.1 million in revenues and expenditures of $12.8 million.

- The decrease was offset by an increase of $469 thousand in the Department of Substance Abuse fund from $715 thousand in FY13 to $1.2 million in FY14, a 65.5%. In FY14, this fund generated $921 thousand in revenues and expenditures of $452 thousand.

- The decrease was also offset by an increase in the Sheriff's Investigative fund, the Law Enforcement Protection fund, and the Clerk's Recording and Filing fund of $286,187, $309,209, and $240,369 respectively.

Debt Service funds. As of the end of fiscal year 2014, the County's Debt Service funds reported combined ending fund balances of $29,041,691, an increase of $9,228,438. Of the fund balance, $19,145,698 is non-spendable in form and the remainder of the fund balance of $9,895,993 is restricted to pay debt service. Key elements of the increase in the total fund balance are as follows:

- The increase was attributed to an increase of $4.6 million in the General Obligation Bond Debt Service fund from $4.9 million in FY13 to $9.5 million in FY14, a 93.9% increase. In FY14, this fund generated $17.8 million in revenues, debt service expenditures of $13.4 million, and other financing sources of $208 thousand.

- The increase was also attributed to the establishment of the Refunding Series 2005 Debt Serve Reserve fund for $4.9 million.

Capital Projects funds. As of the end of fiscal year 2014, the County's Capital Project funds reported combined ending fund balances of $7,977,306, an increase of $103,587. During the year, as capital projects are completed, the costs of the projects are reclassified as capital assets and removed from the capital project funds. The fund balance of $7,977,306 is restricted for capital projects. Key elements of the decrease in the total fund balance are as follows:

- The increase was attributed to an increase of $67 thousand in the Open Space fund from $2.789 million in FY13 to $2.856 million in FY14, a 2.4% increase. In FY14, the fund generated $38.9 thousand in revenue, expenditures of $1.864 million, and other financing sources of $1.893 million.

- The increase was also attributed to an increase of $36 thousand in the Impact Fee fund from $5.085 million in FY13 to $5.121 million in FY14, a 0.7% increase. In FY14, the fund generated $538.6 thousand in revenue and expenditures of $502.3 million.

Proprietary funds. The County proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Other factors concerning the finances of these funds have been discussed in the business-type activities section of the MD&A.

Budgetary Highlights Original Budget – Final Budget Comparison.

General Fund. General fund total original budgeted revenues remained unchanged with the total final budgeted revenues of $239.6 million (*final*). General fund total original budgeted expenditures

increased $38.8 million or by 15% from $259.4 million to $298.2 million (*final*). Significant changes between the original budget and the final amended budget are summarized as follows:

- The general government county commission original expenditure budget increased $522 thousand from $686 thousand to $1.2 million. The increase was to establish an additional operating budget to be shared by each of the five commission districts.

- The general government legal original expenditure budget increased $609 thousand from $2.8 million to $3.4 million. The increase was to establish additional budget for increased contractual services costs related to the Legal Department's operations.

- The general government information technology original expenditure budget increased $618 thousand from $9 million to $9.6 million. The increase was to establish addition budget for increased operations costs.

- The general government general county original expenditure budget increased $7.1 million from $7.4 million to $14.5 million. The increase was primarily attributed to remaining encumbered purchase order budget swept into the general county line item as part of the FY13 purchase order close out process in FY14. In addition, line item transfers of excess budget from other categories were made into this category and additional expenditure budget was established to be used to fund various county projects during the year.

- The general government planning and geo resources original expenditure budget increased $619 thousand from $1.9 million to $2.5 million. The majority of the increase was to establish budget for the Transit and Para-Transit contract with the City of Albuquerque.

- The general government clerk original expenditure budget increased $1.4 million from $3.9 million to $5.3 million. The increase was primarily to establish budget for the June 2014 primary election.

- The public safety metropolitan detention center (MDC) original expenditure budget increased $20.3 million from $52.8 million to $73.1 million. The increase was primarily to establish $13.9 million for the out of county initiative to transfer inmates to other inmate institutions to help control the inmate population at the MDC. In addition, additional budget was established to cover increased operating costs for other MDC initiatives.

- The public safety communications department original expenditure budget decreased $1.3 million from $5 million to $3.7 million. The decrease was attributed to a decrease in budget for contingency expenditures.

- The public safety Sheriff original expenditure budget increased $2.4 million from $34.7 million to $37.1 million. The increase was attributed to additional expenditure budget established for salary increases and overtime, metro air operations, and forensic lab services.

- The health and welfare MDC expenditure budget decreased $4.5 million from $6.1 million to $1.6 million. The decrease was primarily attributed to a line item transfer from this category to the public safety MDC category to be used for the out of county inmate initiative.

- The health and welfare social services expenditure budget increased $863 thousand from $2.3 million to $3.2 million. The increase was attributed to expenditure budget established for the Albuquerque Youth Symphony program, for the Breast Cancer Resource Center program, for the Community Outreach for the Deaf program, for the Boy Scouts of America program, for the Silver Horizons Social Services program, for the Adoption Exchange Social Service program, and for various other social service programs.

- The culture and recreation parks and recreation expenditure budget increased $1.5 million from $8.8 million to $10.3 million. The majority of the budget increase was established to primarily fund maintenance and renovations at various community centers.

- The capital outlay original expenditure budget increased $7.6 million from $12.1 million to $19.7 million. The increase was primarily attributed to $3.2 million established for the Rio Grande Pool reconstruction project, $1.9 million for heavy equipment replacements, $1.6 million for Sheriff's fleet replacements, and $988 thousand for fire and apparatus replacements.

Grants Fund. An original and final budget is not presented for this fund as this is a life-to-date fund and the County does not adopt an annual operating budget during the current fiscal year

Construction Fund. An original and final budget is not presented for this fund as this is a life-to-date fund and the County does not adopt an annual operating budget during the current fiscal year.

Budgetary Highlights – Budget to Actual

General Fund. General Fund revenues were less than budgetary estimates by $11,434,900 or by 5%. General Fund expenditures were less than budgetary estimates by $42,351,974 or by 14.2%. During the year the County incurred a deficiency of revenues and other financing sources over expenditures and other financing uses in the amount of $45,307,891. Individual significant differences between the General Fund final budget and actual amounts are summarized as follows:

- Property tax revenue had a negative variance of $831,670. The significant reason for the negative variance was that current property tax collections were $2,814,156 less than budget *(2.4% of budget*) and delinquent tax collections, interest on current and delinquent tax collections, and penalties on current and delinquent tax collections exceeded projections by $1,982,488.

- Gross receipt tax (*GRT*) revenue had a positive variance of $3,982,525. The positive variance was primarily attributed to the recognition of the FY13 equalization distribution of $3.2 million as actual revenue in FY14. The yearly equalization distribution was not included in the budget estimates. The FY14 equalization distribution of $3.2 million was recognized as a deferred inflow of resources (*liability)* in FY14 and will be recognized as actual revenue in FY15.

- Intergovernmental – other revenue had a positive variance of $1,001,627. The positive variance was attributed to more revenue that was truly intergovernmental properly recognized in this category than in prior years (*examples include revenue from the State of New Mexico for the Turquoise Lodge initiative, interdepartmental revenues, City of Albuquerque custodial*

reimbursements, and APS funding for the Rio Grande Pool reconstruction). The budget in this category was under estimated in FY14.

- Licenses and permits revenue had a negative variance of $1,220,696. The negative variance was primarily due to less than expected collections in franchise permit fees of $561,255, in permit barricading fees of $312,689, and in permit construction fees of $470,094. This was offset by more than expected collections in building and zoning permit fees of $139,048 and paving permit fees of $9,820.

- Fees for services had a negative variance of $1,293,260. The negative variance was primarily due to less than expected revenue for the MDC feed and care of prisoners program of $839,881 and the collection of Clerk's fees of $519,847.

- Investment income revenue had a negative variance of $15,696,875. The negative variance was primarily attributed to the recognition of a realized investment loss, in this category, of $17,082,183. This was offset by more than expected interest income revenue of $1,430,560.

- Miscellaneous revenue had a positive variance of $2,824,691. The positive variance was primarily attributed to the recognition of $1,522,590 in this category for one-time revenue received from the City of Albuquerque in August 2013 for the return of a portion of health insurance premium payments made which exceeded the cost of claims and administration for the fiscal years 2007 through 2013. In addition, more than expected revenue was received in insurance rebates of $513,635, in rental revenue of $245,977, in corrections fees revenue of $127,839, in lease purchase revenue of $110,395, in payment in lieu of taxes revenue of $66,324, and in auction revenue of $56,134.

- General government accounting expenditures had a positive variance of $1,217,378. The positive variance was primarily attributed to lower than expected expenditures from the contingency line item of $340,855 and less than expected expenditures of $806,284 for contractual services.

- General government information technology expenditures had a positive variance of $1,060,732. The positive variance was primarily attributed to lower than expected expenditures for contractual services of $935,817 and regular full time salary savings of $162,815.

- General government general county expenditures had a positive variance of $9,358,185. The positive variance was primarily attributed to lower than expected expenditures for vehicle maintenance repair of $7,235,191 and less than expected expenditures for salary contingency of $3,837,410.

- General government clerk expenditures had a positive variance of $1,557,362. The positive variance was primarily attributed to lower than expected expenditures for contractual services of $1,890,910. This was offset by more than expected expenditures of $309,243 for public information costs.

- Public works fleet-facilities management had a positive variance of $2,126,278. The positive variance was primarily attributed to lower than expected expenditures for the vehicle maintenance program of $1,163,385, for the vehicle gas and oil program of $298,258, for the building maintenance program of $192,381, and for the custodial service program of $96,438.

- Public works operations and maintenance had a positive variance of $1,099,664. The positive variance was primarily attributed to lower than expected expenditures for the traffic engineering section maintenance program of $248,628 and lower than expected expenditures for the road traffic engineering program of $844,938.

- Public works technical services had a positive variance of $1,185,414. The positive variance was primarily attributed to lower than expected expenditures for the construction section program of $548,153 and lower than expected expenditures for the engineering section of $650,011.

- Public safety accounting expenditures had a positive variance of $3,460,524. The positive variance was primarily attributed to lower than expected expenditures for maintenance of the Regional Detention Center facility of $3,387,012.

- Public safety fire and rescue had a negative variance of $1,351,945. The negative variance was primarily attributed to more than expected expenditures for unscheduled overtime of $976,771 and for full time regular salary of $246,449.

- Public Safety metropolitan detention center (*MDC*) expenditures had a positive variance of $4,432,512. A significant portion of the positive variance was attributed to lower than expected expenditures of $3,152,502 for various operating expenditures in the MDC Executive line item and less than expected expenditures of $1,128,765 for various operating expenditures in the MDC food service laundry commissary line item.

- Public Safety sheriff expenditures had a negative variance of $2,195,388. The negative variance was primarily attributed to more than expected expenditures for overtime.

- Health and welfare metropolitan detention center expenditures had a positive variance of $1,437,835. The positive variance was attributed to less than expected expenditures for professional services related to health care services for MDC inmates recognized in the general fund.

- Capital outlay expenditures had a positive variance of $11,551,400. The variance was primarily attributed to budgeted expenditures county-wide which have not materialized or were less than expected during the year. These included positive variances for the following projects: $2.9 million for the Rio Grande Pool Reconstruction project, $1.6 million for MDC cameras, $1.4 million for various community centers' renovations, $657 thousand for the SRM Upgrade project, $787 thousand for the Juvenile Justice Improvements Children's Court project, $762 thousand for upgrades and renovations at the Mid-Region Counsel of Governments building, $724 thousand for the HVAC upgrades at the Juvenile Justice Center, $526 thousand for the North Valley Little League project, $335 thousand for the Conduit Fiber Installation, $269 thousand for the Union Square project, $222 thousand for the Heavy Equipment Replacement project, and $203 thousand for the Courthouse General Maintenance project.

Grants Fund. A budget to actual statement is not presented for this fund as this is a life-to-date fund and the County does not adopt an annual operating budget during the current fiscal year.

Construction Fund. A budget to actual statement is not presented for this fund as this is a life-to-date fund and the County does not adopt an annual operating budget during the current fiscal year.

Capital Asset and Debt Administration

Capital assets. The County's investment in capital assets for its governmental and business type activities as of June 30, 2014 amounts to $576,818,254 (*net of accumulated depreciation*). This investment in capital assets includes land, buildings, improvements, machinery and equipment, construction in progress, and infrastructure. Each year the Board of County Commissioners updates the Capital Improvements Program (*CIP*) in order to plan both long and short range financing for the County's capital projects. The CIP process provides for the development and submittal of requests for the annual and six-year requests for the Capital Improvements Program. A wide range of public facilities and equipment is considered in the CIP. There are statutory requirements that provide for design, construction, major repair, reconstruction or replacement of facilities such as buildings, jails, courthouses, roadways, bridges, parks, and some heavy equipment. The County can use several types of funding for the CIP that includes General Obligation Bonds, Revenue Bonds, Special Assessment District Bonds, Federal and State grants, and appropriations.

Citizen involvement is solicited to determine and prioritize the needs of the County by holding public meetings. The Board of County Commissioners holds periodic advertised meetings at various locations within each commission district to solicit public input and discuss the public's requests. Capital improvement projects selected by the Board and adopted in the CIP that are to be funded by general obligation bonds are placed on the ballot in the next general election. The general obligation bond schedule is based on a two-year cycle and issuance is currently limited to $27,500,000 dollars by the Board of County Commissioners. Other Capital improvement projects are included in the State of New Mexico Infrastructure Program for funding consideration. Major capital asset events during the current fiscal year included the following:

- The county installed video detection cameras and the program software for the adaptive signal control system at seven major intersections along Alameda Boulevard between Loretta Drive and 2nd Street. An adaptive signal control system is a designated set of traffic signals that effectively communicate with each other to improve overall traffic flow along a respective corridor. The traffic signals adapt to the traffic flow, reducing the frequency of red lights when traffic volume is high. The video detection cameras will collect real-time traffic flow information. That information is used to optimize the signal timing based on real-time traffic conditions throughout the day. The project cost was $200 thousand.

- As part of the Bosque Trail Phase I Improvements, Bernalillo County rehabilitated approximately five miles of the Bosque Trail from Bridge Boulevard south to the South Diversion Channel. Originally, the trail segment was constructed by Bernalillo County Public Works in 1998. The project has eliminated pavement cracks and pavement heaving throughout the trail corridor by replacement of the pavement with a stronger pavement section. The project included some pavement overlay, added benches, some minor realignment of the trail to avoid erosion problems, and improvement of gate access locations. Monitoring stations for counting of bicyclists and pedestrians were also included.

- Construction was completed on roads in the East Mountain area of the County, consisting of Aspen Loop, Fir Loop, Mulbery Loop, Mulbery Court, Turquoise Trail, Eagle Trail, Shade Tree Lane,

Shady Oak Circle, Los Alamitos Drive, Alley Road, Lovato Road, Scott Road, Martinez Road, Pine Ridge Road, and Woodlands Drive. The project cost was $2.5 million.

- Construction was completed on the Vista del Rio Project which consisted of drainage improvements intended to improve storm water drainage for the Vista del Rio Neighborhood, an area of approximately 150 acres of established residential and semi-rural development located within the unincorporated of Bernalillo County. It included road and storm drain improvements to Bonito Road, Bonito Place, and Bonito Circle. The project cost was $1.5 million.

- Construction was completed on the Rio Bravo Del Rio Water and Sanitary project. The project construction consisted of water and sanitary sewer infrastructure for the residences on Sunstar Loop off of Rio Bravo Boulevard and around surrounding areas. The project will serve roughly 40 lots. The project cost was $2.7 million.

- Construction was completed on the East Mountain Recycling Facility project. It consisted of construction of a metal building and foundation for the new recycling station at the existing East Mountain transfer station. The project cost was $200 thousand.

- Construction was completed on the South Valley Multipurpose Addition project. The addition added a 2,694 square foot multipurpose gym to the existing 17,700 square foot South Valley Multipurpose Community Center. The project cost was $837 thousand.

- The acquisition and installation of upgraded information technology infrastructure took place at the Metropolitan Detention Center and at the City/County Building, One Civic Plaza NW. The project cost was $1.1 million.

- The Sheriff's Office purchased 45 vehicles and the Fire and Rescue Department purchased 2 ambulances and 2 fire engines for a total cost of $2.8 million.

- Construction on the Southwest Flood Reduction Project-Phase 2B commenced. The project includes drain upgrades within the Isleta, Armijo, and Los Padillas drains for purposes of flood reduction in the southwest valley. The County intends to upsize a total of ten culverts within the drains at road and lateral crossings. The larger culverts will alleviate major hydraulic choke points that impede the flow of water within the drains. The project cost is expected to be $1.75 million.

- Construction on the Cordero Mesa Park Otto Pump Station commenced. The project will construct a water pump station with an ultimate capacity of 18,000 GPM to be located at the Otto reservoir site. The pump station will pump water from Otto reservoir to the Cordero Mesa reservoir. The project cost is expected to be $4.3 million.

- Construction on the Safe Routes to School Project commenced. Construction will include curb and gutters and sidewalks on Citation Street (Valdora Avenue to the Community Health Center), Byron Avenue (Citation Street to Lucia Street), and McEwen Court (Community Health Center to Isleta Boulevard). The project will construct a HAWK signal and crosswalk on Isleta Boulevard near McEwen Court. The project cost is expected to be $575 thousand.

- Construction of the South Valley Drinking Water Project, Phase 7A commenced. Construction will include a water distribution system for residents on Isleta Boulevard and Coors Boulevard from Los Padillas Road to Malpais Road and Malpais Road from Isleta Boulevard to Coors Boulevard.

Improvements will include waterlines, fire protection, and roadway improvements. The project cost is expected to be $1.3 million.

- Construction on the Bosque Trail Phase 1-A Improvements-Woodward Trail Connection project commenced. Construction will include an asphalt trail connection between the Bosque Trail and the Woodward/ Second Street intersection and a bridge over the Barr Main Canal. The project cost is expected to be $125 thousand.

- Construction continued on fire stations 41 and 46 during FY14. Both fire stations are scheduled to receive certificates of occupancy in the first quarter of FY15. Project costs thru June 30, 2014 are $2.2 million and $2.4 million respectively.

County of Bernalillo's Capital Assets
(*net of accumulated depreciation*)

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	$138,254,309	$136,156,585	$ 435,352	$ 435,352	$138,689,661	$136,591,937
Buildings	187,113,818	192,876,094	2,446,934	2,658,521	189,560,752	195,534,615
Machinery and equipment	26,122,623	21,785,984	83,758	114,002	26,206,381	21,899,986
Land improvements	17,724,577	14,427,206	134,673	151,276	17,859,250	14,578,482
Infrastructure	170,724,328	169,540,945	-	-	170,724,328	169,540,945
Leasehold improvements	1,629,974	1,758,510	-	-	1,629,974	1,758,510
Construction in progress	29,372,129	45,536,457	35,841	35,841	29,407,970	45,572,298
Art	2,739,938	2,552,405	-	-	2,739,938	2,552,405
Total	$573,681,696	$584,634,186	$3,136,558	$3,394,992	$576,818,254	$588,029,178

Additional information on the County's capital assets can be found in note IV-C. on pages 62-63 of this report.

Debt administration. The Bernalillo County Finance Division has analyzed the existing debt position of the County and has assessed the impact of future financing requirements on the County's ability to service additional debt. Review and analysis of the County's debt position is performed to provide a capital financing plan for infrastructure and other improvements. Long-term financing projections are linked with economic, demographic and financial resources expected to be available to repay the debt. Decisions regarding the use of debt are based upon a number of factors including, but not limited to, the long-term needs of the County and the amount of resources available to repay the debt. The debt policy is not expected to anticipate every future contingency in the County's capital program or future operational needs. Sufficient flexibility is required to enable County management to respond to unforeseen circumstances or new opportunities, when appropriate.

The County will maintain direct tax supported debt at a manageable level that takes into account economic factors including population, assessed valuation, and other current and future tax-supported essential needs. The decision to issue bonds, by either competitive or negotiated sale, is based upon which alternative will provide the County with lower costs. The Board of County Commissioners decides on an issue-by-issue basis which method of sale would be most appropriate. The County encourages the use of competitive sales for all issues unless circumstances dictate otherwise. Negotiated sales are considered if the sale is a complex financing structure. If a negotiated sale is anticipated, the Finance Division and County Bond Counsel establish a list of pre-qualified underwriters.

General Obligation Bonds. At the end of the current fiscal year, the County had total general obligation debt outstanding of $120,186,000. The County has outstanding general obligation bonds for capital facilities including road improvements, storm drain improvements, library books, public safety improvements and park facility improvements. General obligation bonds are backed by the full faith and credit of the County government and are supported by ad valorem taxes. The tax rate depends upon debt service schedules and property valuation and is set by the New Mexico Department of Finance and Administration. In fiscal year 2014, this tax is approximately $1.246 per $1,000 of assessed taxable value in ad valorem taxes to support general obligation bonds, which constitute direct and general obligations of the County. These bonds have retirement dates ranging from December 1, 2017 through June 15, 2032. The ratio of net general obligation bonded debt to taxable valuation and the amount of bonded debt per capita are useful indicators of the County's debt position. The State's Constitution provides for a legal debt limit of four percent (*4.0%)* of taxable valuation. The ratio for the County is less than one percent (*0.8%)* of the $14.5 billion taxable value of property within Bernalillo County, as of June 30, 2014. The County may currently issue up to an additional $457.2 million of general obligation bonds. The net general bonded debt per capita is $168.23. The lowest per capita amount in the last ten fiscal years was $128.77 in fiscal year ended June 30, 2006. The County's ratings on uninsured general obligation bonds as of June 30, 2014 were:

- Moody's Investors Service, Inc. - Aaa
- Standard & Poor's Rating Service - AAA
- Fitch Agency – AAA

Revenue Bonds. At the end of the current fiscal year, the County had total revenue bond debt outstanding of $127,665,000. The County has six outstanding revenue bonds: the 1996B series, the 1997 series, the 1998 refunding series, the 2005 partial refunding series, the 2010A series, and the 2010B refunding series. These bonds are payable from net pledged gross receipt tax revenues. Although the bonds are general obligations of the County, the County intends to pay the bonds solely from the net pledged revenues. The net revenue bonded debt per capita is $193.16. The lowest per capita amount in the last ten fiscal years was $193.16 in fiscal year ended June 30, 2014. The pledged revenue coverage of gross receipts tax revenues to debt service requirements is 2.73. The lowest pledged revenue coverage in the last ten fiscal years was 1.43 in fiscal year 2011. These bonds have retirement dates ranging from October 1, 2017 through June 15, 2029. The County's ratings on gross receipt tax revenue bonds as of June 30, 2014 were:

- Moody's Investors Service, Inc. – Aa2
- Standard & Poor's Rating Service – AAA
- Fitch Agency – AA+

General Obligation and Revenue Bonds Outstanding

	Governmental Activities	
	2014	2013
General obligation bonds	$ 120,186,000	$ 120,525,000
Revenue bonds	127,665,000	135,670,000
Total	$ 247,851,000	$ 256,195,000

As presented above, the County's total outstanding bond debt decreased by $8,344,000 during the current fiscal year. Additional information on the County's long-term debt can be found in note IV-F on pages 65-68 of this report and in the statistical section of this report.

Economic Factors and Next Year's Budgets and Rates

The County's Board of Commissioners and Manager considered many factors when setting the fiscal year 2015 budget. The County's operating budgeted appropriations were increased approximately 3.3% from FY14 levels based on these factors. According to forecasts by the University of New Mexico's Bureau of Business and Economic Research, the outlook for the New Mexico economy is that because the recovery has been difficult there are indications that the economy may be entering negative territory. The New Mexico economy lost jobs in the fourth quarter of 2013 which is the first certain losses since 2011. The job loss was the result not only of the cuts in public sector employment, but a broad slowdown in private sector hiring. It is expected that positive job growth will occur in the near and long-term. For the period 2014 through 2019, it is anticipated that job growth will average 1.2% and personal income growth will average 4.5% per year. Most new jobs will be in the private sector and there will be a small increase in local and state government payrolls. Personal income is expected to pick up after 2014 and expand at a rate of 4.0% in 2015 and continue to increase to 4.8% in 2016 and 5.4% in 2017 and then slow down to 5.2% in 2018 and 4.8% in 2019. The New Mexico unemployment rate has declined from a March 2014 rate of 7.0 % to a rate of 6.7 % in August 2014.

The outlook for the Albuquerque MSA (*Metropolitan Statistical Area*) economy is slow growth. Total employment in the Albuquerque MSA is forecast to accelerate slowly in 2014 as the MSA is expected to add 3,229 jobs or 0.9%. The private sector is expected to add 3,306 jobs while the government sector is forecast to contract for the year and lose 77 jobs. The labor force is forecast to grow by 1.3% in 2015, 1.2% in 2016, 1.2% in 2017, 1.1% in 2018 and 0.9% in 2019. Personal income is expected to improve as employment improves. From 2014 to 2019, forecasted rates of growth are 2.9%, 4.3%, 5.1%, 5.6%, 5.3% and 4.9%, respectively. The unemployment rate has declined from a September 2013 rate of 7.1% to a rate of 6.8% in August 2014 and is expected to gradually fall to 6.7% by the end of 2014. The unemployment rate is forecast to be 6.2% in 2015, 6.0% in 2016, 5.9% in 2017, 5.8% in 2018 and 5.7% in 2019.

In the longer term, from 2014 to 2019, the Albuquerque MSA economy is forecast to add 27,249 jobs. The accommodation and food services are expected to add 1,148 jobs. Growth is expected to be in the private sector; however the government sector is forecast to add a sizeable number of jobs, though at a slow rate. The healthcare & social assistance sector is expected to add the greatest number of jobs over the six year period. The construction sector is forecast finally to begin to add jobs consistently; however, this sector is only expected to hit 77% of the pre-recession peak reached in 2006. The professional & technical services sector is also expected to add jobs as the federal government budget situation improves. The accommodation and food services sector is expected to continue to add addition jobs but at slower rates of growth than have been seen in the recent past. The administrative and waste services sector is also forecast to perform strongly over the period as employers turn to temporary workers to fill staffing holes and as call centers continue to open and expand in the MSA. The retail trade sector is forecast to add jobs as consumers accelerate the rate of their spending in the economy. The transportation, warehousing and utilities sector is also expected to add a significant number of jobs as the MSA benefits from the transportation and warehousing gains elsewhere in the state. Total housing permits in the City of Albuquerque are expected to increase during this forecast period. Total permits are expected to number 1,984 in 2015, 2,237 in 2016, 2,355 in 2017, 2,270 in

2018 and 2,293 in 2019. It is important to note, however, that even at the peak reached in 2019, total permits are now only expected to hit about 40% of the peak reached in 2003.

In summary, the Albuquerque MSA economy will grow slowly in 2014 and will continue to grow each year through 2019. As the employment picture improves in the MSA, the personal income picture is likewise expected to improve.

Request for Information

This financial report is designed to provide a general overview of the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Deputy County Manager for Finance, One Civic Plaza, NW – 10th Floor, Albuquerque, New Mexico 87102.

COUNTY OF BERNALILLO, NEW MEXICO
STATEMENT OF NET POSITION
JUNE 30, 2014

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	$ 233,969,604	$ 6,008,622	$ 239,978,226
Accounts receivable, net	41,790,552	1,708,675	43,499,227
Accrued interest receivable	263,744	32	263,776
Note receivable	2,355,163	-	2,355,163
Due from grantor	3,496,116	-	3,496,116
Internal balances	1,096,444	(1,096,444)	-
Inventory	754,982	-	754,982
Prepaid assets	2,253,504	-	2,253,504
Cash-restricted	17,740,698	-	17,740,698
Investment in joint venture	633,000	-	633,000
Capital assets not being depreciated:			
Land	138,254,309	435,352	138,689,661
Art	2,739,938	-	2,739,938
Construction in progress	29,372,129	35,841	29,407,970
Capital assets (net of accumulated depreciation):			
Building	187,113,818	2,446,934	189,560,752
Land improvements	17,724,577	134,673	17,859,250
Machinery and equipment	26,122,623	83,758	26,206,381
Infrastructure	170,724,328	-	170,724,328
Leasehold improvements	1,629,974	-	1,629,974
Total assets	878,035,503	9,757,443	887,792,946
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	734,732	-	734,732
Total deferred outflows of resources	734,732	-	734,732
LIABILITIES			
Accounts payable	23,066,972	690,096	23,757,068
Interest payable	2,873,516	-	2,873,516
Accrued payroll	8,253,446	81,569	8,335,015
Unearned revenue	8,749,859	1,205,661	9,955,520
Deposits held in trust for others	-	13,912	13,912
Noncurrent liabilities:			
Due within one year	22,829,088	35,286	22,864,374
Due in more than one year	263,100,206	356,784	263,456,990
Total liabilities	328,873,087	2,383,308	331,256,395
NET POSITION			
Net investment in capital assets	372,486,664	3,136,558	375,623,222
Restricted for:			
Public safety	3,006,178	-	3,006,178
Health and welfare	9,587,276	-	9,587,276
Debt service	9,895,993	-	9,895,993
Capital projects	18,998,797	-	18,998,797
General government	17,868,036	-	17,868,036
Reserve requirement	69,344,139	-	69,344,139
Unrestricted	48,710,065	4,237,577	52,947,642
Total net position	$ 549,897,148	$ 7,374,135	$ 557,271,283

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

BERNALILLO COUNTY
STATE OF NEW MEXICO

BERNALILLO COUNTY, NEW MEXICO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
					Primary Government		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**
Primary government:							
Governmental activities:							
General government	$ 66,086,137	$ 10,404,178	$ 1,144,639	$ 44,848	$ (54,492,472)		$ (54,492,472)
Public works	56,040,669	1,492,995	31,422	6,559,508	(47,956,744)		(47,956,744)
Public safety	169,437,545	2,265,574	11,622,028	161,492	(155,388,451)		(155,388,451)
Culture and recreation	18,234,756	1,021,091	806,644	2,067,188	(14,339,833)		(14,339,833)
Health and welfare	44,982,475	171,462	12,756,592	50,580	(32,003,841)		(32,003,841)
Interest on long-term debt	10,613,790	-	-	-	(10,613,790)		(10,613,790)
Total governmental activities	365,395,372	15,355,300	26,361,325	8,883,616	(314,795,131)		(314,795,131)
Business-type activities:							
Solid waste	4,685,743	5,094,413	176,000	-	-	$ 584,670	584,670
Housing Authority	1,314,007	348,482	551,708	-	-	(413,817)	(413,817)
Seybold Village Handicapped Project	287,847	44,652	-	48,142	-	(195,053)	(195,053)
Regional Juvenile Detention Center	915,406	1,065,053	-	-	-	149,647	149,647
El Centro Familiar	540,819	189,415	181,358	-	-	(170,046)	(170,046)
Total business-type activities	7,743,822	6,742,015	909,066	48,142	-	(44,599)	(44,599)
Total primary government	$ 373,139,194	$ 22,097,315	$ 27,270,391	$ 8,931,758	(314,795,131)	(44,599)	(314,839,730)
General revenues:							
Property taxes					139,744,912	-	139,744,912
Gross receipts taxes					123,184,816	-	123,184,816
Motor vehicle taxes					3,775,013	-	3,775,013
Gas taxes					1,678,264	-	1,678,264
Investment income:							
Interest income					4,737,566	3,149	4,740,715
Investment loss					(4,259,348)	-	(4,259,348)
Miscellaneous					10,219,010	360,438	10,579,448
Transfers					(12,719)	12,719	-
Total general revenue and transfers					279,067,514	376,306	279,443,820
Change in net position					(35,727,617)	331,707	(35,395,910)
Net position - beginning					586,721,658	7,042,428	593,764,086
Prior period adjustment					(1,096,893)	-	(1,096,893)
Net postion - beginning as restated					585,624,765	7,042,428	592,667,193
Net position - ending					$ 549,897,148	$ 7,374,135	$ 557,271,283

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

COUNTY OF BERNALILLO, NEW MEXICO
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2014

	General	Grants Fund	Construction Fund	Total Nonmajor Funds	Total Governmental Funds
ASSETS					
Cash and investments	$ 140,396,899	$ 6,204,248	$ 37,589,810	$ 47,939,616	$ 232,130,573
Accounts receivable, net	32,494,060	-	3,525,000	5,771,492	41,790,552
Accrued interest receivable	81,224	-	5,096	177,424	263,744
Note receivable	2,355,163	-	-	-	2,355,163
Due from other funds	-	-	-	219	219
Due from grantor	-	3,496,116	-	-	3,496,116
Inventory	747,617	-	-	7,365	754,982
Advances to other funds	1,497,000	-	-	1,405,000	2,902,000
Cash - restricted	-	-	-	17,740,698	17,740,698
Total assets	$ 177,571,963	$ 9,700,364	$ 41,119,906	$ 73,041,814	$ 301,434,047
LIABILITIES					
Accounts payable	$ 13,197,072	$ 1,622,956	$ 3,422,142	$ 3,604,171	$ 21,846,341
Accrued payroll	7,872,267	206,963	-	174,216	8,253,446
Unearned revenue	61,023	6,373,445	-	61,887	6,496,355
Due to other funds	983,049	-	-	308,775	1,291,824
Advances from other funds	-	1,497,000	-	-	1,497,000
Total liabilities	22,113,411	9,700,364	3,422,142	4,149,049	39,384,966
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	16,256,107	-	-	1,412,278	17,668,385
Total deferred inflows of resources	16,256,107	-	-	1,412,278	17,668,385
Nonspendable	4,599,780	-	-	19,153,063	23,752,843
Restricted	69,603,058	-	23,025,745	48,327,424	140,956,227
Committed	36,349,629	-	-	-	36,349,629
Assigned	15,400,000	-	14,672,019	-	30,072,019
Unassigned	13,249,978	-	-	-	13,249,978
Total fund balances	139,202,445	-	37,697,764	67,480,487	244,380,696
Total liabilities, deferred inflows of resources and fund balances	$ 177,571,963	$ 9,700,364	$ 41,119,906	$ 73,041,814	$ 301,434,047

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

COUNTY OF BERNALILLO, NEW MEXICO
RECONCILIATION OF THE BALANCE SHEET GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2014

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

Total fund balance governmental funds (page 34)	$ 244,380,696
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	573,681,696
Investments in joint ventures are not reported in the Governmental funds.	633,000
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	734,732
Internal service funds are used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	17,668,385
	1,601,449
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	(285,929,294)
Accrued Interest Payable	(2,873,516)
Net position governmental activities. (page 32)	$ 549,897,148

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

COUNTY OF BERNALILLO, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2014

	General	Grants Fund	Construction Fund	Total Nonmajor Funds	Total Governmental Funds
REVENUES					
Taxes:					
Property	$ 122,139,784	$ -	$ -	$ 17,794,779	$ 139,934,563
Sales	92,203,040	-	-	24,769,652	116,972,692
Motor vehicle	3,775,013	-	-	-	3,775,013
Gas	1,678,264	-	-	-	1,678,264
Intergovernmental:					
Federal	328,484	3,267,561	-	13,100,814	16,696,859
State	46,993	10,950,239	-	1,569,123	12,566,355
Other	1,266,627	3,953,133	-	761,967	5,981,727
Licenses and permits	2,630,342	-	-	-	2,630,342
Fees for services	5,611,526	-	-	7,113,432	12,724,958
Investment income:					
Interest Income	3,556,181	-	308,116	873,269	4,737,566
Investment loss	(4,259,348)	-	-	-	(4,259,348)
Miscellaneous	5,575,436	225,358	-	954,167	6,754,961
Total revenues	234,552,342	18,396,291	308,116	66,937,203	320,193,952
EXPENDITURES					
Current:					
General government	55,234,399	72,275	598,110	4,100,927	60,005,711
Public works	30,630,883	387,496	2,226,746	422,170	33,667,295
Public safety	145,834,941	8,568,272	100,855	2,355,623	156,859,691
Health and welfare	5,020,854	330,793	114,903	37,317,792	42,784,342
Culture and recreation	12,527,553	729,214	199,907	398,417	13,855,091
Capital outlay	8,621,808	4,666,643	10,027,225	2,650,296	25,965,972
Integovernmental - capital outlay	829,455	3,641,598	2,879,579	303,495	7,654,127
Debt service:					
Principal	-	-	-	17,010,000	17,010,000
Interest	-	-	-	11,311,737	11,311,737
Bond issuance cost	-	-	111,857	69,062	180,919
Total expenditures	258,699,893	18,396,291	16,259,182	75,939,519	369,294,885
Excess (deficiency) of revenues over expenditures	(24,147,551)	-	(15,951,066)	(9,002,316)	(49,100,933)
Other financing sources (uses)					
Transfers in	799	-	-	21,229,338	21,230,137
Transfers out	(17,960,387)	-	(149,734)	(3,132,735)	(21,242,856)
Refunding bonds issued	-	-	-	2,995,000	2,995,000
Bonds issued	-	-	8,700,000	-	8,700,000
Premium	-	-	261,590	155,277	416,867
Payment to escrow agent	-	-	-	(3,091,682)	(3,091,682)
Sale of capital assets	326,960	-	-	7,517	334,477
Total other financing sources (uses)	(17,632,628)	-	8,811,856	18,162,715	9,341,943
Net changes in fund balances	(41,780,179)	-	(7,139,210)	9,160,399	(39,758,990)
Fund balance - beginning	180,982,624	-	44,836,974	58,320,088	284,139,686
Fund balance - ending	$ 139,202,445	$ -	$ 37,697,764	$ 67,480,487	$ 244,380,696

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

COUNTY OF BERNALILLO, NEW MEXICO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014

Amounts reported for governmental activities in the statement of activities are different because:	
Net changes in fund balances total governmental funds (page 36)	$ (39,758,990)
Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	(10,869,173)
The net effect of sale of capital assets is to increase net position. In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increases financial resources. Thus, the change in net position differs from the change in fund balance by the cost of capital assets sold.	(83,317)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	8,308,296
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	7,989,815
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(1,314,248)
Change in net position of governmental acitivities (page 33)	$ (35,727,617)

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

COUNTY OF BERNALILLO, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL (Cash Budgetary Basis)
GENERAL FUND
For the Year Ended June 30, 2014

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES				
Taxes:				
Property	$ 122,994,981	$ 122,994,981	$ 122,163,311	$ (831,670)
Sales	92,478,431	92,478,431	96,460,956	3,982,525
Motor vehicle	3,871,762	3,871,762	3,760,713	(111,049)
Gas	1,779,000	1,779,000	1,693,330	(85,670)
Intergovernmental - federal	380,000	380,000	328,484	(51,516)
Intergovernmental - state	-	-	46,993	46,993
Intergovernmental - other	265,000	265,000	1,266,627	1,001,627
Licenses and permits	3,851,038	3,851,038	2,630,342	(1,220,696)
Fees for services	6,854,933	6,854,933	5,561,673	(1,293,260)
Investment income	2,900,000	2,900,000	(12,796,875)	(15,696,875)
Miscellaneous	4,273,335	4,273,335	7,098,026	2,824,691
Total revenues	239,648,480	239,648,480	228,213,580	(11,434,900)
Other Financing Sources:				
Transfer in	799	799	799	-
Sale of assets	150,000	150,000	326,960	176,960
Total other financing sources	150,799	150,799	327,759	176,960
Total revenues and other financing sources	239,799,279	239,799,279	228,541,339	(11,257,940)
Prior year cash balance budgeted	30,307,379	76,999,643		
Total budget	270,106,658	316,798,922		
EXPENDITURES				
Current:				
General government:				
County commission	686,185	1,208,313	942,738	265,575
County manager	1,203,507	1,175,715	1,155,745	19,970
Deputy county manager for finance	442,032	564,307	620,690	(56,383)
Legal	2,830,578	3,439,330	2,794,788	644,542
Public information	637,235	680,356	700,484	(20,128)
Assessor	2,747,487	2,800,368	2,351,480	448,888
Treasurer	2,709,799	2,773,650	2,431,423	342,227
Accounting	4,633,874	4,859,682	3,642,304	1,217,378
Risk management	4,271,545	4,192,400	4,008,406	183,994
Budget and business improvement	4,501,738	4,003,615	3,711,568	292,047
Human resources	4,670,372	4,829,357	3,870,752	958,605
Information technology	8,994,823	9,613,130	8,552,398	1,060,732
Purchasing	1,410,327	1,521,765	1,426,803	94,962
General county	7,399,190	14,488,814	5,130,629	9,358,185
Solid waste	1,276,703	1,732,417	1,265,596	466,821
Planning and geo resources	1,883,768	2,502,862	2,218,817	284,045
Social services	1,495,648	1,503,148	1,126,039	377,109
Economic development	1,960,304	2,448,160	1,950,875	497,285
Zoning, building and environmental health	4,398,649	4,176,840	3,735,011	441,829
Clerk	3,903,563	5,285,954	3,728,592	1,557,362
Probate	278,441	278,376	219,176	59,200
Capital improvements	551,684	913	913	-
Total general government	62,887,452	74,079,472	55,585,227	18,494,245

COUNTY OF BERNALILLO, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL (Cash Budgetary Basis)
GENERAL FUND
For the Year Ended June 30, 2014

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Public works:				
Solid waste	3,544,558	3,299,050	2,427,155	871,895
Division support	820,438	867,669	815,841	51,828
Fleet-facilities management	20,000,514	19,571,392	17,445,114	2,126,278
Operations and maintenance	4,725,993	5,254,786	4,155,122	1,099,664
Technical services	3,097,162	3,056,648	1,871,234	1,185,414
Planning and geo resources	2,526,523	2,392,373	2,280,187	112,186
Communications Department	123,334	123,334	123,334	-
Capital Improvements	-	299,448	869,007	(569,559)
Parks and recreation	331,548	331,420	297,200	34,220
Total public works	35,170,070	35,196,120	30,284,194	4,911,926
Public safety:				
Deputy county manager for public safety	421,821	501,025	540,160	(39,135)
Accounting	3,420,877	3,544,740	84,216	3,460,524
Information technology	780,581	319,258	254,082	65,176
General county	410,000	380,000	18,174	361,826
Fire and rescue	20,749,185	21,279,042	22,630,987	(1,351,945)
Office of emergency management	456,198	335,017	235,491	99,526
Metropolitan detention center	52,814,439	73,146,912	68,714,400	4,432,512
Animal care	2,678,599	2,263,870	1,822,469	441,401
Communications department	5,037,783	3,697,135	3,271,862	425,273
Sheriff	34,750,441	37,140,009	39,335,397	(2,195,388)
Youth services center	7,387,460	8,048,289	8,002,994	45,295
Total public safety	128,907,384	150,655,297	144,910,232	5,745,065
Health and welfare:				
Accounting	61,256	71,256	39,229	32,027
Solid waste	370,120	215,000	215,000	-
Metropolitan detention center	6,082,505	1,632,428	194,593	1,437,835
Social services	2,319,373	3,183,194	2,557,497	625,697
Zoning, building and environmental health	380,672	368,001	332,197	35,804
Parks and recreation	15,000	15,000	15,000	-
Housing	468,101	519,720	379,252	140,468
Total health and welfare	9,697,027	6,004,599	3,732,768	2,271,831
Culture and recreation:				
Deputy county manager for community services	874,514	899,201	907,753	(8,552)
Accounting	101,196	106,196	89,192	17,004
Social services	84,945	598,091	400,168	197,923
Economic development	746,108	706,799	491,146	215,653
Parks and recreation	8,848,492	10,262,801	10,477,867	(215,066)
Total culture and recreation	10,655,255	12,573,088	12,366,126	206,962
Capital outlay	12,072,151	19,732,241	8,180,841	11,551,400
Intergovernmental capital outlay	-	-	829,455	(829,455)
Total expenditures	259,389,339	298,240,817	255,888,843	42,351,974
Other financing uses				
Transfers out	10,717,319	18,558,105	17,960,387	597,718
Total expenditures and other financing uses	$ 270,106,658	$ 316,798,922	$ 273,849,230	$ 42,949,692
Deficiency of revenues and other financing sources over expenditures and other financing uses			$ (45,307,891)	

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

COUNTY OF BERNALILLO, NEW MEXICO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2014

	Business-type Activities Enterprise Funds Total Nonmajor	Governmental Activities- Internal Service Funds
ASSETS		
Current assets:		
Cash and investments	$ 6,008,622	$ 1,839,031
Accounts receivable, net	1,708,675	-
Accrued interest receivable	32	-
Due from other funds	466,283	983,049
Prepaid assets	-	2,253,504
Total current assets	8,183,612	5,075,584
Noncurrent assets:		
Capital assets:		
Land	435,352	-
Land improvements	166,027	-
Buildings	6,520,210	-
Construction in progress	35,841	-
Equipment, machinery, and furniture	1,454,469	-
Less accumulated depreciation	(5,475,341)	-
Total noncurrent assets	3,136,558	-
Total assets	11,320,170	5,075,584
LIABILITIES		
Current liabilities:		
Accounts payable and other current liabilities	690,096	1,220,631
Compensated absences	35,286	-
Accrued payroll	81,569	-
Due to other funds	157,727	-
Unearned revenue	1,205,661	2,253,504
Total current liabilities	2,170,339	3,474,135
Noncurrent liabilities:		
Compensated absences	356,784	-
Deposits held in trust for others	13,912	-
Advance from other funds	1,405,000	-
Total noncurrent liabilities	1,775,696	-
Total liabilities	3,946,035	3,474,135
NET POSITION		
Net investment in capital assets	3,136,558	-
Unrestricted	4,237,577	1,601,449
Total net position	$ 7,374,135	$ 1,601,449

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

COUNTY OF BERNALILLO, NEW MEXICO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2014

	Business-type Activities Enterprise Funds Total Nonmajor	Governmental Activities- Internal Service Funds
Operating revenues:		
Administrative and service fees	$ 6,507,948	$ 8,631,669
Rental income:		
Tenants	234,067	-
Other income	312,738	-
Total operating revenues	7,054,753	8,631,669
Operating expenses:		
Salaries and wages	2,003,477	-
Contractual services	4,705,250	8,631,669
Materials and supplies	212,058	-
Other services and charges	508,173	-
Miscellaneous expense	56,430	-
Depreciation	258,434	-
Total operating expenses	7,743,822	8,631,669
Operating income (loss)	(689,069)	-
Non-operating revenues:		
Interest income	3,149	-
Gain on sale of capital assets	47,700	-
Grants - subsidies	357,358	-
Other government grant subsidies	551,708	-
Total nonoperating revenue	959,915	-
Income (loss) before contributions and transfers	270,846	-
Capital - grant subsidies	48,142	-
Transfers in	12,719	-
Change in net position	331,707	-
Total net position - beginning	7,042,428	1,601,449
Total net position - ending	$ 7,374,135	$ 1,601,449

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

COUNTY OF BERNALILLO, NEW MEXICO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2014

	Business-type Activities Enterprise Funds Total Nonmajor	Governmental Activities- Internal Service Funds
Cash flows from operating activities:		
Receipts from administration and service fees	$ 6,663,587	$ 8,396,239
Receipts from rents	235,020	-
Receipts from other funds for goods and services	184,675	-
Payments to employees for services	(1,600,685)	-
Payments to vendors for goods and services	(5,858,916)	(8,183,117)
Payments to other funds for goods and services	(600,830)	-
Miscellaneous cash received	174,203	-
Net cash provided (used) by operating activities	(802,946)	213,122
Cash flows from noncapital financing activities:		
Operating grants/subsidies received	909,066	-
Contributions to other funds	(65,000)	-
Transfers in from other funds	12,719	-
Net cash provided by noncapital financing activities	856,785	-
Cash flows from capital and related financing activities:		
Proceeds from sale of capital assets	47,700	-
Capital grants received	48,142	-
Net cash provided (used) by capital and related financing activities	95,842	-
Cash flows from investing activities:		
Interest received on investments	3,151	-
Net increase in cash and cash equivalents	152,832	213,122
Cash and cash equivalents, beginning of year	5,855,790	1,625,909
Cash and cash equivalents, end of year	$ 6,008,622	$ 1,839,031
Reconciliation of operating loss to net cash flows provided (used) by operating activities:		
Operating income (loss)	$ (689,069)	$ -
Adjustments to reconcile operating income to net cash provided(used) by operating activities:		
Depreciation expense	258,435	-
Change in assts and liabilities:		
Accounts receivable	145,230	-
Allowance for uncollectable accounts	(96,246)	-
Due from other funds	(415,127)	(247,198)
Prepaid expenses	-	(129,483)
Unearned revenue	(30,416)	129,483
Accounts payable	(149,234)	460,320
Due to other funds	146,573	-
Tenants payable	(510)	-
Accrued compensated absences	27,418	-
Net cash flows provided (used) by operating activities	$ (802,946)	$ 213,122

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

COUNTY OF BERNALILLO, NEW MEXICO
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2014

	Agency Funds
ASSETS	
Cash and investments	$ 19,199,177
Receivables, net:	
Property taxes	35,107,462
Gross receipts tax	3,680,320
Other	1,108,957
Total assets	$ 59,095,916
LIABILITIES	
Deposits held in trust for others	$ 19,199,177
Other	1,108,957
Future collectable taxes	38,787,782
Total liabilities	$ 59,095,916

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

BERNALILLO COUNTY
STATE OF NEW MEXICO

COUNTY OF BERNALILLO, NEW MEXICO
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BERNALILLO COUNTY
STATE OF NEW MEXICO

I. Summary of significant accounting policies

The financial statements of the County of Bernalillo (County) have been prepared in conformity with generally accepted accounting principles as applied to governmental entities. The significant governmental accounting policies are described below.

A. Reporting entity

The County was established by the laws of the Territory of New Mexico of 1876, under the provisions of the act now referred to as Section 4-1-1 of the New Mexico Statutes Annotated, 1978 Compilation. The County operates under the commission-manager form of government and provides the following services as authorized in the grant of powers: public safety (sheriff, fire, emergency medical, etc.), highways and streets, sanitation, health and social services, low rent housing assistance, culture-recreation, public improvements, planning and zoning, and general administration services.

The County's basic financial statements include all activities and accounts of the County's "financial reporting entity."

The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body, and either it is able to impose its will on that organization, or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens, on the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

A primary government has the ability to impose its will on an organization if it can significantly influence the programs, projects, activities, or level of services performed or provided by the organization. A financial benefit or burden relationship exists if the primary government (a) is entitled to the organization's resources; (b) is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization; or (c) is obligated in some manner for the debt of the organization. There are no agencies, organizations or activities meeting any of the above criteria that are excluded from the County's reporting entity.

Some organizations are included as component units because of their fiscal dependency on the primary government if they are unable to adopt a budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government.

There are no component units during the fiscal year ended June 30, 2014.

B. Government-wide and fund financial statements

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

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

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting,* as are the proprietary fund financial statements. Fiduciary fund financial statements are reported using the accrual basis of accounting and have no measurement focus. 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 in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized as soon as they are both measurable and available. Under GASB 33, the County defines "available" to 60 days after the fiscal year end. Business-type activities are financed in

whole or in part by fees charged to external parties. 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 made.

Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, gross receipts taxes, motor vehicle taxes, cigarette taxes, gasoline taxes, licenses, grants, entitlements, donations 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. Derived gross receipts tax revenue is recognized when the underlying exchange transaction takes place. A small portion of the gross receipts tax revenue is derived from an estimate of delinquent taxes not yet collected 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. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

The *General fund* is the County's primary operating fund. It accounts for all the financial resources of the general government, except those required to be accounted for in another fund.

The *Grants fund* accounts for various federal, state and other grant funding resources to be used for specific purposes agreed to between the County and the funding sources as enumerated in the grant agreement/contract.

The *Construction fund* accounts for financial resources to be used for the acquisition or construction of major capital facilities.

Additionally, the government reports the following fund types:

Internal service funds account for operations that provide services to other departments or agencies of the County on a cost-reimbursement basis. The County's internal service fund is the Risk Management fund, which is used to account for its risk management activities.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's risk management 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.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are

reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and/or delivering goods in connection with proprietary fund's principal ongoing operations. Approximately 92% of the operating revenues of the County's five proprietary funds consist of user and administrative fees.

The modified accrual basis of accounting is followed by the governmental fund types for financial statement purposes. Under the modified accrual basis of accounting, revenues and other governmental fund financial resource increments are recognized in the accounting period in which they become measurable and available to pay liabilities of the current period (amounts collected within 60 days after year end).

Those revenues susceptible to accrual are property taxes, gross receipts taxes, investment income and charges for services. Grant revenues are recognized as revenues when the related costs are incurred. All other revenues are recognized when they are received and are not susceptible to accrual, because they are usually not measurable until payment is actually received. Expenditures are recorded as liabilities when they are incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

The accrual basis of accounting is utilized by proprietary fund types. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The County reports unearned revenue on its combined balance sheet. Unearned revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the County before it has legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods when both revenue recognition criteria methods are met or when the County has a legal claim to the resources, the liability for deferred inflows of resources is removed from the combined balance sheet and revenue is recognized.

When both restricted and unrestricted (committed, assigned, or unassigned) amounts are available for use, it is the County's policy to consider restricted amounts be reduced first. When an expenditure is incurred for purposes for which amounts in any unrestricted fund balance classification could be used, it shall be the policy of the County that committed amounts would be used first, followed by assigned amounts and then unassigned amounts.

D. Assets, liabilities, and net position or equity

1. Deposits and investments

The County's cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments in the County's cash are stated at fair value using quoted market prices for financial statement purposes. Interest income, realized gains and losses on investment transactions, and amortization of premiums/discounts on investment purchases are included for financial statement purposes as investment income and are allocated to participating funds based on the specific identification of the source of funds for a given investment.

State Statute Sections 6-10-44 and 6-10-10(f), NMSA 1978, as amended, authorize the County Treasurer to invest in United States Treasury certificates, United States Treasury bonds or negotiable securities of the United States, bonds or negotiable securities of the State of New Mexico or of any county, municipality, or school district and yield maintenance repurchase agreements with the advice and consent of the County Board of Finance. The Treasurer's investment procedures must be consistent with Bernalillo County Investment Policy.

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year that are expected to be paid back within the year are referred to as "due to/from other funds." Lending/borrowing arrangements not expected to be paid back within the year are referred to as "advances to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances."

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 property tax receivables are shown net of an allowance for uncollectables. The property tax receivable allowance is equal to .07% of outstanding property taxes at June 30, 2014.

The County is responsible for assessing, collecting and distributing property taxes for other governmental entities and its own operational and debt service purposes. Property taxes are assessed on November 1 of each year based on the assessed value on the prior January 1 and are payable in two equal installments by November 10 of the year in which the tax bill is prepared and by April 10 of the following year. Property taxes are delinquent if not paid by December 10 and May 10. Taxes on real property are a lien from January 1 of the year for which the taxes are imposed. Collections and remittance of County property taxes are accounted for in the County Treasurer Agency Funds. The billings are considered past due 60

days after the respective tax billing date, at which time the applicable property is subject to lien, and penalties and interest are assessed.

3. Inventories

The inventories in the general fund consist of warehouse items, supplies, fuel, vehicle parts, and fluids. Inventories in the fire district fund consist of office and janitorial supplies and some general miscellaneous items. Inventories are recorded using the average cost method. The costs of inventories in governmental fund types are recorded as expenditures when purchased; therefore, the inventory amount is not available for appropriation.

4. Capital assets

Capital assets, which include property, plant, equipment, software, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than $1,000 and estimated useful life in excess of one year and after July 1, 2005 an individual cost of $5,000. Purchased or constructed assets are recorded at historical cost or estimated cost. Donated capital assets are recorded as estimated fair market value at the date of the donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Infrastructure	10-80
Buildings and other improvements	15-40
Machinery and equipment	5-10

5. Restricted assets

Certain resources are set aside for repayment of General Obligation and Special Revenue Bonds, and are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited to the applicable bond covenants.

6. Compensated absences

County employees may accumulate limited amounts of vacation pay which are payable to the employee upon termination or retirement. Also, at will employees can accumulate unlimited vacation pay. For governmental funds, expenditures are recognized during the period in which vacation costs become payable from available, expendable resources. A liability for these amounts is reported in governmental funds only if they matured, for example, as a result of employee resignations and retirements. A liability for amounts earned but not payable from available, expendable resources is reported in the government-wide financial statements. For proprietary funds, vacation costs are recognized as a liability when earned.

County employees may accumulate limited amounts of sick leave. For governmental funds, expenditures are recognized during the period in which sick leave costs become payable from available, expendable resources. For proprietary funds, sick leave costs are recognized when vested or taken, whichever occurs first.

7. Deferred outflows/inflows of resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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

8. Net position

The government-wide and business-type activities fund financial statements utilize a net position presentation. Net position is categorized as follows:

Net investment in capital assets – This category reflects the portion of net position that are associated with capital assets less outstanding capital asset related debt.

Restricted net position – This category reflects the portion of net position that has third party limitations on their use.

Unrestricted net position – This category reflects net position of the County, not restricted for any project or other purpose.

9. Fund balance classification

In the governmental fund financial statements, fund balance is reported in five classifications.

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form; for example inventories, prepaid amounts, long-term amount of loans and notes receivable or (b) legally or contractually required to be maintained intact; for example debt service reserves.

Restricted - This classification includes amounts that are restricted to a specific purpose. Fund balances are restricted when constraints placed on the use of resources are either: (a) Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; (b) Enabling legislation, as the term is used authorizes the County to assess, levy, charge or otherwise mandate payment of resources and includes a *legally enforceable* requirement that those resources be used only for the specific purposes stipulated in the legislation.

Committed - This classification includes amounts that can only be used for specific purposes to constraints imposed by formal action of the County's highest level of decision-making authority. The Board of County Commissioners (Commission) is the highest level of decision making authority for the County that can, by adoption of a resolution commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Assigned – This classification includes amounts that are constrained by the County's *intent* to be used for specific purposes, but are neither restricted nor committed and should be reported as assigned fund balance. The Board of County Commissioners has by resolution delegated the authority to assign amounts to be used for specific purposes to the County Manager and the Deputy County Manager for Finance.

Unassigned – This classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount.

It is the County's policy at the end of the fiscal year, that the County will maintain spendable, unassigned portions of the General Fund balance for cash flow equal to two months of the prior year General Fund operating expenditures. In addition to cash flows needs this accommodates emergency contingency concerns.

10. Cash flows

For purposes of the Statement of Cash Flows, the various enterprise funds consider all highly liquid assets (excluding restricted assets) with maturity of three months or less when purchased to be cash equivalents.

11. Bond premiums/issuance costs

In governmental fund types, bond premiums and issuance costs are recognized in the current period. Bond premiums are presented, separately as other financing sources.

12. Presentation

Certain reclassifications of prior year information have been made to conform to new GASB requirements.

13. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

II. Reconciliation of government-wide and fund financial statements

A. Explanation of certain differences between the governmental fund balance sheet and the government –wide statement of net position

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this difference are as follows:

Bonds payable	
GO Bonds	$ (120,186,000)
Revenue Bonds	(127,665,000)
Deferred amounts –Premium, and Discounts	(5,310,645)
Compensated absences	(32,767,649)
Net adjustment to reduce fund balance – total governmental funds	
To arrive at net position – governmental activities	$ (285,929,294)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that, "Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost Of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	$ 25,965,972
Capital outlay – expenses classified as noncapital	(3,359,231)
Donated assets	927,066
Depreciation expense	(34,402,980)
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net position in governmental activities	$ (10,869,173)

Another element of that reconciliation states that "The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to increase net position."

Sale of assets	$ (334,477)
Loss on Disposal	(52,374)
Gain on sale of assets	303,534
Net adjustment to decrease total governmental funds to arrive at changes in net position in governmental activities	$ (83,317)

Another element of that reconciliation states that "Some revenues in the statement of activities do not provide current financial resources and are not reported as revenues in the funds." The details of this difference are as follows:

Property taxes receivable – current year	$ 9,170,438
Property taxes receivable – prior year	(9,360,089)
Sales tax – current year	6,212,124
Miscellaneous revenue – current year	2,285,823
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net position in governmental activities	$ 8,308,296

Another element of that reconciliation states that, "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The details of this difference are as follows:

Debt issued or incurred:	
Issuance of general obligation bonds	$ (11,695,000)
Premium	(416,867)
Principal repayments:	
General obligation bonds	9,005,000
Revenue bonds	8,005,000
Payment to escrow agent:	
Series 2004	3,029,000
Deferred charge refunding	62,682
Net adjustment to decrease net changes in fund balances – Total governmental funds to arrive at changes in net position of governmental activities	$ 7,989,815

Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of this difference are as follows:

Compensated absences	$ (1,869,015)
Accrued interest	112,258
Amortization of premium	585,689
Amortization of deferred charge on refunding	(89,624)
Amortization of bond discounts	(53,556)
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net position in governmental activities	$ (1,314,248)

III. Stewardship, compliance and accountability

A. Budgetary information

Actual amounts on the budgetary basis financial statements are prepared on the cash basis of accounting which recognizes revenues when received and expenditures when paid. Annual budgets are adopted for the general, internal service, most special revenue, debt service funds, and some proprietary funds. The proprietary funds and the following governmental funds did not adopt annual operating budgets during the current fiscal year:

Special Revenue:
- Grants
- Housing – Vouchers
- Sheriff's Investigative Fund

Debt Service:
- Series 1996B Reserve
- Series 1997 Reserve
- Refunding Series 1998 Reserve
- Refunding Series 2005 Reserve

All Capital Projects Funds

Proprietary Funds:
- Bernalillo County Housing Authority
- Seybold Village Handicapped Project
- El Centro Familiar

Budget amounts for Capital Projects Funds and certain Special Revenue Funds are individual project budgets authorized by the County Commission for the entire length of the project. The County Manager has administrative authority to make line item changes within a specific capital project without County Commission approval if the total change does not exceed 10 percent of the original budget. Once the County Commission has approved grant applications for projects, the County Manager is authorized to expend any funds awarded as a result of the grant application.

The County Manager is responsible for preparing the budget from requests submitted by division directors. The appropriated budget is prepared by line item within object class, program, department and fund; revenues expected to be available are estimated to provide for balanced budgeting. The comprehensive budget package is brought before the County Commissioners for approval by resolution. The proposed budget is then submitted by June 1 to the New Mexico Department of Finance and Administration Local Government Division (DFA) for approval. DFA certifies a pending budget by July 1 with final certification of the budget by the first Monday of September. The expenditure section of the budget, once adopted, is legally binding. Based on the final certified budget submitted, DFA certifies the allowable tax rates for property taxes in September.

Transfers of appropriations within a fund may be made with cognizant Deputy County Manager or elected official approval. Increases or decreases in the budget of a fund or transfers of appropriations between funds must be presented to the County Commission for approval by resolution and must subsequently have DFA approval. Amendments made to the original budget are included in the budgetary comparison statements of this report, which reflect actual to budget.

Budgets and amendments to the budgets for all funds are adopted in a legally permissible manner. The legal level of budgetary control is the fund level. Expenditures may not legally exceed budgeted appropriations at the fund level except for the Emergency Medical Services and Fire District funds, whose legal level of budgetary authority is at the program or district level. Over expenditures of budget are disclosed pursuant to Section 2.2.2.10(N)(1) NMAC for Fire District #3 and Fire Administration which were over budget by $423 and $836 respectively. All outstanding encumbrances must be rebudgeted in the next year's budget. During the year, several supplementary appropriations were necessary.

Budgetary compliance – GAAP financial statements

The County prepares its annual budget on a cash basis of accounting as described above. A reconciliation of the general fund GAAP statement to the cash statement is as follows:

	General Fund
Net change in fund balance – GAAP basis	$ (41,780,179)
(Increase) decrease in assets:	
Accounts receivable	5,754,946
Accrued interest	729,077
Fair market value of investments	(12,822,785)
Increase (decrease) in liabilities:	
Accounts payable	1,795,615
Accrued payroll	1,015,435
Net changes in fund balance – Cash basis	$ (45,307,891)

B. Deficit fund equity

There is an unrestricted deficit balance of $671,707 in the El Centro Familiar Fund. The County expects that the pay down in the "advance from other funds" and a FY15 subsidy from the general fund will be sufficient to cover the deficit.

IV. Detailed notes on all funds

A. Cash and investments

As of June 30, 2014, the County had the following investments.

Investment Type	Fair Value	Weighted Maturity Average (Months)	Percent of Total
US Treasury	$ 75,103,550	21.98	85.5%
Repurchase Agreements	11,747,530	138.49	13.4%
Certificate of Deposits	993,144	1.37	1.1%
Total fair value	$ 87,844,224		100%
Portfolio weighted average maturity		37.33	

Interest Rate Risk. Interest rate risk is the risk that an investment's value will change due to a change in market interest rates which can adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Bernalillo County manages exposure to interest rate risk by complying with the new Investment Policy dated April 1, 2014 that sets diversification limits specified in the current policy by staggering term of investments. The county also times cash flows to maturities by laddering the portfolio so that a portion of the portfolio is maturing or coming close to maturity evenly over time, to provide the cash flow and liquidity needed for operations. The County's investment policy does limit investment maturities as a way of managing its exposure to fair value losses arising from increasing interest rates. Information about the sensitivity of the fair values of the county's investments to market interest rate fluctuations is provided by the table above that shows the distribution of the county's investments by weighted average maturity as of June 30, 2014.

Credit Risk. The county's investments shall be in accordance with State Law, 6-10-10, and 6-10-10.1 NMSA 1978, in that credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating agency. As of June 30, 2014 the county's investment in US Treasury bonds were rated AAA by Moody's Investment Services. The county's portfolio is largely credit risk adverse due to the types of bonds held, US Treasuries. In addition, in an effort to address liquidity requirements, higher balances are maintained in demand deposit account which also limits the county’s exposure to credit risk.

Bernalillo County has hired an outside contractor to advise and invest on behalf of the county. The County Treasurer and the Investment Officer shall perform their investment duties in a manner consistent with the county’s investment policy and the standards applicable to their respective positions. The County Treasurer shall perform his or her duties following a prudent person standard. The Investment Officer shall perform his or her duties in the manner of a prudent person in light of the purposes, terms, distribution requirement and other circumstances then prevailing as to the assets entrusted to them. The County Treasurer and Investment Officer shall act in accordance with New Mexico Statutes, written policy and procedures, which shall be adopted by the County Treasurer with the advice and consent of the Bernalillo County Board of Finance.

Concentration of Credit Risk. The county's investment policy dated April 1, 2014 places limits on the amount the county may invest in any one issuer. The table above shows Bernalillo County's investment holdings by issuer and the percentage each issuer makes up of the total investments held by the county as of June 30, 2014.

Custodial Credit Risk. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty

to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in the possession of another party.

As of June 30, 2014, the county has exceeded the state's collateralization requirement of 50% on deposits and the collateral is held in the county's name. However, $27,373,765 of the county's deposits at Wells Fargo Bank was uninsured. All other balances are not exposed to any custodial risk.

GASB Statement No. 40 requires that the following disclosure be made in respects to custodial credit risks relating to deposits and investments: $993,144 of Bernalillo County's deposits with financial institutions were held in collateralized accounts. All certificate of deposit accounts met or exceeded the state collateralization requirements.

Additionally, as of June 30, 2014 those deposits along with the county's investments were held by the safekeeping department of the Wells Fargo Trust. On September 30, 2013, KPMG LLP issued an unqualified opinion for the SSAE16 requirement of Wells Fargo Trust Operations.

A reconciliation of cash and investments for the County follows:

Bank accounts	$	189,072,267
Petty cash on hand		1,610
Carrying amount of investments		87,844,224
Total cash and investments	$	276,918,101

Statement of Net Position

Primary Government		
Cash and investments	$	239,978,226
Cash-restricted		17,740,698
Statement of Fiduciary Assets and Liabilities		19,199,177
Total cash, investment	$	276,918,101

The County is required to obtain from each bank that is a depository for public funds pledged collateral in an aggregate amount equal to one half of the public money in each account (section 6-10-17 NMSA 1978). Some deposits are collateralized at higher levels based on the State of New Mexico Treasurer’s office risk assessment as required by 2.60.4.9 NMAC. The pledged collateral is stated at market value as of June 30, 2014.

Investment income. The County reported investment income of $478,218, which consists of the following components:

	General Fund	Construction Fund	Non major Governmental Funds	Total Government Funds
Realized investment:				
Income	$ 4,330,560	$ 370,345	$ 900,624	$ 5,601,529
Loss	(17,119,921)	-	-	(17,119,921)
Unrealized:				
Discount	4,236	-	-	4,236
Premium	(11,750)	-	-	(11,750)
Interest accrual:				
Current year	52,873	5,096	177,425	235,394
Prior year-reversed	(781,950)	(67,325)	(204,780)	(1,054,055)
Gain mark to market valuation:				
Current year	7,991	-	-	7,991
Prior year-reversed	12,814,794	-	-	12,814,794
Net investment income Gain (loss)	$ (703,167)	$ 308,116	$ 873,269	$ 478,218

B. Receivables

	General Fund	Construction Fund	Non major Governmental Funds	Total Government Funds
Property taxes	$ 10,101,262	$ -	$ 1,268,295	$ 11,369,557
Gross Receipts Taxes	17,993,652	-	4,520,765	22,514,417
Gasoline Taxes	270,314	-	-	270,314
Motor Vehicle Tax	216,781	-	-	216,781
Transportation Fees	105,228	-	-	105,228
Special Assessments	81,860	-	-	81,860
Intergovernmental	426,428	-	-	426,428
Due from other governments	4,030,973	3,525,000	74,194	7,630,167
Other	294,452	-	-	294,452
Gross Receivables	33,520,950	3,525,000	5,863,254	42,909,204
Less: Allowance for Uncollectibles	(1,026,890)	-	(91,762)	(1,118,652)
Net total receivables	$ 32,494,060	$ 3,525,000	$ 5,771,492	$ 41,790,552

	Enterprise Funds	Agency Funds
Property Taxes	$ -	$ 38,054,727
Gross receipts tax	-	3,680,320
Solid Waste Fees	4,200,606	-
Special Assessments	-	57,709
Due from other governments	234,231	-
Other	16	1,051,248
Gross Receivables	4,434,853	42,844,004
Less: Allowance for uncollectibles	(2,726,178)	(2,947,265)
Net Total Receivables	$ 1,708,675	$ 39,896,739

The County maintains a receivable balance in the Solid Waste fund that consists of balances that are not expected to be collected within one year and which are deemed uncollectable. These balances become legally uncollectable when "any debt that is not enforceable in a judicial proceeding because the applicable statute of limitation has run" out. 12.2.12.7(I) NMAC. The County may remove legally uncollectable debt that is four years old, and that is contractually 6 years old as permitted by NMSA 1978, § 3-37-7.

Note receivable

On December 13, 2013 the County and the MRCOG signed a lease purchase agreement for leasing and conveying 809 Copper Avenue to MRCOG. The agreement calls for monthly principal and interest payments of $12,236 over a period of 17 years with interest at .65%. The balance of this agreement was $2,285,823 at June 30, 2014. The second note balance for $69,340 with a third party is due in 30 years, with an interest rate of 6.5%. The total note receivable for June 30, 2014 is $2,355,163.

C. Capital assets

Capital asset activity for the year was as follows:

	Balance June 30, 2013	Increases	Decreases	Balance June 30, 2014
Governmental activities				
Capital assets, not being depreciated:				
Land	$ 136,156,585	$ 2,097,724	$ -	$ 138,254,309
Construction in progress	45,536,457	21,459,560	(37,623,888)	29,372,129
Art	2,552,405	187,533	-	2,739,938
Total capital assets, not being Depreciated	184,245,447	23,744,817	(37,623,888)	170,366,376
Capital assets, being depreciated:				
Buildings	335,469,547	7,725,474	-	343,195,021
Land improvements	16,665,112	5,058,567	-	21,723,679
Machinery and equipment	83,787,935	12,611,591	(3,127,352)	93,272,174
Infrastructure	306,079,657	12,017,246	-	318,096,903
Leasehold improvements	3,213,396	-	-	3,213,396
Total capital assets being Depreciated	745,215,647	37,412,878	(3,127,352)	779,501,173
Less Accumulated depreciation for:				
Buildings	(142,593,453)	(13,487,750)	-	(156,081,203)
Land improvements	(2,237,906)	(1,761,196)	-	(3,999,102)
Machinery and equipment	(62,001,951)	(8,191,635)	3,044,035	(67,149,551)
Infrastructure	(136,538,712)	(10,833,863)	-	(147,372,575)
Leasehold improvements	(1,454,886)	(128,536)	-	(1,583,422)
Total accumulated depreciation	(344,826,908)	(34,402,980)	3,044,035	(376,185,853)
Total capital assets, being depreciated, net	400,388,739	3,009,898	(83,317)	403,315,320
Governmental activities capital assets, net	$ 584,634,186	$ 26,754,715	$ (37,707,205)	$ 573,681,696

	June 30, 2013	Increases	Decreases	Transfers	June 30, 2014
Business-type activities					
Capital assets, not being depreciated:					
Land	$ 435,352	$ -	$ -	$ -	$ 435,352
Construction in progress	35,841	-	-	-	35,841
Total capital assets, not being depreciated	471,193	-	-	-	471,193
Capital assets, being depreciated:					
Land improvements	166,027	-	-	-	166,027
Buildings	6,520,210	-	-	-	6,520,210
Machinery and equipment	1,645,779	-	(191,310)	-	1,454,469
Total capital assets being depreciated	8,332,016	-	(191,310)	-	8,140,706
Less accumulated depreciation for:					
Land improvements	(14,751)	(16,603)	-	-	(31,354)
Buildings	(3,861,689)	(211,138)	-	(449)	(4,073,276)
Machinery and equipment	(1,531,777)	(30,693)	191,310	449	(1,370,711)
Total accumulated depreciation	(5,408,217)	(258,434)	191,310	-	(5,475,341)
Total capital assets, being depreciated, net	2,923,799	(258,434)	-	-	2,665,365
Business-type activities capital assets, net	$ 3,394,992	$ (258,434)	$ -	$ -	$ 3,136,558

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 5,676,693
Public safety	11,227,830
Culture and recreation	3,479,109
Public works	11,941,476
Health and welfare	2,077,872
Total depreciation expense-governmental activities	$ 34,402,980
Business-type activities:	
Solid waste	$ 34,587
Housing Authority	58,335
Seybold Village	60,217
El Centro Familiar	105,295
Total depreciation expense-business-type activities	$ 258,434

D. Interfund receivables, payables, and transfers

The composition of interfund balances as of June 30, 2014, is as follows:

	Due To:			
	General Fund	Nonmajor Governmental Funds	Enterprise Funds	Total
Due From:				
Internal Service	$ 983,049	$ -	$ -	$ 983,049
Total Nonmajor governmental funds	-	219	-	219
Enterprise Funds	-	308,556	157,727	466,283
Total	$ 983,049	$ 308,775	$ 157,727	$ 1,449,551

The outstanding balances between funds result mainly from the time lag between the dates that 1.) interfund goods and services are provided or reimbursable expenditures occur, 2.) transactions are recorded in the accounting system, and 3.) payments between funds are made. These balances, also include advances made to internal service funds that the general fund expects to collect in subsequent year.

Advances. For the purpose of financing cost-reimbursement grants, the general fund advanced the grants fund $1,497,000 which is outstanding at June 30, 2014. The 2010B Debt Service Fund advanced the Housing Authority $1,650,000 in FY10 which has an outstanding balance of $1,405,000 at June 30, 2014.

During the year, the County makes various transfers of monies to fund debt service payments, capital projects, and to reimburse the General fund for cost incurred on behalf of other funds. Interfund transfers for the year ended June 30, 2014 were as follows:

	Transfer out:			
	General Fund	Construction Fund	Nonmajor Governmental Funds	Total
Transfer in:				
General Fund	$ -	$ -	$ 799	$ 799
Nonmajor funds	17,947,668	149,734	3,131,936	21,229,338
Enterprise	12,719	-	-	12,719
Total	$ 17,960,387	$ 149,734	$ 3,132,735	$ 21,242,856

E. Leases

Operating Leases

During the fiscal year ended June 30, 2014, the County leased equipment, and office space under operating leases. The County's expenditures on those leases for the fiscal year ended June 30, 2014, were $985,780. The County shares building expense on One Civic Plaza (City/County Building) on a year-to-year basis. A joint City/County annual operating budget for the building is established one month prior to the commencement of the fiscal year. The County's future minimum rental commitments is $38,732 for the year ended 2015.

During the year, the County, as lessor, leased various office spaces at a cost of approximately $2.73 million and a carrying amount of $1.2 million under operating leases. Rental revenue was $600,716 and depreciation expense on those assets was $109,377.

F. Long-term debt

Changes in long-term liabilities
Long-term liability activity for the year ended June 30, 2014, was as follows:

	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014	Amounts Due within One Year
Governmental Activities:					
Bonds:					
G.O. bonds	$ 120,525,000	$ 11,695,000	$ (12,034,000)	$ 120,186,000	$ 12,150,000
Revenue bonds	135,670,000	-	(8,005,000)	127,665,000	7,730,000
Deferred amounts:					
Bond premiums	5,916,866	416,867	(585,689)	5,748,044	-
Bond discounts	(490,955)	-	53,556	(437,399)	-
Total bonds	261,620,911	12,111,876	(20,571,133)	253,161,645	19,880,000
Other liabilities:					
Compensated absences	30,898,634	15,908,124	(14,039,109)	32,767,649	2,949,088
Governmental activity Long-term liabilities	$ 292,519,545	$ 28,019,991	$ (34,610,242)	$ 285,929,294	$ 22,829,088

	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014	Amounts Due within One Year
Business-type Activities:					
Compensated absences	$ 364,653	157,416	(129,999)	392,070	$ 35,286

Compensated absences for governmental activities are generally liquidated by the general fund. General Obligation (GO) Bonds are direct obligations of the County for which its full faith and credit are pledged and are payable from taxes levied on property located within the County. The County issues GO bonds to provide funds for the acquisition and construction of major capital facilities, and purchase of library books. Debt related to non-capital library books is $6,144,642 and debt related to unspent proceeds is $26,676,273. The GO bonds outstanding as of June 30, 2014 are comprised of the following issues:

Issue	Amount	Interest Rate	Final Maturity
Series 1997	$ 3,270,000	4.75%	December 1, 2017
Series 1999	7,605,000	4.50%	August 1, 2019
Series 2005	4,105,000	3.75%-4.00%	February 1, 2020
Series 2005A	4,151,000	4.25%-4.50%	February 1, 2025
Series 2006	7,345,000	4.00%-4.25%	February 1, 2027
Series 2007	9,890,000	5.00%	August 1, 2027
Series 2007A	8,010,000	4.00%-4.35%	August 1, 2027
Series 2009	5,375,000	4.00%-4.50%	June 1, 2019
Series 2009A	7,600,000	2.00%-3.60%	December 1, 2020
Partial Refunding Series 2010	11,510,000	3.00%-4.00%	February 1, 2022
Series 2011	3,080,000	3.00%-3.00%	February 1, 2019
Advance Refunding 2012	5,450,000	2.00%-4.00%	June 15, 2023
Series 2012A	14,400,000	3.00%-4.00%	June 15, 2032
Series 2013	16,700,000	2.50%-4.00%	August 15, 2028
Series 2014	8,700,000	2.10%-4.00%	August 15, 2029
Advance Refunding 2014A	2,995,000	2.00%-4.00%	August 15, 2021
Total	$ 120,186,000		

The annual debt service requirement to maturity for general obligation bonds is as follows:

	Governmental Activities	
Year Ending June 30,	**Principal**	**Interest**
2015	$ 12,150,000	$ 4,188,063
2016	14,160,000	3,815,700
2017	9,080,000	3,387,343
2018	9,446,000	3,040,449
2019	9,110,000	2,687,251
2020-2024	37,745,000	8,386,440
2025-2029	24,450,000	2,717,134
2030-2032	4,045,000	258,186
	$ 120,186,000	$ 28,480,566

The Gross Receipts Tax Revenue Bonds are limited obligations of the County, payable solely from gross receipts tax revenues. The gross receipts tax revenue bonds outstanding as of June 30, 2014 are comprised of the following issues:

Issue	Amount	Interest Rate	Final Maturity
Series 1996B	$ 43,230,000	5.00%-5.70%	April 1, 2027
Series 1997	4,800,000	5.75%	October 1, 2017
Refunding Series 1998	36,085,000	5.125%-5.25%	April 1, 2027
Partial Refunding Series 2005	37,010,000	4.50%-5.25%	October 1, 2026
Series 2010A	5,135,000	3.00%-4.00%	June 15, 2019
Refunding Series 2010B	1,405,000	2.50%-4.5%	June 15, 2029
	$ 127,665,000		

The annual debt service requirement to maturity for gross receipts tax revenue bonds is as follows:

	Governmental Activities	
Year Ending	**Principal**	**Interest**
2015	$ 7,730,000	$ 6,594,960
2016	8,635,000	6,198,816
2017	9,165,000	5,762,773
2018	9,515,000	5,308,079
2019	9,295,000	4,834,865
2020-2024	46,780,000	17,205,732
2025-2029	36,545,000	3,821,059
	$ 127,665,000	$ 49,726,284

Advance Refunding. On May 28, 2014 the County issued $2,995,000 of general obligation bonds with an average rate of 2.496% to advance refund $3,029,000 of the series 2004 bonds with an average interest rate of 4.13%. The net proceeds of $3,081,215 (including a premium of

$155,277 and $69,062 in underwriting discounts and issuance costs) were placed in escrow and will be called for redemption on October 15, 2014. As a result the bonds are considered defeased and the liability for those bonds have been removed from the government-wide statements of net position. The difference between the cash flows required to service the old debt and the cash flow to service the new debts and complete the advance refunding is $399,408. The Advance refunding resulted in an economic gain of $360,166.

Prior Refunding. In prior years, the County defeased certain general obligation and gross receipts tax revenue bonds by placing cash in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. At June 30, 2014, $5,339,000 of general obligation bonds outstanding is considered defeased.

G. Special assessment bonds

The County, acting as the agent for the property owners, issued Special Assessment District Improvement Bonds to finance street and road improvements. The bonds are payable from and secured by a pledge of district special assessments. For redemption purposes, the bonds are numbered consecutively. All or any part of the bonds are subject to redemption in numerical order at the option of the County on any interest payment date prior to maturity, at a price equal to the principal amount thereof plus accrued interest to the redemption. The bonds bear interest from their issue date and are paid semiannually thereafter until paid. The bonds are not a debt of the County, and the County did not pledge its full faith and credit for payment of the bonds. The payment of the bonds is not secured by any encumbrance, mortgage, or other pledge of property of the County except for district special assessments. No property of the County, subject to foregoing exception, shall be liable to be forfeited or taken in payment of the bonds.

The activities relating to the collection of special assessments and the payments on special assessment bonds are included in the agency fund accounts.

The following is a summary of Special Assessment Bonds payable as of June 30, 2014:

Improvement Bonds	Interest Rate	Date Issued	Date Series Matures	Amount of Original Issue	Bonds Outstanding June 30, 2014
Comanche Griegos BC-83-1B	6.25%	12/03	12/15/23	$2,085,000	$1,050,000

At June 30, 2014, the Second Street, East Mountain, Paradise Hills, South Valley, and Heatherland Hills special assessment bonds had been fully paid. The remaining potential assets were as follows:

	Second Street BC-85-3	East Mountain BC-85-4	Paradise Hills BC-84-2	South Valley BC-84-1	Heatherland Hills BC-85-5
Accounts receivable:					
Billed, but uncollected	$ 1,804	$ 10,120	$ 13,502	$ 55,475	$ 959

In accordance with State Statute Section 4-55A-28, NMSA, 1978 Compilation, the Board of County Commissioners may transfer to the general fund money obtained from the levy of an assessment for an improvement district if:

1. Bonds or assignable certificates were issued to finance the improvement; and
2. The funds obtained by the bonds or assignable certificates were spent for the improvement; and
3. The assessments were levied and collected for the payment of the bonds or assignable certificates; and
4. Either the bondholders or assignable certificate holders are barred by the statute of limitations or a court judgment or decree from collecting the indebtedness; or
5. The bonded indebtedness or assignable certificates have been paid.

H. Conduit debt

The County has acted from time to time as the issuer of conduit bonds, the proceeds of which have been immediately loaned to a private borrower. The County will require a complete analysis by an independent consultant at the expense of any and all applicants. The County signed its rights with respect to such bonds to various trustees that monitor amounts due and payable by the borrower pursuant to a lease, loan or other agreement. Neither the County, the State of New Mexico, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

Industrial Revenue Bonds

In fiscal year 2014, the County did not issue any new Industrial Revenue Bonds. As of June 30, 2014, there were eighteen series of Industrial Revenue Bonds outstanding with an original issue amount of $211,021,000. The remaining principal balance outstanding as of June 30, 2014 is $125,235,450.

Multifamily Housing Revenue Bonds

From time to time, the County has issued Multifamily Housing Revenue Bonds to provide financial assistance to private sector entities for the acquisition, construction and rehabilitation of commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the State of New Mexico, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2014, there were seven series of project revenue bonds with an original issue amount of $34,425,000. The remaining outstanding principal balance as of June 30, 2014 is $31,972,230.

New Mexico Non-profit Corporation Project Revenue Bond

In fiscal year 2014, the County has one project revenue bond; the YMCA of Central New Mexico Project with an issue amount of $4,385,449. The remaining principal balance as of June 30, 2014 is $3,872,106.

I. Fund balance requirements

The New Mexico Department of Finance and Administration (DFA) requires that 3/12 of the FY14 budgeted expenditures in the general fund be restricted as subsequent-year expenditures to maintain an adequate cash flow until the next significant property tax collection. The DFA required reserve balance for FY14 is $69,344,139. In addition, $13,249,978 is classified as unassigned in the general fund, to be used for cash flow and emergency contingencies, which did not comply with the County's minimum fund balance policy of 2/12 of the prior year operating expenditures. In the future, to comply with the minimum fund balance policy, the County plans to continue cost containment efforts over the next few years, look for other revenue sources, and/or amend the current policy to reflect industry best practices with the goal to exceed those levels over time.

J. Fund balance purpose

The detail information for nonspendable, restricted, committed, assigned and unassigned fund balances are disclosed below:

	General	Construction Fund	Other Funds	Total Funds
Nonspendable				
Notes receivable	$ 2,355,163	$ -	$ -	$ 2,355,163
Advances to other funds	1,497,000	-	1,405,000	2,902,000
Inventory	747,617	-	7,365	754,982
Debt service - restricted	-	-	17,740,698	17,740,698
Total Nonspendable	4,599,780	-	19,153,063	23,752,843
Restricted				
Reserve requirement	69,344,139	-	-	69,344,139
Grant match funds	258,919	-	-	258,919
Debt service	-	-	9,895,993	9,895,993
Road bonds	-	8,800,043	-	8,800,043
Public Safety:				
Bonds	-	1,993,911	-	1,993,911
Fire protection	-	-	478,920	478,920
Sheriffs	-	-	856,966	856,966
DSAP	-	-	1,183,431	1,183,431
Law enforcement	-	-	479,496	479,496
Healthcare	-	-	6,395,588	6,395,588
Environmental services	-	-	1,908,006	1,908,006
Infrastructure	-	5,984,192	5,120,918	11,105,110
Open space	-	-	2,856,388	2,856,388
Valuation	-	-	16,920,214	16,920,214
Housing services	-	-	1,283,682	1,283,682
Library	-	1,177,640	-	1,177,640
Parks bonds	-	1,533,565	-	1,533,565
Clerks - recording	-	-	947,049	947,049
Other purposes	-	3,536,394	773	3,537,167
Total Restricted	69,603,058	23,025,745	48,327,424	140,956,227
Committed				
General county contingency	1,200,000	-	-	1,200,000
General salaries- term, vacant, current	3,096,840	-	-	3,096,840
Healthcare reserve - self insurance	2,000,000	-	-	2,000,000
MDC salaries - term, temporary staffing	4,752,539	-	-	4,752,539
MDC - electronic monitoring	1,682,500	-	-	1,682,500
MDC - out of county housing	3,300,000	-	-	3,300,000
MDC - legal	2,831,842	-	-	2,831,842
MDC - miscellaneous	2,027,477	-	-	2,027,477
Public safety - various	99,801	-	-	99,801
Regional detention center	3,544,740	-	-	3,544,740
Helicopter - metro air	650,000	-	-	650,000
Fleet replacement - general, sheriff	700,000	-	-	700,000
Public safety - overtime	1,591,300	-	-	1,591,300
Community services	70,860	-	-	70,860
Social services	2,153,923	-	-	2,153,923
Information technology	1,003,871	-	-	1,003,871
Infrastructure/buildings	4,425,324	-	-	4,425,324
PILT	760,304	-	-	760,304
Various projects	458,308	-	-	458,308
Total Committed	36,349,629	-	-	36,349,629
Assigned				
Subsequent years expenditures	15,400,000	-	-	15,400,000
Road	-	2,269,132	-	2,269,132
Storm drain	-	3,636,185	-	3,636,185
Water, wastewater projects	-	6,258,231	-	6,258,231
Trails	-	634,976	-	634,976
Arts	-	476,974	-	476,974
Other purposes	-	1,396,521	-	1,396,521
Total Assigned	15,400,000	14,672,019	-	30,072,019
Unassigned				
Minimum fund balance policy	13,249,978	-	-	13,249,978
	$ 139,202,445	$ 37,697,764	$ 67,480,487	$ 244,380,696

K. Net position restricted by enabling legislation

The government-wide statement of net position reports $128,700,419 of restricted net position, of which $8,000,259 is restricted by enabling legislation.

L. Financial data schedule reconciliation

The Housing-Voucher Special Revenue Fund was presented in the Financial Data Schedule (FDS) in accordance with generally accepted accounting standards as applied to governmental funds. The net position reconciles to the financial statements. The FDS equity balance was adjusted to include the effects of compensated absences that are not reflected in the governmental fund presentation as follows:

Net Position		Amount
Net Position - Housing Choice Vouchers 14.871	$	1,165,673
Compensated Absences		117,789
Interfund clearings		220
Fund balance - Section 8 Housing - Vouchers	$	1,283,682

The Housing Authority Enterprise Fund was presented in two columns on the Financial Data Schedule (FDS) in accordance with generally accepted accounting standards as applied to enterprise funds. The net position reconciles to the financial statements. The FDS equity balance was adjusted to include the effects of compensated absences that are reflected in the business-type activities enterprise fund presentation as follows:

Net Position		Amount
Net Position – Central Office	$	2,980,898
Net Position – Home Rehabilitation		162,011
Net Position – Housing Authority		3,142,909
Compensated Absences		(117,789)
Interfund clearings		(220)
Fund balance – Housing Authority	$	3,024,900

Department of Substance Abuse Financial Data Schedule

The federal HUD grant associated with the Department of Substance Abuse is combined with other grants reported in the Grant Fund. The Financial Data Schedule, as required by HUD, is included and only reflects the Department of Substance Abuse grant program, and therefore there are no differences to reconcile.

V. Other information

A. 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, injuries to employees, and natural disasters. The County joined with other county governments to form a Workers' Compensation Pool in July 1987 and joined a Multi-line Pool in January 1989 and the Law Enforcement Pool in 1995. These public entity risk pools operate as a common risk management and insurance program for workers' compensation, property and casualty, and law enforcement liability coverage. The County pays an annual premium to the pools for general insurance coverage. The Bernalillo County Risk Management Director is a voting member on the Workers' Compensation Pool Board of Directors and the Deputy County Manager for Finance is a voting member on the Multi-line and Law Enforcement Pool Board of Directors.

The pools are authorized by joint powers agreements entered into by each county as a separate and independent governmental and legal entity pursuant to the provisions of NMSA 1978 Sections 11-1-1 et seq. The agreements for formation of the pools provide that the pools be self-sustaining through member premiums and reinsure through commercial companies for claims in excess of $750,000 (workers' compensation), $500,000 (multi-line), and $500,000 (law enforcement), for each insured event. The insurance pools are funded entirely by member premiums and are administered by the New Mexico County Insurance Authority.

The Workers' Compensation Pool provides workers' compensation coverage for every County employee. There are 31 counties in this pool, which for the fiscal years that ended June 30, 2014, 2013, and 2012 contributed a total of $8,493,022, $8,353,121, and $7,829,935 respectively. The premium that each county pays depends upon the total value of the county payroll total, the NCCI employment classifications, and the loss experience specific to that county. Bernalillo County has a self-insurance retention/high-deductible plan of $400,000 (maximum amount paid for each insured event before using insurance) and $1,750,000 annual aggregate limit, thus dramatically reducing Bernalillo County's annual pool contribution. For the fiscal years that ended June 30, 2014, 2013, and 2012, the County contributed $750,437, $698,081, and $664,839 respectively. In addition to premiums, Bernalillo County maintains a reserve fund for each fiscal year to service open claims that are less than the self-insured retention limit. The self-insured retention of this pool is $750,000. The pool has two layers of reinsurance coverage for losses above that amount.

The Multi-line Pool provides property and casualty coverage for 28 counties. The coverage includes buildings and contents, automobile physical damage and liability, general liability, personal injury, employee benefits liability, public officials' errors and omissions, crime, fuel storage tanks, and boiler and machine coverage. Premiums for the Multi-line Pool are paid for the calendar year. For calendar years 2014, 2013, and 2012, participating counties contributed a total of $8,562,363, $7,283,018, and $7,214,238 respectively. For calendar years 2014, 2013, and 2012, Bernalillo County contributed $1,622,385, $1,612,612, and

$1,671,288, respectively. For each calendar year, a reserve fund is kept to pay deductibles for open multi-line claims.

The self-insured retention level for this pool is $150,000 for property and $1,000,000 for liability per occurrence (that is the maximum amount of coverage for each insured event before obtaining reinsurance). The pool has two layers of reinsurance coverage for losses above that amount.

The Law Enforcement Pool provides coverage for law enforcement activities and liabilities, which includes the Sheriff's Department, the Metropolitan Detention Center, and the Youth Services Center. Currently, the pool provides coverage for 28 members. For calendar years 2014, 2013, and 2012, participating counties contributed a total of $10,254,545, $9,344,652, and $9,136,377 respectively. For calendar years 2014, 2013, and 2012 Bernalillo County contributed $2,806,616, $2,623,006, and $2,384,550 respectively. For each calendar year, a reserve fund is kept to pay deductibles for law enforcement liability claims. The self-insured retention of this pool is $750,000. The pool has two layers of reinsurance coverage for losses above that amount.

The pooling agreements require the pools to be self-sustaining. The Pool Boards require the retention of one year's budget in surplus prior to considering an equity distribution to the participating counties. The pools retain the risk of loss to be shared proportionately by pool participants. Bernalillo County does not retain the sole risk of losses incurred. For the fiscal years that ended June 30, 2014, 2013, and 2012 there were no payments in excess of the annual premium contributions for self-sustainment of the insurance pools.

The New Mexico County Insurance Authority has published its own financial report for the fiscal year ended June 30, 2014, which can be obtained from the New Mexico Association of Counties, 444 Galisteo St., Santa Fe, New Mexico 87501. (http://www.nmcounties.org/)

Bernalillo County carries commercial insurance for all other risks of loss not covered by pool insurance such as medical professional liability, law enforcement aviation operations, accident and sickness for sheriff reserve officers, cyber-liability, and a volunteer accident policy. These insurance policies are sourced through a broker working on a flat annual fee, not commissions.

B. Construction and other significant commitments

Construction commitments. At June 30, 2014 the County is committed to $22,897,573 under construction contracts for capital assets.

Litigation. The County is a defendant in a number of lawsuits, the significant majority of which are covered under the County's insurance policy through the New Mexico Association of Counties. The outcome of these lawsuits are not presently determinable and the County is not able to make an estimate for possible losses at this time. Insurance deductibles related to outstanding claims are $10,000 per claim. Occasionally, the County or its elected officials

are named as parties to suits that are not covered by any insurance policy and the County's Attorney's Office provides representation for such claims. At present there are three pending claims that are not covered by insurance. One case seeks certification as a class action in federal court and alleges that the County discriminates against women in its hiring and promotion practices. The total amount of potential liability cannot be determined at this time because it depends in large part on whether the court rules in favor of certification; a ruling is expected in the next few months. There are approximately 250 putative plaintiffs.

The other case involves a wage and hour claim brought by the union on behalf of 145 employees at the Youth Services Center (formerly the Juvenile Detention Center) which is a 24 hour/7 days a week operation. It is alleged that at shift changes, the off-duty officer is delayed beyond the time he or she stops getting paid because the oncoming officer is required to engage in certain activities before relieving the off-duty officer—sometimes by as much 30-40 minutes. The Fair Labor Standards Act provides a two-year statute of limitations on this type of cause of action, which can be extended to three years if the court finds that the employer knew or should have known of the alleged unfair practice. Each employee's claim will depend on a variety of factors, including length of service, number of shifts during which delay occurred, etc. If plaintiffs are successful in proving their claims, the potential liability to the County may be significant.

The third case is one brought by three of the largest utility companies providing service in Bernalillo County—Public Service Company of New Mexico ("PNM" which provides electricity), New Mexico Gas Co. (natural gas) and CenturyLink (cable and internet). The plaintiffs are challenging the validity and constitutionality of the County's right-of-way ordinance which was enacted in January of 2014, and which requires that any user of the County's rights-of-way for utility lines or other infrastructure must enter into a franchise agreement and pay a franchise fee to the County. If the County's ordinance is struck down, then the County would forego anticipated annual revenues of approximately 5 to 6 million dollars. However, that revenue is not currently being realized by the County so an adverse outcome in the litigation would not result in loss of revenue.

Grant Compliance. The County receives significant financial assistance from the U.S. government. Entitlement to the resources is generally based on compliance with terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by the grantor. As of June 30, 2014, management estimates that no material liabilities will result from such audits.

County Medicaid 1/16 Gross Receipts Tax Equivalent. Under State Statute Section 27-10-4, NMSA 1978 Compilation, a county which does not enact an ordinance imposing a county health care gross receipts tax pursuant to State Statute Section 7-20E-18, NMSA 1978 Compilation is required to dedicate to the county-supported Medicaid fund "an amount equal to a gross receipts tax rate of 1/16 of one percent applied to the taxable gross receipts tax reported during the prior fiscal year by persons engaging in business in the county." To comply with the statue, the County imposed a 1/16 percent increase in gross receipts tax

during the second half of FY07 and will continue to impose the tax in FY15 which will generate approximately $10 million annually. The gross receipts are distributed to the State of New Mexico, Human Services Department.

Encumbrances. At year end the amount of significant encumbrances greater than $300,000 which are expected to be honored upon performance by vendor in the next year were as follows:

General fund	$ 2,471,566
Grants fund	3,009,211
Construction fund	7,627,853
Nonmajor governmental	320,293
Total	$ 13,428,923

C. Joint ventures

Regional Juvenile Detention Center. Through a Joint Powers Agreement established between Bernalillo County and Sandoval County on June 26, 2007, Bernalillo County operates the Regional Juvenile Detention Facility (RJDC) located at the Bernalillo County Youth Services Center. Sandoval County contributes 100 percent of the operation costs of the RJDC. For FY14, Sandoval County paid $1,062,223 million to Bernalillo County for the operation of the RJDC. Sandoval County receives 70% and Bernalillo County receives 30% of all cost of care revenues generated from housing juveniles in the RJDC from other counties and pueblos. The total cost of care revenues billed in FY14 was $438,081 and $433,441 of this amount has been received to date which includes $1,341 for medical costs. Bernalillo County receives 100% of all medical costs billed under these cost of care agreements.

Torrance County/Bernalillo County Regional Landfill. The County and the Torrance County Solid Waste Authority (TCSWA) entered into a joint powers agreement on April 21, 1998 for the construction and operation of a regional landfill. The County contributed $633,000 toward the initial costs of acquiring, constructing, designing, developing, and equipping the facility, which constitutes its total equity interest. The County's ownership interest is commensurate with the proportion of funds it provided. It is the intent of the parties to establish tipping fees in an amount sufficient to recover all of the operating costs of the landfill.

Upon termination of the agreement, assets and surplus funds will be distributed pro rata between the parties in accordance with their then existing ownership interests.

TCSWA will operate the facility and is designated as the fiscal agent. The financial report of the Torrance County/Bernalillo County Regional Landfill can be obtained from the Torrance County Solid Waste Authority, 515 Allen Street, Estancia, New Mexico 87016.

D. Post-Employment Benefits - Retiree Health Care Plan

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees who are members of an enhanced retirement plan (state police and adult correctional officer coverage plan 1; municipal police member coverage plans 3, 4 and 5; municipal fire member coverage plan 3, 4, and 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2014, 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, 2014, 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, 2014, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The Bernalillo County's contributions to the RHCA for the years ended June 30, 2014, 2013 and 2012 were $2,376,195, $2,381,109 and $2,072,085, respectively, which equal the required contributions for each year.

E. Pension Plan – Public Employees Retirement Association

Plan Description. Substantially all of the Bernalillo County's full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, NM 87504-2123. The report is also available on PERA's website at www.pera.state.nm.us.

Funding Policy. Plan members are required to contribute 10.65-18.15% of their gross salary. The County is required to contribute 9.15-21.25% depending upon the plan of the gross covered salary. The contribution requirements of plan members and the County are established state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The County's contributions to PERA for the years ending June 30, 2014, 2013, and 2012 were $14,717,112, 14,165,828 and $14,013,271, respectively, which equal the amount of the required contributions for each fiscal year. In accordance with Chapter 10, Article 11, Section 5 NMSA 1978, the County has elected to make contributions of up to sixty-nine percent of its employees' member contributions under the General-management, blue collar, white collar, sheriff, fire and detention plans. The

	Employee		Employer	
Covered Division	**Percent**	**Dollars**	**Percent**	**Dollars**
General-management, blue collar and white collar	14.65%	$7,941,158	9.15%	$4,992,027
General-other	10.65	19,141	9.15	18,275
Sheriff	17.80	2,949,380	18.50	3,074,924
Fire	17.70	2,036,159	21.25	2,452,004
Detention	18.15	3,757,153	16.65	3,456,886

	Employee/Employer combined	
	Percent	**Dollars**
Retired employees	9.15-21.25%	722,996

F. Prior period adjustment to net position

Bonds costs from prior years totaling $1,096,893 were expensed and recorded as a prior period adjustment to comply with GASB 65. GASB 65 was implemented in FY14 and the expense was recorded in the current year and was not applied to prior years because the costs were not significant.

G. Subsequent events

On November 4, 2014, the following general obligation bonds were approved by voters.

Approved by Voters on	**Purpose**	**Authorized**
November 4, 2014	Road Bonds	$ 9,070,000
November 4, 2014	Storm Drain	4,500,000
November 4, 2014	Facility Improvement	1,200,000
November 4, 2014	Public Safety	4,541,000
November 4, 2014	Parks and Recreation	6,460,000
November 4, 2014	Library	1,800,000
Total		$ 27,571,000

Healthcare self-insurance

The county has decided that effective July 1, 2014 the county's employee health insurance plan will be self-funded. The funds collected and distributed will be accounted for in an internal service fund in FY15.

H. Subsequent Pronouncements

In June 2012, GASB Statement No. 68 - Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27, is effective for financial reporting periods beginning after June 15, 2014. The County has adopted this standard effective July 1, 2014. It is anticipated that a liability for pension participation will be included in the FY15 financial statements.

BERNALILLO COUNTY
STATE OF NEW MEXICO

COUNTY OF BERNALILLO, NEW MEXICO

DESCRIPTION OF NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes. The authority for the creation of the special revenue funds is by state statute, executive order, or specific authority.

Environmental Health. To account for the 1/8 cent gross receipts tax set aside for the purpose of financing environmental health concerns within the County of Bernalillo. The fund was created by authority of state statute (see Section 7-20E-17, NMSA 1978 Compilation).

Health Care Gross Receipts Tax. To account for the enactment of a 1/16th gross receipts tax in accordance with state statute (7-20E-18, NMSA 1978). This legislation allows the County to implement and dedicate up to 2/16% gross receipts tax for health care related costs.

Valuation. To account for fees collected from "revenue recipients" pursuant to Section 7-38-38.1, NMSA 1978 Compilation. Expenditures from the county property valuation fund may be made pursuant to a property valuation program presented by the county assessor and approved by the majority of the County Commissioners.

Fire Districts No. 1 through 13. To account for the operations and maintenance (excluding salaries and benefits) of the 13 fire districts. Funding is provided by allotments from the New Mexico State Fire Marshal's Office. The funds were created under the authority of state statute (see Section 59A-53-5, NMSA 1978 Compilation).

Emergency Medical Services. To account for grants from the State of New Mexico Department of Health to be utilized for equipment, supplies, and training for emergency medical service purposes. This fund was created by the authority of state statute (see Section 24-10A-6, NMSA 1978 Compilation).

Sheriff's Investigative Fund. To account for monies received from the sale of evidence, unclaimed cash, seizures, and forfeitures and expenditures of such for law enforcement purposes. The fund was created by authority of state statute Controlled Substances Act 30-31-35 NMSA 1978.

Law Enforcement Protection. To account for a state grant restricted to equipment purchases and training programs to enhance law enforcement effectiveness. The fund was created under the authority of state statute (see Section 29-13-4, NMSA 1978 Compilation).

Farm and Range. To account for soil conservation, predator control, and secondary road activities within the County. Financing is provided by the Taylor Grazing Act. Expenditures may be made only for the purposes specified in the grant. The fund was created by authority of state statute (see Section 6-11-6, NMSA 1978 Compilation).

County Indigent. To account for the 1/8 of one percent portion of the county gross receipts tax adopted through County Ordinance 86-17, expenditure of which is restricted to indigent care. An agreement was signed with several providers for the provision of health and dental services to indigent patients. The fund was created by authority of state statute (see Section 7-20E-9, NMSA 1978 Compilation).

COUNTY OF BERNALILLO, NEW MEXICO

DESCRIPTION OF NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS (CONTINUED)

Clerk's Recording & Filing. To account for fees authorized to Class A counties to charge up to an additional $2.00 per document as an equipment recording fee. The fees collected may only be used for the purchase of equipment associated with the recording, filing, maintaining, or reproducing of documents in the Office of the County Clerk. This fund was created by authority of state statute (see Section 14-8-12.2, NMSA 1978 Compilation).

Housing Vouchers Fund. To account for Department of Housing and Urban Development (HUD) Section 8 existing housing and vouchers programs including housing assistance payments. The funds were created to account for grant activity under HUD contract, ACC Part I, Number FW-5325.

Department of Substance Abuse. To account for liquor excise tax revenue received from the state for DWI services and programs in accordance with Section 11-6A-3, NMSA 1978 Compilation.

COUNTY OF BERNALILLO, NEW MEXICO

NONMAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

General Obligation. To account for the accumulation of resources and payment of general obligation bond principal and interest from County resources.

Revenue Bonds. To account for the accumulation of resources and payment of revenue bond principal and interest from pledged County gross receipts tax revenues for the following bond issues:

Series 1996B – Public Buildings
Series 1997 – Public Facilities
Refunding Series 1998 – Courthouse
Refunding Series 2005 – Public Facilities
Series 2008A– Public Buildings
Refunding Series 2010A – Public Facilities
Refunding Series 2010B – Public Buildings

Revenue Bond Reserves. To account for debt service reserves established pursuant to the bond ordinance for the following bond issues:

Series 1996B – Public Buildings
Series 1997 – Public Facilities
Refunding Series 1998 – Courthouse
Refunding Series 2005 Reserve – Public Facilities
Refunding Series 2010A – Public Facilities
Refunding Series 2010B – Public Facilities

CAPITAL PROJECTS FUNDS

Impact Fees. To account for the fees received from developers that are restricted for use in infrastructure improvements in the service area from which the fees were collected. This fund was created by authority of Bernalillo County Ordinance 95-16.

Open Space. To account for the financing and acquisition of open space. Financing is provided by a six-year .25 property tax mill levy by County voters on November 30, 2000.

BERNALILLO COUNTY
STATE OF NEW MEXICO

COUNTY OF BERNALILLO, NEW MEXICO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2014

	Special Revenue					
	Environmental Health	Health Care GRT	Valuation	Fire Districts	Emergency Medical Services	Sheriff's Investigative Fund
ASSETS						
Cash and investments	$ 1,567,794	$ 5,089,093	$ 17,142,565	$ 510,987	$ 81,862	$ 805,180
Accounts receivable, net	556,571	2,040,565	-	-	-	-
Accrued interest receivable	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Cash-restricted	-	-	-	-	-	-
Inventory	-	-	-	7,365	-	-
Advances to other funds	-	-	-	-	-	-
Total assets	$ 2,124,365	$ 7,129,658	$ 17,142,565	$ 518,352	$ 81,862	$ 805,180
LIABILITIES						
Accounts payable	$ 135,570	$ 712,558	$ 107,497	$ 32,067	$ 30,076	$ -
Accrued payroll	-	7,004	114,854	-	-	-
Unearned revenue	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Total liabilities	135,570	719,562	222,351	32,067	30,076	-
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	80,789	317,843	-	-	-	-
FUND BALANCES						
Nonspendable	-	-	-	7,365	-	-
Restricted	1,908,006	6,092,253	16,920,214	478,920	51,786	805,180
Total fund balances	1,908,006	6,092,253	16,920,214	486,285	51,786	805,180
Total liabilities, deferred inflows of resources, and fund balances	$ 2,124,365	$ 7,129,658	$ 17,142,565	$ 518,352	$ 81,862	$ 805,180

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

COUNTY OF BERNALILLO, NEW MEXICO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2014

	Special Revenue						
	Law Enforcement Protection	**Farm and Range**	**County Indigent**	**Clerk's Recording & Filing**	**Housing-Voucher**	**Department of Substance Abuse**	**Special Revenue Total**
ASSETS							
Cash and investments	$ 499,265	$ 773	$ 262,668	$ 990,565	$ 2,026,318	$ 1,164,850	$ 30,141,920
Accounts receivable, net	-	-	1,923,630	-	19,308	54,885	4,594,959
Accrued interest receivable	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	219	-	219
Cash-restricted	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	7,365
Advances to other funds	-	-	-	-	-	-	-
Total assets	$ 499,265	$ 773	$ 2,186,298	$ 990,565	$ 2,045,845	$ 1,219,735	$ 34,744,463
LIABILITIES							
Accounts payable	$ 19,769	$ -	$ 1,882,963	$ 43,516	$ 363,088	$ 32,290	$ 3,359,394
Accrued payroll	-	-	-	-	28,413	4,014	154,285
Unearned revenue	-	-	-	-	61,887	-	61,887
Due to other funds	-	-	-	-	308,775	-	308,775
Total liabilities	19,769	-	1,882,963	43,516	762,163	36,304	3,884,341
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	-	-	-	-	-	-	398,632
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	7,365
Restricted	479,496	773	303,335	947,049	1,283,682	1,183,431	30,454,125
Total fund balances	479,496	773	303,335	947,049	1,283,682	1,183,431	30,461,490
Total liabilities, deferred inflows of resources, and fund balances	$ 499,265	$ 773	$ 2,186,298	$ 990,565	$ 2,045,845	$ 1,219,735	$ 34,744,463

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

COUNTY OF BERNALILLO, NEW MEXICO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2014

	Debt Service								
	General Obligation Bond Debt Service	Series 1996B Debt Service	Series 1996B Reserve	Series 1997 Debt Service	Series 1997 Reserve	Refunding Series 1998 Debt Service	Refunding Series 1998 Reserve	Refunding Series 2005 Debt Service	Refunding Series 2005 Reserve
ASSETS									
Cash and investments	$ 9,346,012	$ 39,559	$ -	$ 2,288	$ -	$ 16,231	$ -	$ 9,399	$ -
Accounts receivable, net	1,129,024	-	-	-	-	-	-	-	-
Accrued interest receivable	1,971	82,944	-	22,227	-	68,891	-	2	-
Due from other funds	-	-	-	-	-	-	-	-	-
Cash-restricted	-	-	5,438,448	-	1,693,500	-	4,615,582	-	4,933,749
Inventory	-	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-
Total assets	$ 10,477,007	$ 122,503	$ 5,438,448	$ 24,515	$ 1,693,500	$ 85,122	$ 4,615,582	$ 9,401	$ 4,933,749
LIABILITIES									
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accrued payroll	-	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	-	-	-
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue	969,219	-	-	-	-	-	-	-	-
FUND BALANCES									
Nonspendable	-	-	5,438,448	-	1,693,500	-	4,615,582	-	4,933,749
Restricted	9,507,788	122,503	-	24,515	-	85,122	-	9,401	-
Total fund balances	9,507,788	122,503	5,438,448	24,515	1,693,500	85,122	4,615,582	9,401	4,933,749
Total liabilities, deferred inflows of resources, and fund balances	$ 10,477,007	$ 122,503	$ 5,438,448	$ 24,515	$ 1,693,500	$ 85,122	$ 4,615,582	$ 9,401	$ 4,933,749

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

COUNTY OF BERNALILLO, NEW MEXICO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2014

	Debt Service					Capital Projects			
	Refunding Series 2010A Service	Refunding Series 2010A Reserve	Refunding Series 2010B Debt Service	Refunding Series 2010B Debt Reserve	Debt Service Total	Impact Fees	Open Space	Capital Projects Total	Total Nonmajor Governmental Funds
ASSETS									
Cash and investments	$ 143,296	$ -	$ 3,029	$ -	$ 9,559,814	$ 5,299,744	$ 2,938,138	$ 8,237,882	$ 47,939,616
Accounts receivable, net	-	-	-	-	1,129,024	-	47,509	47,509	5,771,492
Accrued interest receivable	308	-	31	-	176,374	1,050	-	1,050	177,424
Due from other funds	-	-	-	-	-	-	-	-	219
Cash-restricted	-	900,000	-	159,419	17,740,698	-	-	-	17,740,698
Inventory	-	-	-	-	-	-	-	-	7,365
Advances to other funds	-	-	1,405,000	-	1,405,000	-	-	-	1,405,000
Total assets	$ 143,604	$ 900,000	$ 1,408,060	$ 159,419	$ 30,010,910	$ 5,300,794	$ 2,985,647	$ 8,286,441	$ 73,041,814
LIABILITIES									
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ 179,876	$ 64,901	$ 244,777	$ 3,604,171
Accrued payroll	-	-	-	-	-	-	19,931	19,931	174,216
Unearned revenue	-	-	-	-	-	-	-	-	61,887
Due to other funds	-	-	-	-	-	-	-	-	308,775
Total liabilities	-	-	-	-	-	179,876	84,832	264,708	4,149,049
DEFERRED INFLOWS OF RESOURCES									
Unavailable revenue	-	-	-	-	969,219	-	44,427	44,427	1,412,278
FUND BALANCES									
Nonspendable	-	900,000	1,405,000	159,419	19,145,698	-	-	-	19,153,063
Restricted	143,604	-	3,060	-	9,895,993	5,120,918	2,856,388	7,977,306	48,327,424
Total fund balances	143,604	900,000	1,408,060	159,419	29,041,691	5,120,918	2,856,388	7,977,306	67,480,487
Total liabilities, deferred inflows of resources, and fund balances	$ 143,604	$ 900,000	$ 1,408,060	$ 159,419	$ 30,010,910	$ 5,300,794	$ 2,985,647	$ 8,286,441	$ 73,041,814

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

COUNTY OF BERNALILLO, NEW MEXICO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2014

	Special Revenue					
	Environmental Health	**Health Care GRT**	**Valuation**	**Fire Districts**	**Emergency Medical Services**	**Sheriff's Investigative Fund**
REVENUES						
Taxes:						
Property	$ -	$ -	$ -	$ -	$ -	$ -
Sales	2,629,594	10,345,474	-	-	-	-
Intergovernmental:						
Federal	-	-	-	-	-	685,665
State	-	-	-	1,190,915	151,625	383
Other	-	-	-	-	-	-
Fees for services	-	-	5,683,774	-	-	-
Investment income	-	-	-	-	-	-
Miscellaneous	-	-	1,750	-	93,348	-
Total revenues	2,629,594	10,345,474	5,685,524	1,190,915	244,973	686,048
EXPENDITURES						
Current:						
General government	-	-	3,601,878	-	-	-
Public works	-	-	-	-	-	-
Public safety	-	-	-	1,022,009	198,906	283,972
Health and welfare	709,608	12,052,202	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay	484,427	297,137	52,219	225,335	-	115,889
Integovernmental - capital outlay	175,000	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-
Total expenditures	1,369,035	12,349,339	3,654,097	1,247,344	198,906	399,861
Excess (deficiency) of revenues over (under) expenditures	1,260,559	(2,003,865)	2,031,427	(56,429)	46,067	286,187
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	(1,925,056)	(893,725)	(313,155)	-	-	-
Sale of capital assets	-	-	-	7,517	-	-
Refunding bonds issued	-	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-
Total other financing sources (uses)	(1,925,056)	(893,725)	(313,155)	7,517	-	-
Net changes in fund balances	(664,497)	(2,897,590)	1,718,272	(48,912)	46,067	286,187
Fund balances - beginning	2,572,503	8,989,843	15,201,942	535,197	5,719	518,993
Fund balances - ending	$ 1,908,006	$ 6,092,253	$ 16,920,214	$ 486,285	$ 51,786	$ 805,180

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

COUNTY OF BERNALILLO, NEW MEXICO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2014

	Special Revenue						
	Law Enforcement Protection	Farm and Range	County Indigent	Clerk's Recording & Filing	Housing-Voucher	Department of Substance Abuse	Special Revenue Total
REVENUES							
Taxes:							
Property	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sales	-	-	11,794,584	-	-	-	24,769,652
Intergovernmental:							
Federal	-	155	-	-	12,414,994	-	13,100,814
State	226,200	-	-	-	-	-	1,569,123
Other	-	-	-	-	43,238	718,729	761,967
Fees for services	144,400	-	-	734,188	89,822	-	6,652,184
Investment income	-	-	-	-	366	-	366
Miscellaneous	-	-	-	-	583,355	201,993	880,446
Total revenues	370,600	155	11,794,584	734,188	13,131,775	920,722	47,734,552
EXPENDITURES							
Current:							
General government	-	-	-	485,211	-	-	4,087,089
Public works	-	-	-	-	-	-	-
Public safety	461,391	-	-	-	-	389,345	2,355,623
Health and welfare	-	-	11,791,441	-	12,764,541	-	37,317,792
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	8,608	-	62,640	1,246,255
Integovernmental - capital outlay	-	-	-	-	-	-	175,000
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Bond issuance cost	-	-	-	-	-	-	-
Total expenditures	461,391	-	11,791,441	493,819	12,764,541	451,985	45,181,759
Excess (deficiency) of revenues over (under) expenditures	(90,791)	155	3,143	240,369	367,234	468,737	2,552,793
OTHER FINANCING SOURCES (USES)							
Transfers in	400,000	-	-	-	-	-	400,000
Transfers out	-	-	-	-	-	-	(3,131,936)
Sale of capital assets	-	-	-	-	-	-	7,517
Refunding bonds issued	-	-	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-	-	-
Total other financing sources (uses)	400,000	-	-	-	-	-	(2,724,419)
Net changes in fund balances	309,209	155	3,143	240,369	367,234	468,737	(171,626)
Fund balances - beginning	170,287	618	300,192	706,680	916,448	714,694	30,633,116
Fund balances - ending	$ 479,496	$ 773	$ 303,335	$ 947,049	$ 1,283,682	$ 1,183,431	$ 30,461,490

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

COUNTY OF BERNALILLO, NEW MEXICO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2014

	Debt Service									
	General Obligation Bond Debt Service	Series 1996B Debt Service	Series 1996B Reserve	Series 1997 Debt Service	Series 1997 Reserve	Refunding Series 1998 Debt Service	Refunding Series 1998 Reserve	Refunding Series 2005 Debt Service	Series 2005 Reserve	Series 2008A Debt Service
REVENUES										
Taxes:										
Property	$ 17,774,132	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sales	-	-	-	-	-	-	-	-	-	-
Intergovernmental:										
Federal	-	-	-	-	-	-	-	-	-	-
State	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Fees for services	-	-	-	-	-	-	-	-	-	-
Investment income	62,166	334,185	-	89,994	-	277,335	-	136	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Total revenues	17,836,298	334,185	-	89,994	-	277,335	-	136	-	-
EXPENDITURES										
Current:										
General government	-	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Integovernmental - capital outlay	-	-	-	-	-	-	-	-	-	-
Debt service:										
Principal	9,005,000	2,325,000	-	1,000,000	-	1,750,000	-	1,870,000	-	-
Interest	4,347,239	2,453,328	-	304,750	-	1,972,145	-	1,980,112	-	-
Bond issuance costs	69,062	-	-	-	-	-	-	-	-	-
Total expenditures	13,421,301	4,778,328	-	1,304,750	-	3,722,145	-	3,850,112	-	-
Excess (deficiency) of revenues over (under) expenditures	4,414,997	(4,444,143)	-	(1,214,756)	-	(3,444,810)	-	(3,849,976)	-	-
OTHER FINANCING SOURCES (USES)										
Transfers in	149,734	4,446,583	-	1,215,840	-	3,446,595	-	3,850,112	4,933,749	-
Transfers out	-	-	-	-	-	-	-	-	-	(799)
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Refunding bonds issued	2,995,000	-	-	-	-	-	-	-	-	-
Premium on bonds issued	155,277	-	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	(3,091,682)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	208,329	4,446,583	-	1,215,840	-	3,446,595	-	3,850,112	4,933,749	(799)
Net changes in fund balances	4,623,326	2,440	-	1,084	-	1,785	-	136	4,933,749	(799)
Fund balances - beginning	4,884,462	120,063	5,438,448	23,431	1,693,500	83,337	4,615,582	9,265	-	799
Fund balances - ending	$ 9,507,788	$ 122,503	$ 5,438,448	$ 24,515	$ 1,693,500	$ 85,122	$ 4,615,582	$ 9,401	$ 4,933,749	$ -

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

COUNTY OF BERNALILLO, NEW MEXICO
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2014

	Debt Service					Capital Projects			
	Refunding Series 2010A Debt Service	Refunding Series 2010A Debt Reserve	Refunding Series 2010B Debt Service	Refunding Series 2010B Debt Reserve	Debt Service Total	Impact Fees	Open Space	Capital Projects Total	Total Nonmajor Governmental Funds
REVENUES									
Taxes:									
Property	$ -	$ -	$ -	$ -	$ 17,774,132	$ -	$ 20,647	$ 20,647	$ 17,794,779
Sales	-	-	-	-	-	-	-	-	24,769,652
Intergovernmental:									
Federal	-	-	-	-	-	-	-	-	13,100,814
State	-	-	-	-	-	-	-	-	1,569,123
Other	-	-	-	-	-	-	-	-	761,967
Fees for services	-	-	-	-	-	461,248	-	461,248	7,113,432
Investment income	29,384	-	2,333	-	795,533	77,370	-	77,370	873,269
Miscellaneous	-	-	55,438	-	55,438	-	18,283	18,283	954,167
Total revenues	29,384	-	57,771	-	18,625,103	538,618	38,930	577,548	66,937,203
EXPENDITURES									
Current:									
General government	-	-	-	-	-	13,838	-	13,838	4,100,927
Public works	-	-	-	-	-	-	422,170	422,170	422,170
Public safety	-	-	-	-	-	-	-	-	2,355,623
Health and welfare	-	-	-	-	-	-	-	-	37,317,792
Culture and recreation	-	-	-	-	-	-	398,417	398,417	398,417
Capital outlay	-	-	-	-	-	482,510	921,531	1,404,041	2,650,296
Integovernmental - capital outlay	-	-	-	-	-	5,995	122,500	128,495	303,495
Debt service:									
Principal	995,000	-	65,000	-	17,010,000	-	-	-	17,010,000
Interest	198,725	-	55,438	-	11,311,737	-	-	-	11,311,737
Bond issuance cost	-	-	-	-	69,062	-	-	-	69,062
Total expenditures	1,193,725	-	120,438	-	28,390,799	502,343	1,864,618	2,366,961	75,939,519
Excess (deficiency) of revenues over (under) expenditures	(1,164,341)	-	(62,667)	-	(9,765,696)	36,275	(1,825,688)	(1,789,413)	(9,002,316)
OTHER FINANCING SOURCES (USES)									
Transfers in	893,725	-	-	-	18,936,338	-	1,893,000	1,893,000	21,229,338
Transfers out	-	-	-	-	(799)	-	-	-	(3,132,735)
Sale of capital assets	-	-	-	-	-	-	-	-	7,517
Refunding bonds issued	-	-	-	-	2,995,000	-	-	-	2,995,000
Premium on bonds issued	-	-	-	-	155,277	-	-	-	155,277
Payment to refunded bond escrow agent	-	-	-	-	(3,091,682)	-	-	-	(3,091,682)
Total other financing sources (uses)	893,725	-	-	-	18,994,134	-	1,893,000	1,893,000	18,162,715
Net changes in fund balances	(270,616)	-	(62,667)	-	9,228,438	36,275	67,312	103,587	9,160,399
Fund balances - beginning	414,220	900,000	1,470,727	159,419	19,813,253	5,084,643	2,789,076	7,873,719	58,320,088
Fund balances - ending	$ 143,604	$ 900,000	$ 1,408,060	$ 159,419	$ 29,041,691	$ 5,120,918	$ 2,856,388	$ 7,977,306	$ 67,480,487

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

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
ENVIRONMENTAL HEALTH
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	$ 2,566,800	$ 2,566,800	$ 2,766,381	$ 199,581
Prior year cash balance budget	1,234,748	1,234,748		
Total budget	3,801,548	3,801,548		
Expenditures:				
Health and welfare:				
Solid waste	814,374	814,374	598,155	216,219
Planning and geo resources	176,762	176,762	93,053	83,709
Capital outlay	885,356	885,356	483,712	401,644
Intergovernmental capital outlay	-	-	175,000	(175,000)
Total expenditures	1,876,492	1,876,492	1,349,920	526,572
Other financing uses:				
Transfers out	1,925,056	1,925,056	1,925,056	-
Total expenditures and other financing uses	3,801,548	3,801,548	3,274,976	526,572
Deficiency of revenues over expenditures and other financing uses			$ (508,595)	

Budgetary compliance - GAAP financial statement reconciliation:

Net change in fund balances - budget to actual	$ (508,595)
Increase (decrease) in assets:	
Accounts receivable	(110,080)
(Increase) decrease in liabilities:	
Accounts payable	(19,115)
Deferred inflows	(26,707)
Net change in fund balances - GAAP basis	(664,497)
Fund balance-beginning	2,572,503
Fund balance-ending - GAAP basis	$ 1,908,006

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
1/16 HEALTH CARE GRT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	$ 9,750,000	$ 9,750,000	$ 10,458,409	$ 708,409
Prior year cash balance budget	5,262,066	9,262,066		
Total budget	15,012,066	19,012,066		
Expenditures:				
Health and welfare:				
Operating expenses	13,320,680	17,315,099	13,522,265	3,792,834
Capital outlay	797,661	803,242	302,662	500,580
Total expenditures	14,118,341	18,118,341	13,824,927	4,293,414
Other financing uses				
Operating transfers out	893,725	893,725	893,725	-
Total expenditures and other financing uses	15,012,066	19,012,066	14,718,652	4,293,414
Deficiency of revenues over expenditures and other financing uses			$ (4,260,243)	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			$ (4,260,243)	
Increase (decrease) in assets:				
Accounts receivable			(9,294)	
(Increase) decrease in liabilities:				
Accounts payable			1,473,489	
Deferred inflows			(103,641)	
Accrued payroll			2,099	
Net change in fund balances - GAAP basis			(2,897,590)	
Fund balance-beginning			8,989,843	
Fund balance-ending - GAAP basis			$ 6,092,253	

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
VALUATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fees for services	$ 5,100,000	$ 5,100,000	$ 5,683,774	$ 583,774
Miscellaneous	-	-	1,750	1,750
Total revenues	5,100,000	5,100,000	5,685,524	585,524
Prior year cash balance budget	1,312,336	1,312,336		
Total budget	6,412,336	6,412,336		
Expenditures:				
General government:				
Operating expenditures	6,046,961	6,046,961	3,485,938	2,561,023
Capital outlay	52,219	52,219	52,219	-
Total expenditures	6,099,180	6,099,180	3,538,157	2,561,023
Other financing uses:				
Transfers out	313,156	313,156	313,155	1
Total expenditures and other financing uses	6,412,336	6,412,336	3,851,312	2,561,024
Excess of revenues over expenditures and other financing uses			$ 1,834,212	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			$ 1,834,212	
(Increase) decrease in liabilities:				
Accounts payable			(66,963)	
Accrued payroll			(48,977)	
Net change in fund balances - GAAP basis			1,718,272	
Fund balance-beginning			15,201,942	
Fund balance-ending - GAAP basis			$ 16,920,214	

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
FIRE DISTRICTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental:				
Fire District #1	$ 81,667	$ 81,667	$ 78,317	$ (3,350)
Fire District #2	84,279	84,279	108,152	23,873
Fire District #3	61,667	61,667	78,317	16,650
Fire District #4	61,667	61,667	78,317	16,650
Fire District #5	104,279	104,279	78,317	(25,962)
Fire District #6	106,891	106,891	137,987	31,096
Fire District #7	61,667	61,667	-	(61,667)
Fire District #8	179,265	179,265	108,152	(71,113)
Fire District #9	61,667	61,667	78,317	16,650
Fire District #10	61,667	61,667	78,317	16,650
Fire District #11	84,279	84,279	108,152	23,873
Fire District #12	101,936	101,936	101,936	-
Fire District #13	61,667	61,667	78,317	16,650
Fire administration	78,317	78,317	78,317	-
Total revenues	1,190,915	1,190,915	1,190,915	-
Other financing sources				
Sale of capital assets	-	-	7,517	7,517
Total revenues and other financing sources	1,190,915	1,190,915	1,198,432	7,517
Prior year cash balance budget	578,189	578,189		
Total budget	1,769,104	1,769,104		
Expenditures:				
Public safety:				
Fire District #1	83,153	83,153	82,711	442
Fire District #2	233,093	233,093	187,325	45,768
Fire District #3	117,421	117,421	117,844	(423)
Fire District #4	48,351	48,351	43,431	4,920
Fire District #5	96,941	96,941	95,372	1,569
Fire District #6	127,441	127,441	124,606	2,835
Fire District #7	23,121	23,121	23,120	1
Fire District #8	183,763	183,763	177,280	6,483
Fire District #9	35,078	35,078	34,933	145
Fire District #10	41,133	41,133	39,381	1,752
Fire District #11	59,938	59,938	48,583	11,355
Fire District #12	252,494	252,494	34,639	217,855
Fire District #13	74,277	74,277	41,784	32,493
Fire administration	102,419	102,419	103,255	(836)
Capital outlay	290,481	290,481	225,335	65,146
Total expenditures	1,769,104	1,769,104	1,379,599	389,505
Deficiency of revenues and other financing sources over expenditures			$ (181,167)	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			$ (181,167)	
(Increase) decrease in liabilities:				
Accounts payable			132,255	
Net change in fund balances - GAAP basis			(48,912)	
Fund balance-beginning			535,197	
Fund balance-ending - GAAP basis			$ 486,285	

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
EMERGENCY MEDICAL SERVICES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	$ 151,625	$ 151,625	$ 151,625	$ -
Miscellaneous	-	93,348	93,348	-
Total revenues	151,625	244,973	244,973	-
Prior year cash balance budgeted	5,315	5,315		
Total budget	156,940	250,288		
Expenditures:				
Public safety:				
Fire District #1	20,000	113,348	87,676	25,672
Fire District #12	1,545	1,545	1,425	120
Superior Ambulance	20,000	20,000	17,378	2,622
Canoncito Ambulance	20,793	20,793	19,002	1,791
Lifeguard Ambulance	2,247	2,247	2,247	-
Isleta Pueblo Ambulance	20,359	20,359	19,451	908
Med-Flight Air Ambulance	20,166	20,166	3,590	16,576
Albuquerque Ambulance	31,830	31,830	5,155	26,675
Aircare I International	20,000	20,000	20,000	-
Total expenditures	156,940	250,288	175,924	74,364
Excess of revenues over expenditures			$ 69,049	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			$ 69,049	
(Increase) decrease in liabilities:				
Accounts payable			(22,982)	
Net change in fund balances - GAAP basis			46,067	
Fund balance-beginning			5,719	
Fund balance-ending - GAAP basis			$ 51,786	

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
LAW ENFORCEMENT PROTECTION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	$ 226,200	$ 226,200	$ 226,200	$ -
Fees for services	100,000	100,000	144,400	44,400
Total revenues	326,200	326,200	370,600	44,400
Other financing sources				
Transfers in	400,000	400,000	400,000	-
Total revenues and other financing sources	726,200	726,200	770,600	44,400
Prior year cash balance budget	130,898	130,898		
Total budget	457,098	857,098		
Expenditures:				
Public safety:				
Operating expenditures	814,576	814,576	445,441	369,135
Capital outlay	42,522	42,522	-	42,522
Total expenditures	857,098	857,098	445,441	411,657
Excess of revenues and other financing sources over expenditures			$ 325,159	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			$ 325,159	
(Increase) decrease in liabilities:				
Accounts payable			(15,950)	
Net change in fund balances - GAAP basis			309,209	
Fund balance-beginning			170,287	
Fund balance-ending - GAAP basis			$ 479,496	

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
FARM AND RANGE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	$ 100	$ 100	$ 155	$ 55
Prior year cash balance budget	466	466		
Total budget	566	566		
Expenditures:				
Public works:				
Operating expenditures	566	566	-	566
Excess of revenues over expenditures			$ 155	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			$ 155	
Net change in fund balances - GAAP basis			155	
Fund balance-beginning			618	
Fund balance-ending - GAAP basis			$ 773	

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
COUNTY INDIGENT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ -
Prior year cash balance budget	142,371	142,371		
Total budget	1,142,371	1,142,371		
Expenditures:				
Health and welfare:				
Operating expenditures	1,142,371	1,142,371	939,236	203,135
Excess of revenues over expenditures			$ 60,764	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			$ 60,764	
Increase (decrease) in assets:				
Accounts receivable			(78,694)	
(Increase) decrease in liabilities:				
Accounts payable			21,073	
Net change in fund balances - GAAP basis			3,143	
Fund balance-beginning			300,192	
Fund balance-ending - GAAP basis			$ 303,335	

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
COUNTY CLERK RECORDING AND FILING FEES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fees for services	$ 980,000	$ 980,000	$ 734,188	$ (245,812)
Prior year cash balance budget	281,584	281,584		
Total budget	1,261,584	1,261,584		
Expenditures:				
General government:				
Operating expenditures	1,261,584	1,252,976	505,711	747,265
Capital outlay	-	8,608	8,608	-
Total expenditures	1,261,584	1,261,584	514,319	747,265
Excess of revenues over expenditures			$ 219,869	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			$ 219,869	
(Increase) decrease in liabilities:				
Accounts payable			20,500	
Net change in fund balances - GAAP basis			240,369	
Fund balance-beginning			706,680	
Fund balance-ending - GAAP basis			$ 947,049	

COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
DEPARTMENT OF SUBSTANCE ABUSE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	$ -	$ -	$ 718,729	$ 718,729
Miscellaneous	773,000	773,000	201,993	(571,007)
Total Revenues	773,000	773,000	920,722	147,722
Prior year cash balance budget	259,779	259,779		
Total Budget	1,032,779	1,032,779		
Expenditures:				
Public safety:				
Operating expenditures	970,139	970,139	387,306	582,833
Capital outlay	62,640	62,640	62,640	-
Total Expenditures	1,032,779	1,032,779	449,946	582,833
Excess of revenues over expenditures			$ 470,776	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			$ 470,776	
(Increase) decrease in liabilities:				
Accounts payable			(980)	
Accrued payroll			(1,059)	
Net change in fund balances - GAAP basis			468,737	
Fund balance-beginning			714,694	
Fund balance-ending - GAAP basis			$ 1,183,431	

COUNTY OF BERNALILLO, NEW MEXICO
DEBT SERVICE FUND
GENERAL OBLIGATION BONDS DEBT SERVICE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	$ 12,417,673	$ 12,417,673	$ 17,740,048	$ 5,322,375
Investment income	-	-	74,576	74,576
Total revenues	12,417,673	12,417,673	17,814,624	5,396,951
Other financing sources:				
General obligation bonds issued	-	2,995,000	2,995,000	-
Premium	-	155,277	155,277	-
Transfers in	-	149,734	149,734	-
Total revenues and other financing sources	12,417,673	15,717,684	21,114,635	5,396,951
Prior year cash balance budget	1,943,748	1,804,481	(4,601,652)	(6,406,133)
Total budget	14,361,421	17,522,165	16,512,983	(1,009,182)
Expenditures:				
Debt service:				
Principal	10,395,507	10,395,507	9,005,000	1,390,507
Interest	3,965,914	3,965,914	4,347,239	(381,325)
Bond issuance cost	-	69,062	69,062	-
Total expenditures	14,361,421	14,430,483	13,421,301	1,009,182
Other financing uses:				
Payment to bond escrow agent	-	3,091,682	3,091,682	-
Total expenditures and other financing uses	14,361,421	17,522,165	16,512,983	1,009,182
Excess of revenues and other financing sources over expenditures and other financing uses			$ 4,601,652	

Budgetary compliance - GAAP financial statement reconciliation:

Net change in fund balances - budget to actual	$ 4,601,652
Increase (decrease) in assets:	
Property taxes receivable	150,897
Interest receivable	(12,409)
(Increase) decrease in liabilities:	
Deferred Inflows	(116,814)
Net change in fund balances - GAAP basis	4,623,326
Fund balance-beginning	4,884,462
Fund balance-ending - GAAP basis	$ 9,507,788

COUNTY OF BERNALILLO, NEW MEXICO
DEBT SERVICE FUND
SERIES 1996B
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment income	$ 331,745	$ 331,745	$ 334,269	$ 2,524
Other financing sources:				
Transfers in	4,446,583	4,446,583	4,446,583	-
Total revenues and other financing sources	4,778,328	4,778,328	4,780,852	2,524
Expenditures:				
Debt service:				
Principal	2,325,000	2,325,000	2,325,000	-
Interest	2,453,328	2,453,328	2,453,328	-
Total expenditures	4,778,328	4,778,328	4,778,328	-
Excess of revenues and other financing sources over expenditures			$ 2,524	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			$ 2,524	
Increase (decrease) in assets:				
Interest receivable			(84)	
Net change in fund balances - GAAP basis			2,440	
Fund balance-beginning			120,063	
Fund balance-ending - GAAP basis			$ 122,503	

COUNTY OF BERNALILLO, NEW MEXICO
DEBT SERVICE FUND
SERIES 1997
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment income	$ 88,909	$ 88,909	$ 89,996	$ 1,087
Other financing sources:				
Transfers in	1,215,841	1,215,841	1,215,840	(1)
Total revenues and other financing sources	1,304,750	1,304,750	1,305,836	1,086
Expenditures:				
Debt service:				
Principal	1,000,000	1,000,000	1,000,000	-
Interest	304,750	304,750	304,750	-
Total expenditures	1,304,750	1,304,750	1,304,750	-
Excess of revenues and other financing sources over expenditures			$ 1,086	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			$ 1,086	
Increase (decrease) in assets:				
Interest receivable			(2)	
Net change in fund balances - GAAP basis			1,084	
Fund balance-beginning			23,431	
Fund balance-ending - GAAP basis			$ 24,515	

COUNTY OF BERNALILLO, NEW MEXICO
DEBT SERVICE FUND
REFUNDING SERIES 1998
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment income	$ 275,550	$ 275,550	$ 277,368	$ 1,818
Other financing sources:				
Transfers in	3,446,595	3,446,595	3,446,595	-
Total revenues and other financing sources	3,722,145	3,722,145	3,723,963	1,818
Expenditures:				
Debt service:				
Principal	1,750,000	1,750,000	1,750,000	-
Interest	1,972,145	1,972,145	1,972,145	-
Total expenditures	3,722,145	3,722,145	3,722,145	-
Excess of revenues and other financing sources over expenditures			$ 1,818	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			$ 1,818	
Increase (decrease) in assets:				
Interest receivable			(33)	
Net change in fund balances - GAAP basis			1,785	
Fund balance-beginning			83,337	
Fund balance-ending - GAAP basis			$ 85,122	

COUNTY OF BERNALILLO, NEW MEXICO
DEBT SERVICE FUND
REFUNDING SERIES 2005
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment income	$ -	$ -	$ 158	$ 158
Other financing sources:				
Transfers in	3,850,113	3,850,113	3,850,112	(1)
Total revenues and other financing sources	3,850,113	3,850,113	3,850,270	157
Expenditures:				
Debt service:				
Principal	1,870,000	1,870,000	1,870,000	-
Interest	1,980,113	1,980,113	1,980,112	1
Total expenditures	3,850,113	3,850,113	3,850,112	1
Excess of revenues and other financing sources over expenditures			$ 158	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			$ 158	
Increase (decrease) in assets:				
Interest receivable			(22)	
Net change in fund balances - GAAP basis			136	
Fund balance-beginning			9,265	
Fund balance-ending - GAAP basis			$ 9,401	

COUNTY OF BERNALILLO, NEW MEXICO
DEBT SERVICE FUND
SERIES 2008A
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Prior year cash balance budget	$ 799	$ 799		
Other financing uses:				
Transfer out	799	799	799	-
Deficiency of revenues over other financing uses			$ (799)	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			$ (799)	
Net change in fund balances - GAAP basis			(799)	
Fund balance-beginning			799	
Fund balance-ending - GAAP basis			$ -	

COUNTY OF BERNALILLO, NEW MEXICO
DEBT SERVICE FUND
REFUNDING SERIES 2010A
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment income	$ -	$ -	$ 32,326	$ 32,326
Other financing sources:				
Transfers in	893,725	893,725	893,725	-
Total revenues and other financing sources	893,725	893,725	926,051	32,326
Prior year cash balance budget	300,000	300,000		
Total budget	1,193,725	1,193,725		
Expenditures:				
Debt service:				
Principal	995,000	995,000	995,000	-
Interest	198,725	198,725	198,725	-
Total expenditures	1,193,725	1,193,725	1,193,725	-
Deficiency of revenues and other financing sources over expenditures			$ (267,674)	

Budgetary compliance - GAAP financial statement reconciliation:

Net change in fund balances - budget to actual	$ (267,674)
Increase (decrease) in assets:	
Interest receivable	(2,942)
Net change in fund balances - GAAP basis	(270,616)
Fund balance-beginning	414,220
Fund balance-ending - GAAP basis	$ 143,604

COUNTY OF BERNALILLO, NEW MEXICO
DEBT SERVICE FUND
REFUNDING SERIES 2010B
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment income	$ -	$ -	$ 2,699	$ 2,699
Miscellaneous	120,438	120,438	55,438	(65,000)
Total revenues	120,438	120,438	58,137	(62,301)
Prior year cash balance budget	-	62,301		
Total budget	120,438	182,739		
Expenditures:				
Debt service:				
Principal	65,000	65,000	65,000	-
Interest	55,438	55,438	55,438	-
Total expenditures	120,438	120,438	120,438	-
Deficiency of revenues over expenditures			$ (62,301)	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			$ (62,301)	
Increase (decrease) in assets:				
Accounts receivable			(366)	
Net change in fund balances - GAAP basis			(62,667)	
Fund balance-beginning			1,470,727	
Fund balance-ending - GAAP basis			$ 1,408,060	

COUNTY OF BERNALILLO, NEW MEXICO

DESCRIPTION OF FIDUCIARY FUNDS

AGENCY FUNDS

Agency funds are used to account for assets held by the County as an agent for individuals, private organizations, other governmental units and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Treasurer Funds. To account for the collection and payment to the County and other recipient entities of property taxes billed and collected by the County on their behalf. The Treasurer's funds are as follows:

Children's Trust Fund. To record $15 of each $25 fee for issuing and recording a marriage license. The money is remitted to the State of New Mexico for use in projects for the treatment and prevention of child abuse. This fund was created by authority of Section 40-1-11, NMSA 1978 Compilation

Refund Overpayments. Serves as a clearing account for refunds arising from overpayment of property taxes or other fees.

Valuation Problems. Consists of two accounts by authority of Section 7-38-46, NMSA 1978 Compilation:

Valuation Problems Account. Used to collect estimated tax on a forthcoming tax bill correction resulting from a valuation protest.

Research Items Account. Holds receipted monies when a multi-year discrepancy is being resolved; it is also used to hold monies while a taxpayer problem is being researched.

Partial Payments (Over/Under Tax Payments). Consists of four accounts by authority of Section 7-38-42, NMSA 1978 Compilation:

Underpayments. To record payments which are less than the total due because of penalty and interest charges. The property tax revenue is held in this account until a notice requesting penalty and interest is responded to by payment.

Partial Payments. To hold overpayments until a refund is requested or sent out, and to hold underpayments until the deficiency is corrected.

Overpayments. Overpayments in excess of $.99 are held in the account until a refund request is received or a date after June 30.

Bankruptcy. Used to record cash receipts for property taxes when the tax liability has been identified through the bankruptcy process. The County disburses money out of this account when enough has accumulated to distribute the taxes (½ or full year bill).

AGENCY FUNDS (CONTINUED)

Taxes Paid in Advance. Consists of two accounts:

Omit Payment. Used to record the revenue collected from mobile home property taxes where the assessor has determined that the property had been omitted from the property tax rolls.

Mobile Homes Prepaid. Used to record the monies received as a condition of a property owner obtaining a tax release during the period January 1 to September 30. Taxes collected during October are recorded to the tax omit payment account and taxes collected during November and December are recorded to the undistributed taxes account.

Claim for Refund IOI. To account for interest earned on collected taxes when the valuation of the subject property is under formal protest.

Undistributed Taxes. To account for property tax payments and interest and penalty on tax payments received prior to distribution to various government entities. See Section 7-38-42 & 7-38-43, NMSA 1978 Compilation.

NSF Applies. Used to hold that portion of the tax payment which has cleared the bank until such time as remainder is paid.

Claim for Refund. To account for property taxes collected when the valuation of the subject property is under formal protest

Trust and Escrow (Judgment Auto Pay). To account for monies collected on a corrected tax bill until either a balance due payment is submitted or the amount is transferred to the Undistributed Tax Account.

Court Services Fund. To account for the receipts and disbursements related to process servers.

County Sheriff. To account for the collection and payment to the County of charges for services provided and to account for the collection and disbursement of evidence and awards in civil suits on behalf of the plaintiffs involved.

Inmate MDC. To provide a place of safekeeping for funds an offender may have access to but not physical control of during their confinement.

Resident JDYSC. To account for monies collected from juveniles upon their admittance to the detention facility and which are remitted back to them upon their release.

Regional Transit Fund. To account for the one-eighth of one percent gross receipts tax approved by voters in the 2008 general election in accordance with Section 7-20E-23, NMSA 1978 Compilation. Statute requires all proceeds from this tax be transferred to the Rio Metro Regional Transit District for the operation of the district and the commuter train system known as the New Mexico Rail Runner Express.

Cafeteria Plan. To account for monies deposited on behalf of county employees for the flex spending benefit, that is administered by BASIC.

Special Assessment Districts. To account for the collection of special assessment liens and the subsequent payment of special assessment bonds for the following districts:

Special Assessment District 83-1
Special Assessment District 83-1B

COUNTY OF BERNALILLO, NEW MEXICO
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2014

	Treasurer Funds						
	Children's Trust Fund	**Refund Over-payments**	**Taxes Paid in Advance**	**Claim for Refund IOI**	**Undistributed Taxes**	**Claim for Refund**	**Total Treasurer**
ASSETS							
Cash and investments	$ 7,211	$ 2,570,723	$ 129,827	$ 756,863	$ 7,819,663	$ 6,429,660	$ 17,713,947
Receivables, net:							
Property taxes	-	-	-	-	35,107,462	-	35,107,462
Gross receipt tax	-	-	-	-		-	-
Other	-	-	-	1,248	-	-	1,248
Total assets	$ 7,211	$ 2,570,723	$ 129,827	$ 758,111	$ 42,927,125	$ 6,429,660	$ 52,822,657
LIABILITIES							
Deposits held in trust for others	$ 7,211	$ 2,570,723	$ 129,827	$ 756,863	$ 7,819,663	$ 6,429,660	$ 17,713,947
Other	-	-	-	1,248	-	-	1,248
Future taxes collectable	-	-	-	-	35,107,462	-	35,107,462
	$ 7,211	$ 2,570,723	$ 129,827	$ 758,111	$ 42,927,125	$ 6,429,660	$ 52,822,657

The Notes to Financial Statements are an integral part of these statements.

COUNTY OF BERNALILLO, NEW MEXICO
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2014

	Court Services Fund	County Sheriff	Inmate MDC	Resident JDYSC	Regional Transit Fund	Cafetaria Plan	Special Assessment District 83-1	Special Assessment District 83-1B	Total Agency Fund
ASSETS									
Cash and investments	$ 2,105	$ 232,596	$ 531,716	$ 1,838	$ -	$ 180,676	$ 535,867	$ 432	$ 19,199,177
Receivables, net:									
Property taxes	-	-	-	-	-	-	-	-	35,107,462
Gross receipt tax	-	-	-	-	3,680,320	-	-	-	3,680,320
Other	-	-	-	-	-	-	57,709	1,050,000	1,108,957
Total assets	$ 2,105	$ 232,596	$ 531,716	$ 1,838	$ 3,680,320	$ 180,676	$ 593,576	$ 1,050,432	$ 59,095,916
LIABILITIES									
Deposits held in trust for others	$ 2,105	$ 232,596	$ 531,716	$ 1,838	$ -	$ 180,676	$ 535,867	$ 432	$ 19,199,177
Other	-	-	-	-	-	-	57,709	1,050,000	1,108,957
Future taxes collectable	-	-	-	-	3,680,320	-	-	-	38,787,782
Total liabilities	$ 2,105	$ 232,596	$ 531,716	$ 1,838	$ 3,680,320	$ 180,676	$ 593,576	$ 1,050,432	$ 59,095,916

The Notes to Financial Statements are an integral part of these statements.

COUNTY OF BERNALILLO, NEW MEXICO
AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
Year Ended June 30, 2014

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
TREASURER				
CHILDREN'S TRUST FUND				
ASSETS				
Cash and investments	$ -	$ 114,873	$ 107,662	$ 7,211
Total assets	-	114,873	107,662	7,211
LIABILITIES				
Other Liabilities	3,439	-	3,439	-
Deposits held in trust for others	(3,439)	114,873	104,223	7,211
Total liabilities	-	114,873	107,662	7,211
TREASURER				
REFUND OVERPAYMENTS FUND				
ASSETS				
Cash and investments	3,805,427	4,050,358	5,285,062	2,570,723
Total assets	3,805,427	4,050,358	5,285,062	2,570,723
LIABILITIES				
Deposits held in trust for others	3,805,427	4,050,358	5,285,062	2,570,723
Total liabilities	3,805,427	4,050,358	5,285,062	2,570,723
TREASURER				
VALUATION PROBLEMS FUND				
ASSETS				
Cash and investments	8,401	-	8,401	-
Total assets	8,401	-	8,401	-
LIABILITIES				
Deposits held in trust for others	8,401	-	8,401	-
Total liabilities	8,401	-	8,401	-
TREASURER				
PARTIAL PAYMENTS FUND				
ASSETS				
Cash and investments	58,175	-	58,175	-
Total assets	58,175	-	58,175	-
LIABILITIES				
Deposits held in trust for others	58,175	-	58,175	-
Total liabilities	58,175	-	58,175	-
TREASURER				
TAXES PAID IN ADVANCE FUND				
ASSETS				
Cash and investments	130,822	127,424	128,419	129,827
Total assets	130,822	127,424	128,419	129,827
LIABILITIES				
Deposits held in trust for others	130,822	127,424	128,419	129,827
Total liabilities	130,822	127,424	128,419	129,827
TREASURER				
CLAIM FOR REFUND IOI FUND				
ASSETS				
Cash and investments	647,247	176,820	67,204	756,863
Receivables - other	18,405	1,248	18,405	1,248
Total assets	665,652	178,068	85,609	758,111
LIABILITIES				
Deposits held in trust for others	647,247	176,820	67,204	756,863
Other Liabilities	18,405	1,248	18,405	1,248
Total liabilities	$ 665,652	$ 178,068	$ 85,609	$ 758,111

The Notes to Financial Statements are an integral part of these statements.

COUNTY OF BERNALILLO, NEW MEXICO
AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
Year Ended June 30, 2014

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
TREASURER				
UNDISTRIBUTED TAXES				
ASSETS				
Cash and investments	$ 6,588,574	$ 1,132,455,862	$ 1,131,224,773	$ 7,819,663
Receivables - Property taxes	36,369,659	40,874,457	42,136,654	35,107,462
Total assets	42,958,233	1,173,330,319	1,173,361,427	42,927,125
LIABILITIES				
Deposits held in trust for others	6,588,574	1,132,455,862	1,131,224,773	7,819,663
Future taxes collectible	36,369,659	40,874,457	42,136,654	35,107,462
Total liabilities	42,958,233	1,173,330,319	1,173,361,427	42,927,125
TREASURER				
NSF APPLIES FUND				
ASSETS				
Cash and investments	3,291	-	3,291	-
Total assets	3,291	-	3,291	-
LIABILITIES				
Deposits held in trust for others	3,291	-	3,291	-
Total liabilities	3,291	-	3,291	-
TREASURER				
CLAIM FOR REFUND FUND				
ASSETS				
Cash and investments	7,307,270	401,233	1,278,843	6,429,660
Total assets	7,307,270	401,233	1,278,843	6,429,660
LIABILITIES				
Deposits held in trust for others	7,307,270	401,233	1,278,843	6,429,660
Total liabilities	7,307,270	401,233	1,278,843	6,429,660
TREASURER				
TRUST AND ESCROW FUND				
ASSETS				
Cash and investments	2,859	-	2,859	-
Total assets	2,859	-	2,859	-
LIABILITIES				
Deposits held in trust for others	2,859	-	2,859	-
Total liabilities	2,859	-	2,859	-
TOTAL - TREASURER				
TREASURER				
ASSETS				
Cash and investments	18,552,066	1,137,326,570	1,138,164,689	17,713,947
Receivables - Property taxes	36,369,659	40,874,457	42,136,654	35,107,462
Receivables - other	18,405	1,248	18,405	1,248
Total assets	54,940,130	1,178,202,275	1,180,319,748	52,822,657
LIABILITIES				
Deposits held in trust for others	18,548,627	1,137,326,570	1,138,161,250	17,713,947
Other Liabilities	21,844	1,248	21,844	1,248
Future taxes collectible	36,369,659	40,874,457	42,136,654	35,107,462
Total liabilities	54,940,130	1,178,202,275	1,180,319,748	52,822,657
COURT SERVICES FUNDS				
ASSETS				
Cash and investments	2,401	171,256	171,552	2,105
Total assets	2,401	171,256	171,552	2,105
LIABILITIES				
Other Liabilities	-	-	-	-
Deposits held in trust for others	2,401	171,256	171,552	2,105
Total liabilities	$ 2,401	$ 171,256	$ 171,552	$ 2,105

The Notes to Financial Statements are an integral part of these statements.

COUNTY OF BERNALILLO, NEW MEXICO
AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
Year Ended June 30, 2014

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
COUNTY SHERIFF FUND				
ASSETS				
Cash and investments	$ 236,010	$ 22,641	$ 26,055	$ 232,596
Total assets	236,010	22,641	26,055	232,596
LIABILITIES				
Deposits held in trust for others	236,010	22,641	26,055	232,596
Total liabilities	236,010	22,641	26,055	232,596
Inmate MDC				
ASSETS				
Cash and investments	1,002,292	2,882,559	3,353,135	531,716
Total assets	1,002,292	2,882,559	3,353,135	531,716
LIABILITIES				
Deposit held in trust for others	1,002,292	2,882,559	3,353,135	531,716
Total liabilities	1,002,292	2,882,559	3,353,135	531,716
Resident JDYSC				
ASSETS				
Cash and investments	1,229	3,321	2,712	1,838
Total assets	1,229	3,321	2,712	1,838
LIABILITIES				
Deposit held in trust for others	1,229	3,321	2,712	1,838
Total liabilities	1,229	3,321	2,712	1,838
Regional Transit Fund				
ASSETS				
Cash and investments	-	22,203,324	22,203,324	-
Gross receipts tax	3,717,377	3,680,320	3,717,377	3,680,320
Total assets	3,717,377	25,883,644	25,920,701	3,680,320
LIABILITIES				
Deposit held in trust for others	-	22,203,324	22,203,324	-
Future taxes collectible	3,717,377	3,680,320	3,717,377	3,680,320
Total liabilities	3,717,377	25,883,644	25,920,701	3,680,320
Cafeteria Plan				
ASSETS				
Cash and investments	151,947	626,036	597,307	180,676
Total assets	151,947	626,036	597,307	180,676
LIABILITIES				
Deposit held in trust for others	151,947	626,036	597,307	180,676
Total liabilities	151,947	626,036	597,307	180,676
SPECIAL ASSESSMENTS DISTRICT 83-1A				
ASSETS				
Cash and investments	532,255	3,612	-	535,867
Receivables-other	54,218	7,103	3,612	57,709
Total assets	586,473	10,715	3,612	593,576
LIABILITIES				
Deposits held in trust for others	532,255	3,612	-	535,867
Other Liabilities	54,218	7,103	3,612	57,709
Total liabilities	586,473	10,715	3,612	593,576
SPECIAL ASSESSMENTS DISTRICT 83-1B				
ASSETS				
Cash and investments	338	174,000	173,906	432
Receivables - other	1,155,000	1,050,000	1,155,000	1,050,000
Total assets	1,155,338	1,224,000	1,328,906	1,050,432
LIABILITIES				
Deposits held in trust for others	338	174,000	173,906	432
Other Liabilities	1,155,000	1,050,000	1,155,000	1,050,000
Total liabilities	1,155,338	1,224,000	1,328,906	1,050,432
TOTAL AGENCY FUNDS				
ASSETS				
Cash and investments	20,478,538	1,163,413,319	1,164,692,680	19,199,177
Receivables - Property taxes	36,369,659	40,874,457	42,136,654	35,107,462
Receivables - Gross receipts tax	3,717,377	3,680,320	3,717,377	3,680,320
Receivables - other	1,227,623	1,058,351	1,177,017	1,108,957
Total assets	61,793,197	1,209,026,447	1,211,723,728	59,095,916
LIABILITIES	(61,793,197.00)			
Deposits held in trust for others	20,475,099	1,163,413,319	1,164,689,241	19,199,177
Other Liabilities	1,231,062	1,058,351	1,180,456	1,108,957
Future taxes collectible	40,087,036	44,554,777	45,854,031	38,787,782
Total liabilities	$ 61,793,197	$ 1,209,026,447	$ 1,211,723,728	$ 59,095,916

The Notes to Financial Statements are an integral part of these statements.

COUNTY OF BERNALILLO, NEW MEXICO

DESCRIPTION OF NONMAJOR PROPRIETARY FUNDS

ENTERPRISE FUNDS

Enterprise funds are used to account for operations (1) that are financial and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing services on a continuing basis be financed or recovered primarily through user charges; and (2) when the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Solid Waste. To account for the operations of the Solid Waste Program. All activities necessary to operate the program are accounted for in this fund, including, but not limited to, administration, operations, and financing.

The *Bernalillo County Housing Authority* accounts for the provision of administrative services to the County's HUD Section 8 Annual Contribution Contract, No. FW-5325; property management services to the Bernalillo County Housing and Redevelopment Corporation; and for the costs of contracting for the future construction of other housing projects of the County. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, rental contract negotiation, and collection.

Seybold Village 21 Units - Handicapped. To account for the construction and operations of Seybold Village 21 Units Handicapped Housing Project. All activities necessary to construct and operate the project are accounted for in this fund, including but not limited to, administration, operations, maintenance, financing, and construction.

Regional Juvenile Detention Center. To account for the operations of the Regional Juvenile Detention Center. All activities necessary to operate the program are accounted for in this fund, including, but not limited to, administration, operations, and financing.

El Centro Familiar. To account for the operations of the El Centro Familiar housing project. All activities necessary to operate the project are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing, and related debt service.

COUNTY OF BERNALILLO, NEW MEXICO
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
June 30, 2014

	Solid Waste	Bernalillo County Housing Authority	Seybold Village Handicapped Project	Regional Juvenile Detention Center	El Centro Familiar	Totals
ASSETS						
Current assets:						
Cash and investments	$ 2,184,305	$ 2,068,940	$ 210,133	$ 586,688	$ 958,556	$ 6,008,622
Accounts receivable, net	1,474,429	209,140	15	25,071	20	1,708,675
Accrued interest receivable	-	32	-	-	-	32
Due from other funds	-	376,031	85,270	-	4,982	466,283
Total current assets	3,658,734	2,654,143	295,418	611,759	963,558	8,183,612
Noncurrent assets:						
Capital assets:						
Land	34,000	159,000	205,500	-	36,852	435,352
Land Improvements	-	-	166,027	-	-	166,027
Buildings	681,791	1,062,868	2,093,427	-	2,682,124	6,520,210
Construction in progress	35,841	-	-	-	-	35,841
Equipment, machinery, and furniture	1,130,116	278,408	33,740	-	12,205	1,454,469
Less accumulated depreciation	(1,446,171)	(787,129)	(1,757,141)	-	(1,484,900)	(5,475,341)
Total noncurrent assets	435,577	713,147	741,553	-	1,246,281	3,136,558
Total assets	$ 4,094,311	$ 3,367,290	$ 1,036,971	$ 611,759	$ 2,209,839	$ 11,320,170
LIABILITIES						
Current liabilities:						
Accounts payable and other current liabilities	$ 318,575	$ 61,175	$ 20,508	$ 119,366	$ 170,472	$ 690,096
Compensated absences	6,246	22,864	242	5,934	-	35,286
Accrued payroll	27,242	18,716	2,601	32,814	196	81,569
Due to other funds	-	8,450	101,440	-	47,837	157,727
Unearned revenue	1,203,003	-	777	-	1,881	1,205,661
Total current liabilities	1,555,066	111,205	125,568	158,114	220,386	2,170,339
Noncurrent liabilities:						
Compensated absences	63,158	231,185	2,445	59,996	-	356,784
Deposits held in trust for others	-	-	4,033	-	9,879	13,912
Advance from other funds	-	-	-	-	1,405,000	1,405,000
Total noncurrent liabilities	63,158	231,185	6,478	59,996	1,414,879	1,775,696
Total liabilities	1,618,224	342,390	132,046	218,110	1,635,265	3,946,035
NET POSITION						
Net investment in capital assets	435,577	713,147	741,553	-	1,246,281	3,136,558
Unrestricted (deficit)	2,040,510	2,311,753	163,372	393,649	(671,707)	4,237,577
Total net position	$ 2,476,087	$ 3,024,900	$ 904,925	$ 393,649	$ 574,574	$ 7,374,135

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

COUNTY OF BERNALILLO, NEW MEXICO
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
NONMAJOR PROPRIETARY FUNDS
For the Year Ended June 30, 2014

	Solid Waste	Bernalillo County Housing Authority	Seybold Village Handicapped Project	Regional Juvenile Detention Center	El Centro Familiar	Totals
Operating revenues:						
Administrative and service fees	$ 5,094,413	$ 348,482	$ -	$ 1,065,053	$ -	$ 6,507,948
Rental income						
Tenants	-	-	44,652	-	189,415	234,067
Other income	138,024	125,435	48,690	-	589	312,738
Total operating revenues	5,232,437	473,917	93,342	1,065,053	190,004	7,054,753
Operating expenses:						
Salaries and wages	519,154	708,144	61,077	672,388	42,714	2,003,477
Contractual services	3,865,469	408,157	119,156	79,600	232,868	4,705,250
Materials and supplies	15,561	30,115	13,614	139,543	13,225	212,058
Other services and charges	250,197	109,256	33,783	23,875	91,062	508,173
Miscellaneous expense	775	-	-	-	55,655	56,430
Depreciation	34,587	58,335	60,217	-	105,295	258,434
Total operating expenses	4,685,743	1,314,007	287,847	915,406	540,819	7,743,822
Operating income (loss)	546,694	(840,090)	(194,505)	149,647	(350,815)	(689,069)
Non-operating revenues:						
Interest income	-	2,810	120	-	219	3,149
Gain on sale of capital assets	47,700	-	-	-	-	47,700
Grants - subsidies	176,000	-	-	-	181,358	357,358
Other government grant subsidies	-	551,708	-	-	-	551,708
Total nonoperating revenue	223,700	554,518	120	-	181,577	959,915
Income (loss) before contributions and transfers	770,394	(285,572)	(194,385)	149,647	(169,238)	270,846
Capital-grant subsidies	-	-	48,142	-	-	48,142
Transfers in	-	4,312	2,541	-	5,866	12,719
Change in net position	770,394	(281,260)	(143,702)	149,647	(163,372)	331,707
Total net position - beginning	1,705,693	3,306,160	1,048,627	244,002	737,946	7,042,428
Total net position (deficit) - ending	$ 2,476,087	$ 3,024,900	$ 904,925	$ 393,649	$ 574,574	$ 7,374,135

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

COUNTY OF BERNALILLO, NEW MEXICO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
For the Year Ended June 30, 2014

	Business-type Activities Enterprise Funds					
	Solid Waste	Bernalillo County Housing Authority	Seybold Village Handicapped Project	Regional Juvenile Detention Center	El Centro Familiar	Totals
Cash flows from operating activities:						
Receipts from administration and service fees	$ 5,213,563	$ 378,881	$ -	$ 1,071,143	$ -	$ 6,663,587
Receipts from rents	-	-	44,704	-	190,316	235,020
Receipts from other funds for goods and services	-	29,295	-	-	155,380	184,675
Payments to employees for services	(337,639)	(659,166)	(59,639)	(489,552)	(54,689)	(1,600,685)
Payments to vendors for goods and services	(4,307,230)	(541,916)	(162,103)	(467,869)	(379,798)	(5,858,916)
Payments to other funds for goods and services	-	(333,325)	(267,505)	-	-	(600,830)
Miscellaneous cash received	-	125,435	48,097	-	671	174,203
Net cash provided (used) by operating activities	568,694	(1,000,796)	(396,446)	113,722	(88,120)	(802,946)
Cash flows from noncapital financing activities:						
Operating grants/subsidies received	176,000	551,708	-	-	181,358	909,066
Contributions to other funds	-	-	-	-	(65,000)	(65,000)
Transfers in from other funds	-	4,312	2,541	-	5,866	12,719
Net cash provided by noncapital financing activities	176,000	556,020	2,541	-	122,224	856,785
Cash flows from capital and related financing activities:						
Proceeds from sale of capital assets	47,700	-	-	-	-	47,700
Capital grants received	-	-	48,142	-	-	48,142
Net cash provided (used) by capital and related financing activities	47,700	-	48,142	-	-	95,842
Cash flows from investing activities:						
Interest received on investments	-	2,811	120	-	220	3,151
Net cash provided by investing activities	-	2,811	120	-	220	3,151
Net increase (decrease) in cash and cash equivalents	792,394	(441,965)	(345,643)	113,722	34,324	152,832
Cash and cash equivalents, beginning of year	1,391,911	2,510,905	555,776	472,966	924,232	5,855,790
Cash and cash equivalents, end of year	$ 2,184,305	$ 2,068,940	$ 210,133	$ 586,688	$ 958,556	$ 6,008,622
Reconciliation of operating income (loss) to net cash flows provided (used) by operating activities:						
Operating income (loss)	$ 546,694	$ (840,090)	$ (194,505)	$ 149,647	$ (350,815)	$ (689,069)
Adjustments to reconcile operating income to net cash provided(used) by operating activities:						
Depreciation	34,587	58,336	60,217	-	105,295	258,435
Change in assets and liabilities:						
Accounts receivable	108,430	30,399	23	6,090	288	145,230
Allowance for uncollectable accounts	(96,519)	-	-	-	273	(96,246)
Due from other funds	-	(333,325)	(81,802)	-	-	(415,127)
Increase (decrease) in:						
Unearned revenue	(30,785)	-	29	-	340	(30,416)
Accounts payable	(1,972)	35,159	(282,818)	(28,492)	128,889	(149,234)
Due to other funds	-	8,450	101,440	-	36,683	146,573
Tenants payable	-	-	(593)	-	83	(510)
Accrued compensated absences	8,259	40,275	1,563	(13,523)	(9,156)	27,418
Net cash flows provided (used) by operating activities	$ 568,694	$ (1,000,796)	$ (396,446)	$ 113,722	$ (88,120)	$ (802,946)

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

COUNTY OF BERNALILLO, NEW MEXICO
ENTERPRISE FUND
SOLID WASTE
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND NET POSITION - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Final Budget Positive (Negative)
Revenues:				
Customer billings	$ 4,595,748	$ 4,595,748	$ 4,713,985	$ 118,237
Transfer station fees	331,944	331,944	345,462	13,518
Miscellaneous	357,000	357,000	361,724	4,724
Total revenues	5,284,692	5,284,692	5,421,171	136,479
Prior year cash balance budget	805,304	805,304		
Total budget	6,089,996	6,089,996		
Expenses:				
Operating expenses	6,089,996	6,089,996	4,642,211	1,447,785
Excess of revenues over expenses			$ 778,960	
Budgetary compliance - GAAP financial statement reconciliation:				
Changes in net position - budget to actual			$ 778,960	
Increase (decrease) in assets:				
Accounts receivable			4,181	
(Increase) decrease in liabilities:				
Accounts payable			10,474	
Unearned revenue			30,785	
Accrued payroll			(11,160)	
Compensated absences			(8,259)	
Depreciation			(34,587)	
Change in net position - GAAP basis			770,394	
Net position-beginning			1,705,693	
Net position-ending - GAAP basis			$ 2,476,087	

COUNTY OF BERNALILLO, NEW MEXICO
ENTERPRISE FUND
REGIONAL JUVENILE DETENTION CENTER
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND NET POSITION - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Final Budget Positive (Negative)
Revenues:				
Fees for services	$ 803,585	$ 803,585	$ 1,062,224	$ 258,639
Prior year cash budget	291,661	291,661		
Total budget	1,095,246	1,095,246		
Expenses:				
Operating expenses	1,095,246	1,095,246	908,544	186,702
Excess of revenues over expenses			$ 153,680	
Budgetary compliance - GAAP financial statement reconciliation:				
Changes in net position - budget to actual			$ 153,680	
Increase (decrease) in assets:				
Accounts receivable			2,829	
(Increase) decrease in liabilities:				
Accounts payable			(15,817)	
Accrued payroll			(4,568)	
Compensated absences			13,523	
Change in net position - GAAP basis			149,647	
Net position-beginning			244,002	
Net position-ending - GAAP basis			$ 393,649	

COUNTY OF BERNALILLO, NEW MEXICO
INTERNAL SERVICE FUND
RISK MANAGEMENT
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN
FUND NET POSITION - BUDGET AND ACTUAL
Year Ended June 30, 2014

	Original Budget	Final Budget	Actual	Final Budget Positive (Negative)
Revenues:				
Fees for services	$ 8,456,260	$ 8,456,260	$ 8,513,953	$ 57,693
Prior year cash balance budget	4,043,858	4,043,858		
Total budget	12,500,118	12,500,118		
Expenses:				
Operating expenses	12,500,118	12,500,118	8,513,953	3,986,165
Revenues equal expenses			$ -	
Budgetary compliance - GAAP financial statement reconciliation:				
Changes in net position - budget to actual			$ -	
Increase (decrease) in assets:				
Prepaid expenses			129,483	
Due from other funds			247,198	
(Increase) decrease in liabilities:				
Accounts payable			(247,198)	
Unearned revenue			(129,483)	
Change in net position - GAAP basis			-	
Net position-beginning			1,601,449	
Net position-ending - GAAP basis			$ 1,601,449	

BERNALILLO COUNTY
STATE OF NEW MEXICO

COUNTY OF BERNALILLO, NEW MEXICO

FINANCIAL DATA SCHEDULE - AS REQUIRED BY HUD

YEAR ENDED JUNE 30, 2014

Financial Data Schedule - Balance Sheet

Account Description	Seybold	Housing Choice Vouchers	El Centro	Home Rehabilitation	Central Office	Total
111 Cash - Unrestricted	$ 189,930	$ 1,023,842	$ 905,823	$ 186,708	$ 2,250,033	$ 4,556,336
113 Cash - Other Restricted	-	693,700	-	-	-	693,700
114 Cash - Tenant Security Deposits	4,033	-	9,879	-	-	13,912
100 Total Cash	193,963	1,717,542	915,702	186,708	2,250,033	5,263,948
121 Accounts Receivable - PHA Projects	-	14,343	-	-	-	14,343
126 Accounts Receivable - Tenants	15	-	7,956	-	-	7,971
126.1 Allowance for Doubtful Accounts -Tenants	-	-	(7,935)	-	-	(7,935)
128 Fraud Recovery	-	88,055	-	-	-	88,055
128.1 Allowance for Doubtful Accounts - Fraud	-	(83,089)	-	-	-	(83,089)
129 Accrued Interest Receivable	-	-	-	-	32	32
120 Total Receivables, Net of Allowances for Doubtful Accounts	15	19,309	21	-	32	19,377
150 Total Current Assets	193,978	1,736,851	915,723	186,708	2,250,065	5,283,325
161 Land	205,500	-	36,852	-	159,000	401,352
162 Buildings	2,259,454	-	2,682,124	-	1,062,868	6,004,446
163 Furniture, Equipment & Machinery - Dwellings	33,740	-	12,205	-	-	45,945
164 Furniture, Equipment & Machinery - Administration	-	-	-	-	278,408	278,408
166 Accumulated Depreciation	(1,757,141)	-	(1,484,900)	-	(787,129)	(4,029,170)
160 Total Capital Assets, Net of Accumulated Depreciation	741,553	-	1,246,281	-	713,147	2,700,981
171 Notes, Loans and Mortgages Receivable - Non-Current	-	-	-	-	209,140	209,140
180 Total Non-Current Assets	741,553	-	1,246,281	-	922,287	2,910,121
190 Total Assets	935,531	1,736,851	2,162,004	186,708	3,172,352	8,193,446
290 Total Assets and Deferred Outflow of Resources	935,531	1,736,851	2,162,004	186,708	3,172,352	8,193,446
312 Accounts Payable <= 90 Days	6,424	46,308	13,067	667	7,562	74,028
321 Accrued Wage/Payroll Taxes Payable	2,601	28,413	197	2,459	16,257	49,927
322 Accrued Compensated Absences - Current Portion	242	10,601	-	543	11,720	23,106
325 Accrued Interest Payable	-	-	2,256	-	-	2,256
333 Accounts Payable - Other Government	14,083	52,815	155,150	15,536	37,410	274,994
341 Tenant Security Deposits	4,033	-	9,879	-	-	13,912
342 Unearned Revenue	778	61,888	1,881	-	-	64,547
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	-	-	65,000	-	-	65,000
310 Total Current Liabilities	28,161	200,025	247,430	19,205	72,949	567,770
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	1,340,000	-	-	1,340,000
353 Non-current Liabilities - Other	-	263,965	-	-	-	263,965
354 Accrued Compensated Absences - Non Current	2,445	107,188	-	5,492	118,505	233,630
350 Total Non-Current Liabilities	2,445	371,153	1,340,000	5,492	118,505	1,837,595
300 Total Liabilities	30,606	571,178	1,587,430	24,697	191,454	2,405,365
508.4 Net Investment in Capital Assets	741,553	-	(158,719)	-	713,147	1,295,981
511.4 Restricted Net Position	-	429,735	-	-	-	429,735
512.4 Unrestricted Net Position	163,372	735,938	733,293	162,011	2,267,751	4,062,365
513 Total Equity - Net Assets / Position	904,925	1,165,673	574,574	162,011	2,980,898	5,788,081
600 Total Liab., Def. Inflow of Res., and Equity - Net Assets / Position	$ 935,531	$ 1,736,851	$ 2,162,004	$ 186,708	$ 3,172,352	$ 8,193,446

COUNTY OF BERNALILLO, NEW MEXICO

FINANCIAL DATA SCHEDULE - AS REQUIRED BY HUD

YEAR ENDED JUNE 30, 2014

Financial Data Schedule - Revenue and Expenditures

Account Description	Seybold	Housing Choice Vouchers	El Centro	Home Rehabilitation	Central Office	Total
70300 Net Tenant Rental Revenue	$ 44,652	$ -	$ 189,414	$ -	$ -	$ 234,066
70400 Tenant Revenue - Other	576	-	589	-	-	1,165
70500 Total Tenant Revenue	45,228	-	190,003	-	-	235,231
70600 HUD PHA Operating Grants	96,256	12,414,994	181,358	-	-	12,692,608
70800 Other Government Grants	-	43,238	-	356,377	195,331	594,946
71100 Investment Income - Unrestricted	120	366	219	-	2,811	3,516
71400 Fraud Recovery	-	97,248	-	-	-	97,248
71500 Other Revenue	-	516,065	-	-	533,782	1,049,847
70000 Total Revenue	141,604	13,071,911	371,580	356,377	731,924	14,673,396
91100 Administrative Salaries	7,528	365,987	6,739	71,330	391,295	842,879
91200 Auditing Fees	2,709	-	342	1,388	1,314	5,753
91500 Employee Benefit contributions - Administrative	4,566	191,694	3,104	27,789	172,468	399,621
91600 Office Expenses	273	1,793	13	656	14,032	16,767
91800 Travel	-	1,456	-	-	354	1,810
91900 Other	17,242	365,576	40,134	1,434	171,047	595,433
91000 Total Operating - Administrative	32,318	926,506	50,332	102,597	750,510	1,862,263
92100 Tenant Services - Salaries	-	72,684	-	-	-	72,684
92300 Employee Benefit Contributions - Tenant Services	-	42,009	-	-	-	42,009
92500 Total Tenant Services	-	114,693	-	-	-	114,693
93100 Water	9,445	776	12,812	36	2,865	25,934
93200 Electricity	719	-	7,616	-	15,661	23,996
93300 Gas	223	46	13,563	7	4,913	18,752
93000 Total Utilities	10,387	822	33,991	43	23,439	68,682
94100 Ordinary Maintenance and Operations - Labor	28,989	-	17,797	-	-	46,786
94200 Ordinary Maintenance and Operations - Materials and Other	13,101	-	11,328	421	11,416	36,266
94300 Ordinary Maintenance and Operations Contracts	120,300	200	245,481	259,986	710	626,677
94500 Employee Benefit Contributions - Ordinary Maintenance	18,266	-	12,413	-	-	30,679
94000 Total Maintenance	180,656	200	287,019	260,407	12,126	740,408
96130 Workmen's Compensation	565	1,044	1,618	1,165	4,914	9,306
96140 All Other Insurance	2,541	4,380	5,867	323	3,995	17,106
96100 Total insurance Premiums	3,106	5,424	7,485	1,488	8,909	26,412
96200 Other General Expenses	-	-	-	-	116,613	116,613
96210 Compensated Absences	1,164	16,345	1,042	2,372	8,841	29,764
96400 Bad debt - Tenant Rents	-	-	272	-	-	272
96600 Bad debt - Other	-	59,922	-	-	-	59,922
96000 Total Other General Expenses	1,164	76,267	1,314	2,372	125,454	206,571
96710 Interest of Mortgage (or Bonds) Payable	-	-	55,383	-	-	55,383
96700 Total Interest Expense and Amortization Cost	-	-	55,383	-	-	55,383
96900 Total Operating Expenses	227,631	1,123,912	435,524	366,907	920,438	3,074,412
97000 Excess of Operating Revenue over Operating Expenses	(86,027)	11,947,999	(63,944)	(10,530)	(188,514)	11,598,984
97300 Housing Assistance Payments	-	11,203,058	-	-	-	11,203,058
97350 HAP Portability-In	-	405,898	-	-	-	405,898
97400 Depreciation Expense	60,216	-	105,295	-	58,336	223,847
90000 Total Expenses	287,847	12,732,868	540,819	366,907	978,774	14,907,215
10040 Operating Transfers from/to Component Unit	2,541	-	5,867	323	3,988	12,719
10100 Total Other financing Sources (Uses)	2,541	-	5,867	323	3,988	12,719
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	$ (143,702)	$ 339,043	$ (163,372)	$ (10,207)	$ (242,862)	$ (221,100)
11020 Required Annual Debt Principal Payments	-	-	65,000	-	-	65,000
11030 Beginning Equity	1,048,627	826,630	737,946	172,218	3,223,760	6,009,181
11170 Administrative Fee Equity	-	735,938	-	-	-	735,938
11180 Housing Assistance Payments Equity	-	429,735	-	-	-	429,735
11190 Unit Months Available	252	25,212	648	-	-	26,112
11210 Number of Unit Months Leased	233	21,693	645	-	-	22,571
11270 Excess Cash	150,860	-	-	-	-	150,860

COUNTY OF BERNALILLO, NEW MEXICO
FINANCIAL DATA SCHEDULE - DSAP RENEE's PROJECT
YEAR ENDED JUNE 30, 2014

Financial Data Schedule - Balance Sheet

Account Description	Special Needs Assistance NM0051B6B001102	Special Needs Assistance NM0051L6B001203
112 Total Cash - Restricted	$ -	$ 4,137
122 Accounts Receivable - HUD	-	649
190 Total Assets	-	4,786
190 Accrued Expenses	-	4,786
300 Total Liabilities	-	4,786
600 Total Liabilities and Equity/Net Position	$ -	$ 4,786

Financial Data Schedule - Revenue and Expenditures

Account Description	Special Needs Assistance NM0051B6B001102	Special Needs Assistance NM0051L6B001203
70600 HUD Operating Grant	$ 1,362	$ 64,129
70000 Total Revenue	1,362	64,129
91300 Management Fee	-	6,155
91900 Other Admin Expense	1,362	888
96900 Total Operating Expenses	1,362	7,043
97000 Excess of Operating Revenue over Operating Expenses	-	57,086
97300 Housing Assistance Payments	-	57,086
90000 Total Expenses	1,362	64,129
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	$ -	$ -

COUNTY OF BERNALILLO, NEW MEXICO
SCHEDULE OF BANK ACCOUNTS
YEAR ENDED JUNE 30, 2014

Financial Institution: Account name	Type of Account	Bank Balance	(Checks) Deposits	Book Balance
Wells Fargo Bank				
Treasurer	Non-interest bearing checking	$ 728,172	$ -	$ 728,172
Treasurer	Interest bearing checking	13,632,083	-	13,632,083
Treasurer	Interest bearing savings	162,473,848	(4,875,134)	157,598,714
Treasurer	Interest bearing money market	10,187,666	-	10,187,666
General	Non-interest bearing checking	71,514	-	71,514
Housing Authority Accounts:				
Management	Interest bearing savings	1,488,264	-	1,488,264
Management	Interest bearing checking	419,052	(212)	418,840
Seybold Village - 21 Unit Low Rent	Interest bearing checking	210,165	(32)	210,133
Section 8 Voucher Program	Interest bearing checking	1,800,270	(27,621)	1,772,649
Section 8 Voucher Program	Interest bearing checking	253,668	-	253,668
Centro Familiar Trust	Interest bearing checking	307,929	-	307,929
Centro Familiar	Interest bearing checking	651,041	(413)	650,628
Sheriff's Accounts:				
Evidence Fund	Non-interest bearing checking	232,688	-	232,688
Investigative Fund	Interest bearing checking	17,808	-	17,808
Federal Narcotics	Interest bearing checking	788,092	(812)	787,280
Trust Accounts:				
Cafeteria account	Non-interest bearing checking	180,676	-	180,676
JYC Resident Trust	Non-interest bearing checking	1,838	-	1,838
MDC Inmate Trust	Non-interest bearing checking	531,717	-	531,717
Total bank and book balance		193,976,491	(4,904,224)	189,072,267
Multi-Bank Securities - Discover Bank	Certificate of Deposit	248,072	-	248,072
Multi-Bank Securities - Safra National Bank of New York	Certificate of Deposit	248,010	-	248,010
Multi-Bank Securities - Doral Bank	Certificate of Deposit	248,030	-	248,030
Multi-Bank Securities - First Bank of Puerto Rico	Certificate of Deposit	249,032	-	249,032
Deutsche Bank NY				
US Treasury	Investment	5,015,250	-	5,015,250
US Treasury	Investment	5,012,100	-	5,012,100
US Treasury	Investment	5,036,350	-	5,036,350
US Treasury	Investment	5,005,100	-	5,005,100
Jefferies				
US Treasury	Investment	5,000,400	-	5,000,400
US Treasury	Investment	5,000,800	-	5,000,800
US Treasury	Investment	5,002,750	-	5,002,750
US Treasury	Investment	4,988,450	-	4,988,450
US Treasury	Investment	4,985,950		4,985,950
Morgan Stanley				
US Treasury	Investment	5,000,950	-	5,000,950
US Treasury	Investment	5,048,450	-	5,048,450
RBC Capital Markets				
US Treasury	Investment	4,998,450	-	4,998,450
US Treasury	Investment	5,006,250	-	5,006,250
Wells Fargo				
US Treasury	Investment	5,007,200	-	5,007,200
US Treasury	Investment	4,995,100	-	4,995,100
Bayern LB				
Flex Repo - Reserve	Investment	1,693,500	-	1,693,500
Portigon				
Flex Repo - Reserve	Investment	4,615,582	-	4,615,582
Flex Repo - Reserve	Investment	5,438,448	-	5,438,448
Total Investments		87,844,224		87,844,224
Petty Cash on Hand				1,610
Total cash and investments per Note IVA		$ 281,820,715		$ 276,918,101

COUNTY OF BERNALILLO, NEW MEXICO
SCHEDULE OF PLEDGED COLLATERAL
JUNE 30, 2014

	Cusip No.	Maturity Date	
Wells Fargo			
Non-interest bearing checking accounts			$ 1,746,603
Interest bearing checking accounts			18,080,107
Interest bearing savings accounts			163,962,110
Less FDIC Coverage			(500,000)
Uninsured balance			183,288,820
Collateral requirement at 50%			91,644,410
Collateral held at Wells Fargo Bank Northwest, Ogden, Utah:			
FN AT0335	3138WMLR0	04/01/43	(1,459,349)
FN AB3901	31417AKP3	11/01/26	(947,149)
FN AR9197	3138W7GF5	03/01/43	(7,468,892)
FN AT5895	3138WTRR9	06/01/43	(23,714,227)
FN AB6498	31417DGG2	10/01/42	(22,064,778)
FN AB7736	31417ES28	01/01/43	(5,460,525)
FN AT2722	3138WQAY8	05/01/43	(630,950)
FN AR4839	3138W2LV5	01/01/43	(97,291)
FN AR2460	3138NYWW1	12/01/42	(47,282,823)
FG A93990	312942NF8	09/01/40	(704,463)
FN AB6609	31417DKX0	10/01/42	(75,234)
FN AS9691	31418XXV5	08/01/40	(222,791)
FN AP3303	3138M6U54	09/01/42	(4,873,158)
FN AB9684	31417GXN1	06/01/43	(6,509,936)
FN AP2123	3138M5LD9	08/01/42	(745,954)
FN AS0317	3138W9K74	08/01/43	(868,006)
FN AB9149	31417GEX0	04/01/43	(195,472)
FN AE0215	31419AGZ4	12/01/39	(433,575)
FN AH3837	3138A5HP0	03/01/41	(1,141,326)
FN AE0113	31419ADT1	07/01/40	(3,439,719)
FN AR7439	3138W5HR2	08/01/43	(1,767,742)
FN AR9198	3138W7GG3	03/01/43	(3,275,147)
FN MA1208	31418AKW7	10/01/42	(2,576,804)
GN-II MA1448	36179NTD0	11/01/43	(664,061)
GN-II MA1448	36179NTD0	11/01/43	(1,836,276)
GN-II MA1448	36179NTD0	11/01/43	(314,088)
GN-II MA1448	36179NTD0	11/01/43	(427,433)
GN-II MA1448	36179NTD0	11/01/43	(214,369)
GN-II MA1448	36179NTD0	11/01/43	(13,904,725)
GN-II MA1448	36179NTD0	11/01/43	(18,164)
GN-II MA1448	36179NTD0	11/01/43	(803,854)
GN-II MA1448	36179NTD0	11/01/43	(1,518,030)
GN-II MA1448	36179NTD0	11/01/43	(258,743)
			(155,915,055)
Uninsured balance			$ 27,373,765
Uncollateralized balance			$ -
Multi-Bank - Doral Bank			
Certificate of Deposit			$ 248,000
Less FDIC insurance			(250,000)
Uninsured balance			$ -
Multi-Bank - Safra National Bank			
Certificate of Deposit			$ 248,000
Less FDIC insurance			(250,000)
Uninsured balance			$ -
Multi-Bank - First Bank of Puerto Rico			
Certificate of Deposit			$ 249,000
Less FDIC insurance			(250,000)
Uninsured balance			$ -
Multi-Bank - Discover Bank			
Certificate of Deposit			$ 248,000
Less FDIC insurance			(250,000)
Uninsured balance			$ -

COUNTY OF BERNALILLO, NEW MEXICO
SCHEDULE OF PLEDGED COLLATERAL
JUNE 30, 2014

	Cusip No.	Maturity Date	
Portigon			
Repurchase Agreement			$ 4,615,582
Repurchase Agreement			5,438,448
Uninsured balance			10,054,030
Collateral requirement at 105%			10,556,732
Collateral held at Well Fargo Bank, Minneapolis, MN:			
Wells Fargo Advantage Treasury			(1)
Ginne Mae	38373WHY7	03/16/32	(1,154,711)
Ginne Mae	38374LCH2	05/20/35	(4,108,510)
Ginne Mae	38374LFZ9	06/16/35	(902,306)
Ginne Mae	38374LV40	08/16/35	(639,353)
Ginne Mae	38375LT59	11/20/37	(3,841,479)
			(10,646,360)
Uninsured and uncollateralized balance			$ -
Bayern LB			
Repurchase Agreement			$ 1,693,500
Collateral requirement at 105%			1,778,175
Collateral held at Wells Fargo Bank, Minneapolis, MN:			
United States Dept Veterans Affairs	911760SL1	12/15/30	(1,823,018)
			(1,823,018)
Uninsured and uncollateralized balance			$ -
Total uninsured balance			$ 27,373,765
Total uncollateralized balance			$ -

COUNTY OF BERNALILLO, NEW MEXICO
TAX ROLL RECONCILIATION
June 30, 2014

Property tax receivable, beginning of year	$	50,707,598
Changes to Tax Roll:		
Net taxes charged to Treasurer for fiscal year 2014 (Tax Year 2013)		614,307,359
Adjustments:		
Increase in taxes receivable		1,154,579
Charge off of taxes receivable		(1,328,550)
Increase in Cost to State		116,594
Increase in interest and penalties to State of NM		774,236
Increase in interest to County		2,854,214
Increase in penalties to County		1,258,279
Increase in interest to MRGCD		69,146
Increase in penalties to MRGCD		28,043
Elimination of tax year 2003		(655,524)
Total receivables prior to collections		669,285,974
Collections for fiscal year ended June 30, 2014 (Tax Years 2004-2013)		(619,857,600)
Collections for fiscal year ended June 30, 2014 (Tax Year 2003)		(4,086)
Property taxes receivable, end of year	$	49,424,288

Property Taxes receivable by years:

2004	$	698,353
2005		743,438
2006		714,385
2007		958,826
2008		1,743,729
2009		8,494,339
2010		2,937,945
2011		3,914,682
2012		8,917,947
2013		20,300,644
Total property taxes receivable	$	49,424,288

COUNTY OF BERNALILLO, NEW MEXICO
PROPERTY TAX SCHEDULE
JUNE 30, 2014

Agency	Years	Property Taxes Levied	Collected in Current Year	Collected To-Date	MRGCD INT/PEN	MRGCD MRGTX	Re-Appraisal Fee	Distributed in Current Year	Distributed To-Date	Current Amount Deemed Uncollectible	To-Date Amount Uncollected	Undistributed at Year End	County Receivable at Year End
STATE													
STATE DEBT SERVICE	2004-2012	$ 150,323,458	$ 695,806	$ 149,396,362	$ -	$ -	$ 1,493,214	$ 688,856	$ 147,903,148	$ 105,226	$ 927,096	$ 1,493,214	$ 821,870
STATE DEBT SERVICE	2013	19,725,635	19,067,623	19,067,623	-	-	190,616	18,877,007	18,877,007	13,808	658,012	190,616	644,204
Total State Debt Service		170,049,093	19,763,429	168,463,985	-	-	1,683,830	19,565,863	166,780,155	119,034	1,585,108	1,683,830	1,466,074
TOTAL STATE		170,049,093	19,763,429	168,463,985	-	-	1,683,830	19,565,863	166,780,155	119,034	1,585,108	1,683,830	1,466,074
COUNTY													
COUNTY REAPPRAISAL FUND	2004-2012	-	-	-	-	-	-	-	43,513,468	-	-	(43,513,468)	-
COUNTY REAPPRAISAL FUND	2013	-	-	-	-	-	-	-	5,456,300	-	-	(5,456,300)	-
Total County Reappraisal Fund		-	-	-	-	-	-	-	48,969,768	-	-	(48,969,768)	-
COUNTY JUDGEMENT	2004-2012	3,078,057	6,760	3,065,929	-	-	30,655	6,691	3,035,275	2,155	12,128	30,654	9,973
COUNTY JUDGEMENT	2013	188,479	182,206	182,206	-	-	1,822	180,384	180,384	132	6,273	1,822	6,141
Total County Judgement		3,266,536	188,966	3,248,135	-	-	32,477	187,075	3,215,659	2,287	18,401	32,476	16,114
COUNTY OPEN SPACE	2004-2012	15,285,033	22,424	15,226,824	-	-	152,267	22,200	15,074,555	10,699	58,209	152,269	47,510
COUNTY OPEN SPACE	2013	-	-	-	-	-	-	-	-	-	-	-	-
Total County Open Space		15,285,033	22,424	15,226,824	-	-	152,267	22,200	15,074,555	10,699	58,209	152,269	47,510
COUNTY DEBT SERVICE	2004-2012	97,740,591	435,017	97,131,752	-	-	971,319	430,669	96,160,437	68,420	608,839	971,315	540,419
COUNTY DEBT SERVICE	2013	18,063,522	17,462,271	17,462,271	-	-	174,623	17,287,648	17,287,648	12,644	601,251	174,623	588,607
Total County Debt Service		115,804,113	17,897,288	114,594,023	-	-	1,145,942	17,718,317	113,448,085	81,064	1,210,090	1,145,938	1,129,026
COUNTY OPERATIONAL	2004-2012	904,981,988	4,367,693	899,068,998	-	-	8,990,692	4,324,017	890,078,309	633,487	5,912,990	8,990,689	5,279,503
COUNTY OPERATIONAL	2013	119,112,368	114,942,494	114,942,494	-	-	1,149,425	113,793,069	113,793,069	83,379	4,169,874	1,149,425	4,086,495
Total County Operational		1,024,094,356	119,310,187	1,014,011,492	-	-	10,140,117	118,117,086	1,003,871,378	716,866	10,082,864	10,140,114	9,365,998
TOTAL COUNTY		1,158,450,038	137,418,865	1,147,080,474	-	-	11,470,803	136,044,678	1,184,579,445	810,916	11,369,564	(37,498,971)	10,558,648
ALBUQUERQUE													
ABQ DEBT SERVICE	2004-2012	621,180,560	1,897,645	618,405,405	-	-	6,184,053	1,878,667	612,221,350	434,826	2,775,155	6,184,055	2,340,329
ABQ DEBT SERVICE	2013	59,506,786	57,787,228	57,787,228	-	-	577,872	57,209,356	57,209,356	41,655	1,719,558	577,872	1,677,903
Total ABQ Debt Service		680,687,346	59,684,873	676,192,633	-	-	6,761,925	59,088,023	669,430,706	476,481	4,494,713	6,761,927	4,018,232
ABQ OPERATIONAL	2004-2012	472,781,456	2,449,078	469,715,679	-	-	4,697,157	2,424,587	465,018,524	330,948	3,065,777	4,697,155	2,734,829
ABQ OPERATIONAL	2013	78,258,120	75,996,709	75,996,709	-	-	759,967	75,236,742	75,236,742	54,781	2,261,411	759,967	2,206,630
Total ABQ Operational		551,039,576	78,445,787	545,712,388	-	-	5,457,124	77,661,329	540,255,266	385,729	5,327,188	5,457,122	4,941,459
TOTAL ALBUQ		1,231,726,922	138,130,660	1,221,905,021	-	-	12,219,049	136,749,352	1,209,685,972	862,210	9,821,901	12,219,049	8,959,691
TIJERAS													
TIJERAS OPERATIONAL	2004-2012	111,904	2,015	110,783	-	-	1,109	1,995	109,677	79	1,121	1,106	1,042
TIJERAS OPERATIONAL	2013	15,252	13,829	13,829	-	-	138	13,691	13,691	11	1,423	138	1,412
Total Tijeras Operational		127,156	15,844	124,612	-	-	1,247	15,686	123,368	90	2,544	1,244	2,454
TOTAL TIJERAS		127,156	15,844	124,612	-	-	1,247	15,686	123,368	90	2,544	1,244	2,454

COUNTY OF BERNALILLO, NEW MEXICO
PROPERTY TAX SCHEDULE
JUNE 30, 2014

Agency	Years	Property Taxes Levied	Collected in Current Year	Collected To-Date	MRGCD INT/PEN	MRGCD MRGTX	Re-Appraisal Fee	Distributed in Current Year	Distributed To-Date	Current Amount Deemed Uncollectible	To-Date Amount Uncollected	Undistributed at Year End	County Receivable at Year End
CORRALES													
CORRALES OPERATIONAL	2004-2012	56,067	-	56,010	-	-	560	-	55,450	39	57	560	18
CORRALES OPERATIONAL	2013	-	-	-	-	-	-	-	-	-	-	-	-
Total Corrales Operational		56,067	-	56,010	-	-	560	-	55,450	39	57	560	18
TOTAL CORRALES		56,067	-	56,010	-	-	560	-	55,450	39	57	560	18
RIO RANCHO													
RIO RANCHO DEBT SERVICE	2004-2012	137,841	136	137,445	-	-	1,375	135	136,070	97	396	1,375	299
RIO RANCHO DEBT SERVICE	2013	13,140	13,027	13,027	-	-	130	12,897	12,897	9	113	130	104
Total Rio Rancho Debt Service		150,981	13,163	150,472	-	-	1,505	13,032	148,967	106	509	1,505	403
RIO RANCHO OPERATIONAL	2004-2012	282,329	406	281,482	-	-	2,815	402	278,667	197	847	2,815	650
RIO RANCHO OPERATIONAL	2013	42,048	41,687	41,687	-	-	417	41,270	41,270	29	361	417	332
Total Rio Rancho Operational		324,377	42,093	323,169	-	-	3,232	41,672	319,937	226	1,208	3,232	982
TOTAL RIO RANCHO		475,358	55,256	473,641	-	-	4,737	54,704	468,904	332	1,717	4,737	1,385
LOS RANCHOS													
LOS RANCHOS DEBT SERVICE	2004-2012	1,256,886	6,240	1,246,353	-	-	12,464	6,178	1,233,891	881	10,533	12,462	9,652
LOS RANCHOS DEBT SERVICE	2013	228,315	221,248	221,248	-	-	2,212	219,035	219,035	160	7,067	2,213	6,907
Total Los Ranchos Debt Service		1,485,201	227,488	1,467,601	-	-	14,676	225,213	1,452,926	1,041	17,600	14,675	16,559
TOTAL LOS RANCHOS		1,485,201	227,488	1,467,601	-	-	14,676	225,213	1,452,926	1,041	17,600	14,675	16,559
SCHOOL APS													
APS ED TECH DEBT SERVICE	2004-2012	16,985,719	294,158	16,765,399	-	-	167,654	291,216	16,597,745	11,890	220,320	167,654	208,430
APS ED TECH DEBT SERVICE	2013	6,197,391	5,991,907	5,991,907	-	-	59,919	5,931,988	5,931,988	4,338	205,484	59,919	201,146
Total APS ED tech debt service		23,183,110	6,286,065	22,757,306	-	-	227,573	6,223,204	22,529,733	16,228	425,804	227,573	409,576
APS HB33 SCHOOL BLDG	2004-2012	466,799,582	2,046,761	463,921,508	-	-	4,639,215	2,026,293	459,282,293	326,760	2,878,074	4,639,215	2,551,314
APS HB33 SCHOOL BLDG	2013	57,589,101	55,651,526	55,651,526	-	-	556,515	55,095,011	55,095,011	40,312	1,937,575	556,515	1,897,263
Total APS HB33 School Bldg		524,388,683	57,698,287	519,573,034	-	-	5,195,730	57,121,304	514,377,304	367,072	4,815,649	5,195,730	4,448,577
APS CAP IMPROVEMENT	2004-2012	233,030,758	1,003,988	231,614,166	-	-	2,316,142	993,947	229,298,024	163,123	1,416,592	2,316,142	1,253,469
APS CAP IMPROVEMENT	2013	28,815,764	27,860,026	27,860,026	-	-	278,600	27,581,426	27,581,426	20,171	955,738	278,600	935,567
TOTAL APS CAP IMPROVEMENT		261,846,522	28,864,014	259,474,192	-	-	2,594,742	28,575,373	256,879,450	183,294	2,372,330	2,594,742	2,189,036
APS DEBT SERVICE	2004-2012	416,004,281	1,867,455	413,282,840	-	-	4,132,828	1,848,777	409,150,010	291,204	2,721,441	4,132,830	2,430,237
APS DEBT SERVICE	2013	55,943,812	54,088,248	54,088,248	-	-	540,883	53,547,366	53,547,366	39,161	1,855,564	540,882	1,816,403
Total APS Debt Service		471,948,093	55,955,703	467,371,088	-	-	4,673,711	55,396,143	462,697,376	330,365	4,577,005	4,673,712	4,246,640
APS OPERATIONAL	2004-2012	37,281,855	184,925	37,032,721	-	-	370,325	183,074	36,662,394	26,099	249,134	370,327	223,035
APS OPERATIONAL	2013	4,842,821	4,669,206	4,669,206	-	-	46,692	4,622,514	4,622,514	3,390	173,615	46,692	170,225
Total APS Operational		42,124,676	4,854,131	41,701,927	-	-	417,017	4,805,588	41,284,908	29,489	422,749	417,019	393,260
TOTAL SCHOOL APS		1,323,491,084	153,658,200	1,310,877,547	-	-	13,108,773	152,121,612	1,297,768,771	926,448	12,613,537	13,108,776	11,687,089

COUNTY OF BERNALILLO, NEW MEXICO
PROPERTY TAX SCHEDULE
JUNE 30, 2014

Agency	Years	Property Taxes Levied	Collected in Current Year	Collected To-Date	MRGCD INT/PEN	MRGCD MRGTX	Re-Appraisal Fee	Distributed in Current Year	Distributed To-Date	Current Amount Deemed Uncollectible	To-Date Amount Uncollected	Undistributed at Year End	County Receivable at Year End
SCHOOL 08													
SD 08 CAP IMPROVEMENT	2004-2012	1,611	-	1,611	-	-	17	-	1,595	-	-	16	-
SD 08 CAP IMPROVEMENT	2013	129	129	129	-	-	1	128	128	-	-	1	-
Total School 08 Improvement		1,740	129	1,740	-	-	18	128	1,723	-	-	17	-
SD 08 DEBT SERVICE	2004-2012	6,641	-	6,641	-	-	66	-	6,573	6	-	68	(6)
SD 08 DEBT SERVICE	2013	572	572	572	-	-	6	566	566	-	-	6	-
Total School 08 Debt Service		7,213	572	7,213	-	-	72	566	7,139	6	-	74	(6)
SD 08 OPERATIONAL	2004-2012	402	-	402	-	-	2	-	398	-	-	4	-
SD 08 OPERATIONAL	2013	32	32	32	-	-	-	32	32	-	-	-	-
Total School 08 Operational		434	32	434	-	-	2	32	430	-	-	4	-
TOTAL SCHOOL 08		9,387	733	9,387	-	-	92	726	9,292	6	-	95	(6)
SCHOOL 24													
SD 24 CAP IMPROVEMENT	2004-2012	1,373,859	10,570	1,362,913	-	-	13,629	10,463	1,349,284	962	10,946	13,629	9,984
SD 24 CAP IMPROVEMENT	2013	180,933	171,581	171,581	-	-	1,716	169,865	169,865	127	9,352	1,716	9,225
Total SD 24 Cap Improvement		1,554,792	182,151	1,534,494	-	-	15,345	180,328	1,519,149	1,089	20,298	15,345	19,209
SD 24 DEBT SERVICE	2004-2012	5,711,508	44,936	5,664,745	-	-	56,648	44,486	5,608,095	3,997	46,763	56,650	42,766
SD 24 DEBT SERVICE	2013	800,607	759,225	759,225	-	-	7,592	751,633	751,633	560	41,382	7,592	40,822
Total SD 24 Debt Service		6,512,115	804,161	6,423,970	-	-	64,240	796,119	6,359,728	4,557	88,145	64,242	83,588
SD 24 OPERATIONAL	2004-2012	259,280	2,196	256,913	-	-	2,571	2,174	254,346	182	2,367	2,567	2,185
SD 24 OPERATIONAL	2013	35,574	33,538	33,538	-	-	335	33,202	33,202	25	2,036	336	2,011
Total SD 24 Operational		294,854	35,734	290,451	-	-	2,906	35,376	287,548	207	4,403	2,903	4,196
TOTAL SCHOOL 24		8,361,761	1,022,046	8,248,915	-	-	82,491	1,011,823	8,166,425	5,853	112,846	82,490	106,993
CNM													
CNM DEBT SERVICE	2004-2012	64,249,537	276,108	63,859,344	-	-	-	276,108	63,859,344	44,975	390,193	-	345,218
CNM DEBT SERVICE	2013	7,924,335	7,661,507	7,661,507	-	-	-	7,661,507	7,661,507	5,547	262,828	-	257,281
Total CNM Debt Service		72,173,872	7,937,615	71,520,851	-	-	-	7,937,615	71,520,851	50,522	653,021	-	602,499
CNM	2004-2012	311,932,850	1,428,608	309,973,411	-	-	-	1,428,608	309,973,411	218,354	1,959,439	-	1,741,085
CNM	2013	41,543,059	40,155,941	40,155,941	-	-	-	40,155,941	40,155,941	29,080	1,387,118	-	1,358,038
Total CNM		353,475,909	41,584,549	350,129,352	-	-	-	41,584,549	350,129,352	247,434	3,346,557	-	3,099,123
TOTAL CNM		425,649,781	49,522,164	421,650,203	-	-	-	49,522,164	421,650,203	297,956	3,999,578	-	3,701,622
UNMH													
UNMH	2004-2012	753,895,104	3,247,359	749,318,574	-	-	7,493,185	3,214,886	741,825,389	527,727	4,576,530	7,493,185	4,048,803
UNMH	2013	92,789,841	89,701,556	89,701,556	-	-	897,016	88,804,541	88,804,541	64,953	3,088,285	897,015	3,023,332
Total UNMH		846,684,945	92,948,915	839,020,130	-	-	8,390,201	92,019,427	830,629,930	592,680	7,664,815	8,390,200	7,072,135
TOTAL UNMH		846,684,945	92,948,915	839,020,130	-	-	8,390,201	92,019,427	830,629,930	592,680	7,664,815	8,390,200	7,072,135

COUNTY OF BERNALILLO, NEW MEXICO
PROPERTY TAX SCHEDULE
JUNE 30, 2014

Agency	Years	Property Taxes Levied	Collected in Current Year	Collected To-Date	MRGCD INT/PEN	MRGCD MRGTX	Re-Appraisal Fee	Distributed in Current Year	Distributed To-Date	Current Amount Deemed Uncollectible	To-Date Amount Uncollected	Undistributed at Year End	County Receivable at Year End
AMAFCA													
AFC DEBT	2004-2012	76,086,775	324,809	75,633,546	-	-	756,335	321,559	74,877,210	53,262	453,229	756,336	399,967
AFC DEBT	2013	9,382,723	9,075,338	9,075,338	-	-	90,753	8,984,585	8,984,585	6,568	307,385	90,753	300,817
Total AFC Debt		85,469,498	9,400,147	84,708,884	-	-	847,088	9,306,144	83,861,795	59,830	760,614	847,089	700,784
AFC OPERATIONAL	2004-2012	28,555,945	146,874	28,364,178	-	-	283,641	145,406	28,080,533	19,989	191,767	283,645	171,778
AFC OPERATIONAL	2013	3,584,683	3,451,013	3,451,013	-	-	34,510	3,416,503	3,416,503	2,509	133,670	34,510	131,161
Total AFC Operational		32,140,628	3,597,887	31,815,191	-	-	318,151	3,561,909	31,497,036	22,498	325,437	318,155	302,939
TOTAL AMAFCA		117,610,126	12,998,034	116,524,075	-	-	1,165,239	12,868,053	115,358,831	82,328	1,086,051	1,165,244	1,003,723
MRGCD													
MRGCD	2004-2012	74,478,575	457,070	73,855,896	813,088	737,357	732,375	525,310	73,199,251	52,135	622,679	732,375	570,544
MRGCD	2013	8,905,484	8,397,937	8,397,937	18,881	83,912	83,207	8,249,700	8,249,700	6,234	507,547	83,207	501,313
Total MRGCD		83,384,059	8,855,007	82,253,833	831,969	821,269	815,582	8,775,010	81,448,951	58,369	1,130,226	815,582	1,071,857
TOTAL MRGCD		83,384,059	8,855,007	82,253,833	831,969	821,269	815,582	8,775,010	81,448,951	58,369	1,130,226	815,582	1,071,857
EDGE S/W													
ESWCD	2004-2012	1,126,680	7,304	1,115,645	-	-	11,155	7,231	1,104,487	788	11,035	11,158	10,247
ESWCD	2013	140,853	133,144	133,144	-	-	1,331	131,812	131,812	99	7,709	1,331	7,610
Total ESWCD		1,267,533	140,448	1,248,789	-	-	12,486	139,043	1,236,299	887	18,744	12,489	17,857
TOTAL EDGE S/W		1,267,533	140,448	1,248,789	-	-	12,486	139,043	1,236,299	887	18,744	12,489	17,857
GRAND TOTAL		**$ 5,368,828,511**	**$ 614,757,089**	**$ 5,319,404,223**	**$ 831,969**	**$ 821,269**	**$ 48,969,766**	**$ 609,113,354**	**$ 5,319,414,922**	**$ 3,758,189**	**$ 49,424,288**	**$ -**	**$ 45,666,099**

COUNTY OF BERNALILLO, NEW MEXICO
JOINT POWERS AGREEMENTS
JUNE 30, 2014

Participants	Responsible Party	Description	Beginning Date	Ending Date	Project Amount	County Portion	Current Year Contributions	Audit Responsibility
City of Albuquerque Board of Education	Bernalillo County	Rio Grande Swimming Pool - Construction and Maintenance CCN 76-0008	1976	04-06-2051	$680,000	$250,000	$11,124	Bernalillo County
City of Albuquerque	Both Parties	Child Abuse Council CCN 83-0017	1983	90-Day Notice	Not specified	Not specified	Unknown	City of Albuquerque
Village of Tijeras	Bernalillo County	Animal Control Services CCN 84-0043	1984	30-Day Notice	Varies Yearly	Not specified	Unknown	Not specified
City of Albuquerque Village of Los Ranchos Village of Tijeras	City of Albuquerque	Albuquerque/Bernalillo County Board of Aging CCN 84-0099	1984	6-Month Notice	Not specified	Not specified	Unknown	City of Albuquerque
City of Albuquerque	Both Parties	Law Enforcement Center CCN 86-0063 & 88-0161	1986	6-Month Notice	Not specified	Varies yearly	Unknown	Both Parties
New Mexico County Insurance Authority	Board of Directors	Workers Compensation Fund CCN 87-0034	1987	Indefinite	Varies yearly	Unknown	$750,437	Board of Directors
New Mexico County Insurance Authority	Board of Directors	Multi-line Self-Insurance Fund CCN 92-0424	1989	Indefinite	Varies yearly	Unknown	$4,484,874	Board of Directors
City of Albuquerque	City of Albuquerque	Motor Vehicle Emissions Inspection Maintenance Program CCN 87-0121	1987	180-Day Notice	Varies yearly	20% of city's yearly project budget	Unknown	Both Parties
City of Albuquerque	City of Albuquerque	Development/Maintenance of A Emergency Response Plan CCN 90-0207	1988	30-Day Notice	Varies yearly	25% of city's annual approved project budget	Unknown	Both Parties
City of Albuquerque	City of Albuquerque	City/County Building CCN 1989-0174 CCN 2006-0693 &2011-0733 CCN 2013-0598	2006	Indefinite	Not specified	Annual Rent Utilities	$910,925	Both Parties
City of Albuquerque	Both Parties	Emergency Medical Services CCN 1991-0239	1991	180-Day Notice	Varies yearly	Varies yearly	Unknown	Both Parties
NM Energy, Minerals, And Natural Resources Department	Bernalillo County	Administer Federal Land and Water Conservation Fund Act Maintain Park in Tijeras CCN 1992-0178	1992	10-Day Written Notice	$17,000	Maintain park Property and Buildings.	Unknown	EMNRD, DFA State Auditor

COUNTY OF BERNALILLO, NEW MEXICO
JOINT POWERS AGREEMENTS
JUNE 30, 2014

Participants	Responsible Party	Description	Beginnin Date	Ending Date	Project Amount	County Portion	Current Year Contributions	Audit Responsibility
City of Albuquerque Commissioner of Public Lands for NM AMAFCA	Commissioner of Public Lands for New Mexico	South Eubank Landfill Stabilization CCN 93-0367	1993	Silent	Not specified	Not to exceed $200,000	Unknown	Not specified
Village of Tijeras	Bernalillo County	East Mountain Transfer Station CCN 93-0130	1993	30-Day Notice	Not specified	Maintain Transfer Station In safe Condition	$0	Both Parties
City of Albuquerque AMAFCA	Both Parties	Flood Damage Prevention CCN 93-0451 & 95-0191	1993	30-Day Notice	Not specified	Half of the costs	Unknown	Both Parties
City of Rio Rancho City of Albuquerque Village of Tijeras Village of Los Ranchos	All Parties	Unified Library System CCN 93-0516 & 2003-0589 & 2006-0421 &2012-0069	1993	60-Day Notice	Not specified	Not specified	$1,493,438	All Parties
City of Bernalillo	Bernalillo County	Summer Lunch Program CCN 95-0215	1995	90-Day Notice	Varies yearly	Administer Program	$0	Bernalillo County
New Mexico Highway And Transportation Department	Both Parties	Alameda Boulevard Landscaping Maintenance CCN 1995-0531	1995	Indefinite	$1,250,000	Maintenance services	Unknown	Not specified
City of Albuquerque Village of Los Ranchos, Village of Tijeras	City of Albuquerque	Conduct of Community Programs on Aging CCN 1995-0739	1995	90-Day Notice	Not specified	Not specified	Unknown	City of Albuquerque
City of Albuquerque	Both Parties	Joint Metropolitan Forensic Services Center CCN 1999-0226, 2005-0688	1999	90-Day Notice	$12,000,000	Varies yearly	$0	City of Albuquerque
AMAFCA New Mexico State Highway Department	AMAFCA Bernalillo County	2nd Street-Pueblo Solano, Pueblo Luna, and Ortega Drain Outfall CCN 1999-0528	2000	30-Day Notice	Not specified	Maintenance of drainage improve-ments	Unknown	Not specified

COUNTY OF BERNALILLO, NEW MEXICO
JOINT POWERS AGREEMENTS
JUNE 30, 2014

Participants	Responsible Party	Description	Beginning Date	Ending Date	Project Amount	County Portion	Current Year Contributions	Audit Responsibility
NM Energy, Minerals & Natural Resources Department	Both Parties	Mobilization of Wildland Fire Protection & Resources CCN 2000-0071	2000	30-Day Notice	Not specified	Not specified	Unknown	Both Parties, DFA, State Auditor
New Mexico State Highway & Transportation Department Pueblo of Sandia	Bernalillo County	Traffic Signal at Intersection NM 556 CCN 2001-0114	2000	Indefinite	Not specified	Not specified	Unknown	Not specified
NM Regulation & Licensing Department And Construction Industries Division	Bernalillo County	Regulation of Public Buildings Within Geographical Boundary Of NMPS CCN 2001-0164	2001	30-Day Notice	Not specified	Not specified	Unknown	Independent accreditation agency
City of Albuquerque	Both Parties	Metropolitan Criminal Justice Services Coordinating Council MCJJC CCN 2003-0385	1999	90-Day Notice	Not specified	Not specified	Unknown	Both Parties, DFA, State Auditor
City of Albuquerque and Albuquerque-Bernalillo Water Utility Authority	City of Albuquerque	Set forth the procedures for the Issuance of revenue bonds or Other obligations needed to Finance the utility capital needs CCN 2003-0673	02-25-04	By consent of Parties.	Various	None	None	City of Albuquerque
New Mexico Energy, Minerals and Natural Resource	Bernalillo County And EMNRD	Suppression of wildfires on State and non-municipal Private lands CCN 2004-0003 & CCN 2009-0775	12-13-04	30-Day Written Notice	Not specified	Unknown	Unknown	EMNRD
Hubbell House Alliance	Bernalillo County And Hubbell House Alliance	Improvements, maintenance, And education for history Of Hubbell House and Property CCN 2004-0166	04-21-04	60-Day Notice	Not Specified	None	None	Hubbell House Alliance
City of Albuquerque Bernalillo County Water Utility Authority	City of Albuquerque Bernalillo County Water Utility Authority	City, County & Authority Have right-of-way eminent Domain powers CCN2004-0692	09-22-04	Indefinite	Not Specified	Unknown	Unknown	All Parties

COUNTY OF BERNALILLO, NEW MEXICO
JOINT POWERS AGREEMENTS
JUNE 30, 2014

Participants	Responsible Party	Description	Beginning Date	Ending Date	Project Amount	County Port	Current Year Contributions	Audit Responsibility
City of Albuquerque	Bernalillo County	Effectuate Admin. Efficiency Of Public Buildings CCN 2005-0117	04-12-05	Indefinite	Not Specified	None	Unknown	Bernalillo County
Valencia County	Bernalillo County	Assist Valencia in developing, implementing, and operating a juvenile Community custody program CCN 2007-0430	06-26-07	30 day notic	unknown	unknown	None	All Parties
Sandoval County	Bernalillo County	Operation of Regional Juvenile Detention Center CCN 2007-0432	06-27-07	6 month notice	Unknown	Unknown	Unknown	Bernalillo County
New Mexico Children, Youth, and Families Department	Bernalillo County	Active collaboration between Parties in supporting and Implementing the Juvenile Detention Alternatives Initiative CCN2007-0560	10-21-07	30-Day Notice	Not Specified	Unknown	$0	All Parties
New Mexico Dept. of Public Safety/New Mexico State Police	Bernalillo County Communications	Upgrade E911 equipment at DPS and PSAP to handle Wireless calls CCN2007-0608 & CCN 2010-011	12-27-07	60-Day Notice.	$670,239	Unknown	$0	Bernalillo County
New Mexico Energy, Minerals and Natural Resources Dept	Bernalillo County Open Space	Provide use of inmate crews To perform natural resource Improvements and vocational Training for inmates CCN2008-0106	03-20-08	10-Day Notice.	Unknown	Unknown	$0	Bernalillo County
Village of Los Ranchos	Bernalillo County	Residential & commercial construction within the geographical boundaries of the Village CCN2009-0722	11-24-2009	30- Day Written Notice	Unknown	Unknown	$0	Bernalillo County
Village of Los Ranchos	Bernalillo County	Provision of Fire Protection and the County for the Village of Los Ranchos CCN2009-0669	09/09/2009	60 -day Written Notice	Unknown	None	$742,317	Bernalillo County

COUNTY OF BERNALILLO, NEW MEXICO
JOINT POWERS AGREEMENTS
JUNE 30, 2014

Participants	Responsible Party	Description	Beginning Date	Ending Date	Project Amount	County Portion	Current Year Contributions	Audit Responsibility
Village of Los Ranchos	Bernalillo County	Share resources and responsibility in public safety issues within the Village of Los Ranchos	06/28/2011	90-Day Written Notice	Unknown	None	$10,000	Bernalillo county
Hubbell House Alliance	Bernalillo County	Use, support and develop the Gutierrez Hubbell House Property CCN 2010-0034	2-26-2010	2-26-2014	Unknown	Unknown	$0	Bernalillo County
Regents of the University of New Mexico	Bernalillo County	Sobriety Observation Program CCN 2013-0152	01/16/2013	06/30/2017	$400,000	$296,000	$16,115	Bernalillo County
NM Secretary of State	Bernalillo County	Funding 2012 General Election Demand system and election Materials CCN 2013-0025	05/01/2013	06/30/2014	$493,179.22	None	$0	Bernalillo County
City of Albuquerque	Bernalillo County	Renovation and Use of the John Marshall Health & Social Svc Center Kitchen CCN 2013-051	04/16/13	30-Day Written Notice	Unknown	$38,000	$38,000	Bernalillo County
Sandoval County	Bernalillo County	Sandoval County shall accept And detain, on a space Available basis inmates delivered to SCDC for Incarceration CCN 2013-0336	06/06/2013	60-Day Written Notice	Unknown	None	$0	Bernalillo County
NM Department of Health	Bernalillo County	Medically monitored detox Program CCN 2012-0602	09/01/12	06/30/14	1,466,668	1,466,668	$800,000	Bernalillo County
City of Albuquerque	Bernalillo County	Provide funding for the design Construction, equipping and Furnishing of the Central/ Unser Library CCN 2013-0493	07/26/13	30-Day Written Notice	Unknown	500,000	500,000	Bernalillo county

COUNTY OF BERNALILLO, NEW MEXICO
JOINT POWERS AGREEMENTS
JUNE 30, 2014

Participants	**Responsible Party**	**Description**	**Beginning** Date	**Ending Date**	**Project Amount**	**County Portion**	**Current Year Contributions**	**Audit Responsibility**
City of Albuquerque	Bernalillo County	Funding for construction of Improvements to the Mile High Little League project	03/21/13	12/31/2013	Unknown	5,000	5,000	Bernalillo County

Statistical Section

This part of the County of Bernalillo's comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

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Debt Capacity
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Demographic and Economic Information
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Operating Information
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COUNTY OF BERNALILLO, NEW MEXICO
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2014	2013	2012	2011
Governmental activities				
Net investment in capital assets	$ 372,486,664	$ 369,109,799	$ 357,168,323	$ 344,670,560
Restricted	128,700,419	133,136,883	140,368,833	137,871,142
Unrestricted	48,710,065	84,474,976	113,248,057	114,602,118
Total governmental activities net of position	$ 549,897,148	$ 586,721,658	$ 610,785,213	$ 597,143,820
Business-type activities				
Net investment in capital assets	$ 3,136,558	$ 3,394,992	$ 3,294,085	$ 3,238,600
Restricted	-	-	-	-
Unrestricted	4,237,577	3,647,436	2,506,867	1,594,706
Total business-type activities net position	$ 7,374,135	$ 7,042,428	$ 5,800,952	$ 4,833,306
Primary government				
Net investment in capital assets	$ 375,623,222	$ 372,504,791	$ 360,462,408	$ 347,909,160
Restricted	128,700,419	133,136,883	140,368,833	137,871,142
Unrestricted	52,947,642	88,122,412	115,754,924	116,196,824
Total primary government net position	$ 557,271,283	$ 593,764,086	$ 616,586,165	$ 601,977,126

2010	2009	2008	2007	2006	2005
$ 353,608,399	$ 356,558,834	$ 308,271,760	$ 299,526,749	$ 259,799,155	$ 256,203,651
139,516,367	127,980,308	146,792,506	106,094,221	43,396,414	49,216,804
109,237,450	85,572,706	94,132,470	70,097,399	83,841,598	59,844,194
$ 602,362,216	$ 570,111,848	$ 549,196,736	$ 475,718,369	$ 387,037,167	$ 365,264,649
$ 2,001,499	$ 2,358,904	$ 2,839,330	$ 3,196,311	$ 4,204,373	$ 3,602,601
-	-	-	-	-	-
2,429,715	1,999,241	2,108,949	1,340,312	589,684	1,572,789
$ 4,431,214	$ 4,358,145	$ 4,948,279	$ 4,536,623	$ 4,794,057	$ 5,175,390
$ 355,609,898	$ 358,917,738	$ 311,111,090	$ 302,723,060	$ 264,003,528	$ 259,806,252
139,516,367	127,980,308	146,792,506	106,094,221	43,396,414	49,216,804
111,667,165	87,571,947	96,241,419	71,437,711	84,431,282	61,416,983
$ 606,793,430	$ 574,469,993	$ 554,145,015	$ 480,254,992	$ 391,831,224	$ 370,440,039

COUNTY OF BERNALILLO, NEW MEXICO
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Expenses	**2014**	**2013**	**2012**	**2011**
Governmental activities:				
General government	$ 66,086,137	$ 67,393,999	$ 57,591,475	$ 69,096,613
Public works	56,040,669	128,700,419	44,480,787	43,729,571
Public safety	169,437,545	48,710,065	145,585,157	145,727,403
Culture and recreation	18,234,756	21,360,907	12,755,946	13,347,421
Health and welfare	44,982,475	45,278,882	43,128,410	41,952,311
Interest on long-term debt	10,613,790	10,876,254	10,989,496	12,420,667
Total government activities expenses	365,395,372	344,422,874	314,531,271	326,273,986
Business-type activities:				
Solid waste	4,685,743	4,710,379	4,841,418	4,684,002
Housing Authority	1,314,007	1,306,043	1,340,960	1,480,157
Seybold Village Handicapped Project	287,847	355,259	156,761	341,593
Regional Juvenile Detention Center	915,406	1,017,035	904,892	1,079,558
El Centro Familiar	540,819	336,185	404,057	397,701
Total business-type activities expenses	7,743,822	7,724,901	7,648,088	7,983,011
Total primary government expenses	$ 373,139,194	$ 352,147,775	$ 322,179,359	$ 334,256,997
Program Revenues				
Government activities:				
Charges for services:				
General government	$ 10,404,178	$ 10,729,594	$ 10,234,551	$ 9,435,442
Public works	1,492,995	1,676,819	1,879,089	2,010,807
Public Safety	2,265,574	2,529,245	2,216,401	12,936,840
Culture and recreation	1,021,091	1,049,072	962,705	926,712
Health and Welfare	171,462	420,814	246,387	101,650
Operating grants and contributions				
General government	1,144,639	1,773,156	-	-
Public Works	31,422	32,012	41,177	463,860
Public Safety	11,622,028	11,575,975	10,895,045	11,174,899
Culture and recreation	806,644	613,147	841,106	602,955
Health and Welfare	12,756,592	12,170,509	11,008,416	13,216,902
Capital Grants and contributions				
General government	44,848	253,740	498,277	3,316,133
Public Works	6,559,508	6,977,001	11,039,174	9,549,331
Public Safety	161,492	53,600	-	511,563
Culture and recreation	2,067,188	657,462	-	2,981,532
Health and Welfare	50,580	-	-	-
Total government activities program revenue	50,600,241	50,512,146	49,862,328	67,228,626
Business-type activities				
Charges for services:				
Solid Waste	5,094,413	4,825,778	4,755,515	4,709,898
Housing Authority	348,482	501,763	341,508	558,653
Seybold Village Handicapped Project	44,652	45,766	42,921	41,742
Regional Juvenile Detention Center	1,065,053	1,053,534	1,062,223	1,062,222
El Centro Familiar	189,415	196,080	218,642	141,547
Operating grants and contributions:				
Solid Waste	176,000	176,000	171,700	176,000
Housing Authority	551,708	779,490	949,075	972,399
Seybold Village Handicapped Project	-	-	-	-
El Centro Familiar	181,358	172,950	161,839	160,175
Capital grants and contributions:				
Housing Authority	-	-	-	-
Seybold Village Handicapped Project	48,142	20,518	63,756	-
Total business-type activities program revenues	7,699,223	7,771,879	7,767,179	7,822,636
Total primary government program revenues	$ 58,299,464	$ 58,284,025	$ 57,629,507	$ 75,051,262

2010	2009	2008	2007	2006	2005
$ 64,791,762	$ 69,898,098	$ 45,609,786	$ 47,569,157	$ 46,477,713	$ 45,288,911
42,122,694	50,092,431	52,518,685	32,604,280	45,618,719	34,986,816
154,622,588	156,911,320	143,867,733	129,957,959	108,438,819	89,268,696
11,957,736	11,426,758	12,637,946	15,337,172	14,202,035	11,411,012
36,053,345	31,911,866	28,083,075	25,862,321	19,199,026	19,266,114
14,530,276	15,591,011	15,585,987	15,221,474	14,318,226	15,077,459
324,078,401	335,831,484	298,303,212	266,552,363	248,254,538	215,299,008
4,817,057	5,215,029	4,910,418	4,483,095	4,257,715	3,255,586
1,083,960	1,576,798	860,653	847,572	469,038	1,036,213
349,467	320,744	235,027	172,947	168,763	145,955
1,084,886	960,180	923,826	1,158,479	1,273,084	1,330,647
646,387	450,958	426,170	354,557	404,069	382,877
7,981,757	8,523,709	7,356,094	7,016,650	6,572,669	6,151,278
$ 332,060,158	$ 344,355,193	$ 305,659,306	$ 273,569,013	$ 254,827,207	$ 221,450,286
$ 27,821,557	$ 29,818,073	$ 36,526,187	$ 47,003,455	$ 30,856,985	$ 21,395,970
-	-	-	-	-	-
-	-	-	-	-	-
-	-	138	48,720	151	60
-	-	-	-	-	-
-	346,608	232,986	442,797	280,737	1,008,250
-	9,931	-	17,536	-	2,357
11,692,990	10,654,921	12,688,872	5,207,981	8,267,824	7,427,307
743,584	557,640	743,616	260,933	887,767	852,589
12,924,689	13,182,226	14,475,407	15,807,842	12,511,372	12,535,023
-	10,087,748	-	129,563	11,152	-
17,963,627	20,927,024	27,882,786	36,292,565	17,551,403	13,038,508
637,977	809,420	5,063,696	844,478	161,551	39,915
8,490,772	3,150,736	6,124,856	4,741,191	1,355,935	1,106,620
1,021,325	2,909,854	2,921,570	3,758,832	177,626	874,397
81,296,521	92,454,181	106,660,114	114,555,893	72,062,503	58,280,996
4,617,890	4,495,377	4,373,905	3,646,753	4,022,140	3,050,320
293,063	575,634	537,282	191,210	79,889	479,823
43,074	42,446	41,392	30,942	40,163	31,905
1,062,223	1,058,848	859,131	1,171,934	1,245,626	1,245,191
398,596	160,089	170,909	110,664	107,485	95,764
176,000	176,000	165,001	314,140	196,975	139,226
451,043	-	123,696	-	-	-
-	-	56,546	54,556	-	-
153,544	151,781	153,239	214,296	-	-
-	406,227	395,128	452,903	-	-
107,712	75,952	38,853	29,691	-	-
7,303,145	7,142,354	6,915,082	6,217,089	5,692,278	5,042,229
$ 88,599,666	$ 99,596,535	$ 113,575,196	$ 120,772,982	$ 77,754,781	$ 63,323,225

COUNTY OF BERNALILLO, NEW MEXICO

CHANGES IN NET POSITION (Continued)

LAST TEN FISCAL YEARS
(accrual basis of accounting)

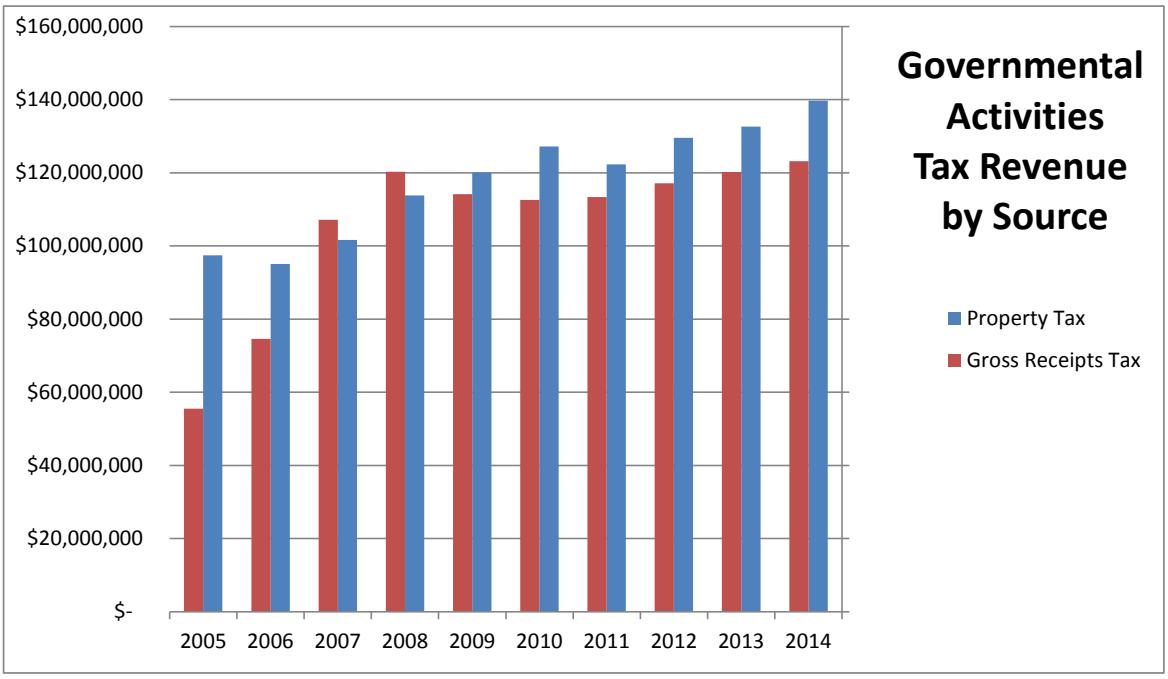
	2014	2013	2012	2011
Net (expenses)/revenue				
Governmental activities	$ (314,795,131)	$ (293,910,728)	$ (264,668,943)	$ (259,045,360)
		128,700,419		
Business-type activities	(44,599)	48,710,065	119,091	(160,375)
Total primary governmental net expenses	$ (314,839,730)	$ (293,863,750)	$ (264,549,852)	$ (259,205,735)
General Revenue and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes	$ 139,744,912	$ 132,624,981	$ 129,585,691	$ 122,275,071
Gross receipts taxes	123,184,816	120,149,781	117,086,938	113,354,187
Motor vehicle taxes	3,775,013	3,702,824	3,778,892	3,694,000
Cigarette taxes	-	-	-	-
Gas taxes	1,678,264	1,809,719	1,639,775	1,719,921
Investment/interest income	4,737,566	5,623,656	19,404,077	2,244,107
Net decrease- fair value of investments	(4,259,348)	(12,814,794)		
Loss on sale of capital assets	-	-	-	-
Miscellaneous	10,219,010	19,592,905	6,931,763	10,539,678
Transfers	(12,719)	(841,899)	(116,800)	-
Total governmental activities	279,067,514	269,847,173	278,310,336	253,826,964
Business-type activities:				
Investment/interest income	3,149	3,914	6,336	6,456
Operating grants	-	-	-	-
Gain on sale of capital assets	-	-	-	-
Miscellaneous	360,438	348,685	558,253	550,162
Transfers	12,719	841,899	116,800	-
Capital contributions - capital assets	-	-	167,166	5,849
Total business-type activities	376,306	1,194,498	848,555	562,467
Total primary government	279,443,820	271,041,671	279,158,891	254,389,431
Change in Net Position				
Governmental activities	(35,727,617)	(24,063,555)	13,641,393	(5,218,396)
Business-type activities	331,707	1,241,476	967,646	402,092
Total before prior period adjustment	(35,395,910)	(22,822,079)	14,609,039	(4,816,304)
Prior period adjustment	(1,096,893)	-	-	-
Total primary government	$ (36,492,803)	$ (22,822,079)	$ 14,609,039	$ (4,816,304)

2010	2009	2008	2007	2006	2005
$ (242,781,880)	$ (243,377,303)	$ (191,643,098)	$(151,996,470)	$(176,192,035)	$(157,018,012)
(678,612)	(1,381,355)	(441,012)	(799,561)	(880,391)	(1,109,049)
$ (243,460,492)	$ (244,758,658)	$ (192,084,110)	$(152,796,031)	$(177,072,426)	$(158,127,061)
$ 127,201,067	$ 120,069,963	$ 113,789,778	$ 101,617,379	$ 95,070,478	$ 97,468,762
112,555,113	114,116,141	120,264,324	107,167,291	74,565,522	55,548,897
3,788,238	3,582,607	4,301,323	3,788,667	4,132,542	3,608,463
5,230	6,758	6,077	6,454	5,707	5,511
1,808,628	2,037,969	1,572,980	1,636,764	1,964,503	1,680,496
15,249,566	10,865,039	16,046,244	13,833,232	9,043,065	6,952,564
48,972	296,236	-	-	-	-
14,375,434	13,317,702	9,525,633	12,949,329	13,182,736	10,845,578
-	-	(384,894)	(321,444)	-	200,000
275,032,248	264,292,415	265,121,465	240,677,672	197,964,553	176,310,271
124,819	45,191	83,879	103,533	50,653	9,022
-	-	-	-	534,517	558,439
4,100	33,858	-	-	-	-
614,416	712,172	383,895	117,150	107,233	119,688
-	-	384,894	321,444	-	(200,000)
8,346	-	-	-	16,688	1,113,598
751,681	791,221	852,668	542,127	709,091	1,600,747
275,783,929	265,083,636	265,974,133	241,219,799	198,673,644	177,911,018
32,250,368	20,915,112	73,478,367	88,681,202	21,772,518	19,292,259
73,069	(590,134)	411,656	(257,434)	(171,300)	491,698
32,323,437	20,324,978	73,890,023	88,423,768	21,601,218	19,783,957
-	-	-	-	(210,033)	394,070
$ 32,323,437	$ 20,324,978	$ 73,890,023	$ 88,423,768	$ 21,391,185	$ 20,178,027

COUNTY OF BERNALILLO, NEW MEXICO
GOVERNMENTAL ACTIVITIES TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Fiscal Year	Property Tax	Gross Receipts Tax	Motor Vehicle Tax	Cigarette Tax (1)	Gas Tax	Total
2014	$ 139,744,912	$ 123,184,816	$ 3,775,013	$ -	$ 1,678,264	$ 268,383,005
2013	132,624,981	120,149,781	3,702,824	-	1,809,719	258,287,305
2012	129,585,691	117,086,938	3,778,892	-	1,639,775	252,091,296
2011	122,275,071	113,354,187	3,694,000	-	1,719,921	241,043,179
2010	127,201,067	112,555,113	3,788,238	5,230	1,808,628	245,358,276
2009	120,069,963	114,116,141	3,582,607	6,758	2,037,969	239,813,438
2008	113,789,778	120,264,324	4,301,323	6,077	1,572,980	239,934,482
2007	101,617,379	107,167,291	3,788,667	6,454	1,636,764	214,216,555
2006	95,070,478	74,565,522	4,132,542	5,707	1,964,503	175,738,752
2005	$ 97,468,762	$ 55,548,897	$ 3,608,463	$ 5,511	$ 1,680,496	$ 158,312,129

(1) Cigarette tax collections were reduced by state legislative actions beginning in fiscal year 2011



COUNTY OF BERNALILLO, NEW MEXICO
GOVERNMENTAL ACTIVITIES- GROSS RECEIPTS TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(accrual basis of accounting)

Business Sector	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Utilities	$ 4,725,697	$ 4,229,272	$ 4,624,935	$ 4,228,110	$ 4,220,817	$ 3,822,891	$ 3,728,194	$ 3,643,688	$ 2,460,662	$ 1,666,467
Construction	9,953,333	9,515,863	8,664,433	8,535,570	8,936,876	11,388,791	12,026,432	13,610,246	9,000,059	5,554,890
Manufacturing	2,968,754	3,099,864	2,833,504	2,856,526	2,611,279	2,579,025	2,405,286	2,464,848	1,640,441	1,166,527
Wholesale trade	4,065,099	4,049,048	3,980,956	4,228,111	4,119,517	4,655,939	4,810,573	5,358,365	4,399,366	2,777,445
Retail trade	30,697,656	31,058,718	29,880,587	28,633,268	29,455,673	29,019,735	31,268,724	26,791,823	18,193,987	14,442,713
Information and cultural industries	6,922,987	6,740,403	6,755,916	5,565,691	4,896,147	3,035,489	2,405,286	2,143,346	1,267,614	555,489
Real estate, rental and leasing	2,254,282	1,958,441	1,756,304	1,484,940	1,361,917	1,380,805	1,803,965	1,714,677	969,352	555,489
Professional, scientific & technical services	20,584,183	20,149,118	20,724,388	20,358,412	20,304,942	20,244,203	18,761,235	17,682,603	13,794,622	10,554,290
Health care and social assistance	6,467,203	6,091,594	5,760,677	5,475,007	5,413,901	5,009,699	4,930,837	4,286,692	2,460,662	2,499,700
Accommodation and food services	10,667,805	10,236,761	9,952,390	9,510,416	9,094,453	8,581,534	9,019,824	7,501,710	4,473,931	3,455,141
Other services (except public admin.)	11,246,774	11,089,825	10,514,407	11,267,406	11,368,066	12,427,248	12,748,018	10,716,729	7,456,552	5,721,536
Unclassified establishments	776,064	396,494	327,843	340,063	461,476	707,520	1,082,379	857,338	1,491,310	1,555,369
State food distribution	7,157,038	6,776,448	6,439,782	6,223,145	6,044,210	7,018,143	7,696,917	4,286,692	3,728,276	2,666,347
State medical distribution	3,030,346	3,147,924	3,313,560	2,969,880	2,847,644	3,035,489	3,006,608	2,143,346	969,352	888,782
Other business activity*	1,667,595	1,610,007	1,557,256	1,677,642	1,418,195	1,209,630	4,570,046	3,965,188	2,259,336	1,488,712
Gross receipts taxes received**	$ 123,184,816	$ 120,149,781	$ 117,086,938	$ 113,354,187	$ 112,555,113	$ 114,116,141	$ 120,264,324	$ 107,167,291	$ 74,565,522	$ 55,548,897

***** Other Business Activity are industries that generate less than 2% of gross receipts tax individually. Those industries include the following business classifications using the North American Industry Classification System (NAICS):
Finance and Insurance; Transportation and Warehousing; Administration and Support, Waste Management and Remediation; Educational Services; Arts, Entertainment and Recreation; Management of Companies and Enterprises; Agriculture, Forestry, Fishing and Hunting; Public Administration; Mining and Oil and Gas Extraction

** FY 10 was the first year of the Regional Transit Gross Receipts Tax. This 1/8 cent tax is collected by Bernalillo County but remitted to the Mid Region Council of Governments for operation of the Rail Runner train system.

Source: State of New Mexico Taxation and Revenue Department and Bernalillo County records.

COUNTY OF BERNALILLO, NEW MEXICO
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2014	2013	2012	2011
General Fund				
Nonspendable	$ 4,599,780	$ 2,415,880	$ 3,570,428	$ 2,408,448
Restricted	69,603,058	69,493,554	71,053,870	68,801,270
Committed	36,349,629	43,293,845	56,961,090	1,189,430
Assigned	15,400,000	29,970,246	38,909,238	80,444,554
Unassigned	13,249,978	35,809,099	36,564,598	34,085,866
Total general fund	$ 139,202,445	$ 180,982,624	$ 207,059,224	$ 186,929,568
All other governmental funds				
Nonspendable	$ 19,153,063	$ 14,286,902	$ 13,291,639	$ 13,348,912
Restricted	71,353,169	70,063,125	72,451,572	63,262,295
Assigned	14,672,019	18,807,035	20,465,815	34,176,037
Unassigned	-	-	(11,708)	(33,854)
Total all other governmental funds	$ 105,178,251	$ 103,157,062	$ 106,197,318	$ 110,753,390
Total Fund Balance	$ 244,380,696	$ 284,139,686	$ 313,256,542	$ 297,682,958

2010	2009	2008	2007	2006	2005
$ 2,350,306	$ 2,319,196	$ 2,407,630	$ 2,053,682	$ 1,946,763	$ 1,813,923
65,240,072	66,297,457	64,204,173	62,116,232	47,880,110	38,279,946
-	-	-	-	-	-
92,042,596	74,009,419	77,021,708	58,151,165	25,910,114	12,251,801
34,485,436	33,032,083	28,253,300	24,383,704	21,726,308	19,963,013
$ 194,118,410	$ 175,658,155	$ 171,886,811	$ 146,704,783	$ 97,463,295	$ 72,308,683
$ 11,759,014	$ 16,701,584	$ 16,783,967	$ 16,880,650	$ 16,918,477	$ 17,569,634
167,493,607	155,920,591	105,642,788	74,569,367	69,406,327	69,776,034
-	-	-	-	-	-
-	-	-	-	-	-
$ 179,252,621	$ 172,622,175	$ 122,426,755	$ 91,450,017	$ 86,324,804	$ 87,345,668
$ 373,371,031	$ 348,280,330	$ 294,313,566	$ 238,154,800	$ 183,788,099	$ 159,654,351

COUNTY OF BERNALILLO, NEW MEXICO
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2014	2013	2012	2011
Revenues				
Taxes:				
Property	$ 139,934,563	$ 133,189,986	$ 130,241,329	$ 122,366,390
Sales	116,972,692	120,149,781	117,086,938	113,354,187
Motor vehicle	3,775,013	3,702,824	3,778,892	3,694,000
Cigarette	-	-	-	-
Gas	1,678,264	1,809,719	1,639,775	1,719,921
Intergovernmental	35,244,941	34,106,602	34,323,195	42,023,595
Licenses and permits	2,630,342	2,648,321	2,654,537	2,900,502
Fees for services	12,724,958	13,757,223	12,884,596	22,510,949
Investment/interest income	4,737,566	5,623,656	19,404,077	2,244,107
Net decrease-fair value investments	(4,259,348)	(12,814,794)	-	-
Miscellaneous	6,754,961	8,976,412	6,561,303	9,132,778
Total revenues	320,193,952	311,149,730	328,574,642	319,946,429
Expenditures				
General government	60,005,711	60,069,744	52,713,593	61,469,403
Public works	33,667,295	30,299,071	28,455,755	27,719,002
Public safety	156,859,691	141,251,787	133,740,820	135,303,143
Health and welfare	42,784,342	43,271,190	41,010,943	39,895,716
Culture and recreation	13,855,091	11,986,661	10,627,090	10,523,395
Capital outlay	25,965,972	32,650,026	29,007,567	35,475,847
Intergovernmental -Capital outlay	7,654,127	12,952,163	6,348,160	10,246,755
Debt service:				
Principal	17,010,000	14,435,000	18,445,000	61,675,000
Interest	11,311,737	11,449,338	11,779,759	13,501,640
Bond issuance cost	180,919	120,367	249,195	-
Total expenditures	369,294,885	358,485,347	332,377,882	395,809,901
Excess (deficiency) of revenues over expenditures	(49,100,933)	(47,335,617)	(3,803,240)	(75,863,472)
Other financing sources (uses)				
Transfers in	21,230,137	13,832,636	18,733,531	64,988,019
Transfers out	(21,242,856)	(14,674,535)	(18,850,331)	(64,988,019)
Long-term note issued	-	-	-	-
Bonds issued	8,700,000	17,800,000	18,600,000	-
Refunding bonds issued	2,995,000	-	6,535,000	-
Payment to escrow agent	(3,091,682)	-	(7,027,596)	-
Discount on bonds issued	-	-	(42,477)	-
Premium on bonds issued	416,867	837,434	1,128,582	-
Sale of capital assets	334,477	423,226	300,115	175,399
Total other financing sources (uses)	9,341,943	18,218,761	19,376,824	175,399
Net change in fund balances	$ (39,758,990)	$ (29,116,856)	$ 15,573,584	$ (75,688,073)
Debt service as a percentage of noncapital expenditures	8.36% **(1)**	7.97% **(1)**	10.00% **(1)**	20.93%

(1) This percentage is calculated using a capital outlay amount adjusted for either internal labor included in operating expenses or noncapital expenses included in capital outlay as detailed in the notes to the financial statements. The increase in this percentage from fy10 to fy11 is due to GRT bond proceeds being used to payoff a $46.9 million debt that was not used for its intended purpose.

2010	2009	2008	2007	2006	2005
$ 124,742,271	$ 118,118,204	$ 113,368,730	$ 101,471,408	$ 94,942,222	$ 97,608,049
112,555,113	114,116,141	120,264,324	107,167,291	74,565,522	55,548,897
3,788,238	3,582,607	4,301,323	3,788,667	4,132,542	3,608,463
5,230	6,758	6,077	6,454	5,707	5,511
1,808,628	2,037,969	1,572,980	1,636,764	1,964,503	1,680,496
57,592,844	62,866,884	70,287,188	67,552,438	41,366,969	36,931,650
2,362,344	3,189,293	3,479,107	3,555,566	4,838,500	4,174,138
25,459,213	26,628,780	32,893,819	43,447,889	25,857,034	17,175,208
15,249,566	10,865,039	16,046,244	13,833,232	9,043,065	6,952,564
-	-	-	-	-	-
7,822,907	9,992,381	9,525,633	10,477,726	13,182,736	10,845,578
351,386,354	351,404,056	371,745,425	352,937,435	269,898,800	234,530,554
54,424,762	56,284,520	42,291,899	49,893,135	40,984,541	42,217,400
23,649,763	23,906,123	23,093,549	23,608,319	26,839,945	17,673,512
144,820,182	140,201,023	131,859,726	119,780,354	96,369,043	79,712,958
34,446,947	30,470,414	27,109,801	24,904,668	18,253,158	18,393,227
9,622,045	9,445,054	11,205,752	14,012,941	11,742,718	10,444,279
37,648,304	35,466,502	52,168,492	48,317,057	38,355,698	33,022,775
13,117,251	23,752,233	14,209,243	-	-	-
23,555,000	25,019,717	13,987,345	12,594,320	11,632,060	9,562,282
15,728,867	15,873,887	15,658,380	15,460,278	14,831,868	14,928,663
366,847	451,511	409,433	75,948	643,458	68,712
357,379,968	360,870,984	331,993,620	308,647,020	259,652,489	226,023,808
(5,993,614)	(9,466,928)	39,751,805	44,290,415	10,246,311	8,506,746
20,471,330	22,792,106	17,872,263	18,764,786	27,045,866	17,554,672
(20,471,330)	(22,792,106)	(18,257,157)	(18,764,786)	(27,045,866)	(17,354,672)
-	-	-	-	7,401,160	-
28,750,000	62,200,000	21,500,000	10,000,000	6,466,000	3,029,000
16,755,000	-	11,000,000	-	56,425,000	-
(15,689,300)	-	(16,547,758)	-	(60,879,651)	-
(169,883)	-	(53,000)	(60,633)	(413,689)	(22,718)
1,366,406	660,254	734,178	-	4,888,617	-
72,092	573,438	158,435	136,919	-	-
31,084,315	63,433,692	16,406,961	10,076,286	13,887,437	3,206,282
$ 25,090,701	$ 53,966,764	$ 56,158,766	$ 54,366,701	$ 24,133,748	$ 11,713,028
12.32%	12.59%	10.42%	11.04%	11.05%	12.29%

COUNTY OF BERNALILLO, NEW MEXICO
ASSESSED VALUE AND ESTIMATED ACTUAL OF PROPERTY
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Real Property		Personal Property		Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential Property	Commercial Property	Centrally Assessed	Livestock				
2005	$ 7,269,453,586	$ 2,429,391,192	$ 402,552,650	$ 1,239,423	$ 10,102,636,851	9.479	$ 13,632,488,946	74.11%
2006	7,743,446,079	3,095,290,965	420,417,136	1,278,523	11,260,432,703	8.369	14,202,608,812	79.28%
2007	8,442,782,935	2,978,241,211	446,277,809	1,371,876	11,868,673,831	8.491	14,824,548,909	80.06%
2008	9,333,295,563	3,380,218,205	476,185,795	1,412,868	13,191,112,431	8.493	16,455,304,512	80.16%
2009	10,050,550,836	3,445,172,418	479,076,818	1,291,931	13,976,092,003	8.425	17,337,910,632	80.61%
2010	10,533,197,821	3,867,180,680	421,489,847	1,236,328	14,823,104,676	8.500	18,328,312,117	80.88%
2011	10,315,485,048	3,580,630,435	487,472,638	1,140,685	14,384,728,806	8.438	17,961,398,881	80.09%
2012	10,409,867,174	3,545,440,499	496,404,009	1,049,093	14,452,760,775	8.874	17,290,041,124	83.59%
2013	10,513,182,171	3,381,694,441	498,624,419	922,156	14,394,423,187	9.000	17,240,471,543	83.49%
2014	$ 10,709,157,954	$ 3,331,521,982	$ 462,616,155	$ 963,446	$ 14,504,259,537	9.448	$ 17,465,130,785	83.05%

The levies are requested by the County Commission and set by the Department of Finance and Administration, State of New Mexico.

The County Treasurer levies and collects the taxes and distributes to all taxing jurisdictions.

Source: County Assessor's Office and State Department of Finance and Administration

COUNTY OF BERNALILLO, NEW MEXICO
PROPERTY TAX RATES
DIRECT AND OVERLAPPING
(PER $1,000 OF ASSESSED VALUATION)
LAST TEN FISCAL YEARS

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Bernalillo County (3)										
Operating	8.189	8.138	7.864	7.769	7.505	7.430	7.489	7.393	7.220	8.310
Debt service	1.246	0.897	0.897	0.555	0.880	0.880	0.888	0.830	0.830	0.830
Open space	-	-	0.100	0.100	0.100	0.100	0.100	0.250	0.250	0.250
Judgment	0.013	0.013	0.013	0.014	0.015	0.015	0.016	0.018	0.069	0.089
Total direct rate	9.448	9.048	8.874	8.438	8.500	8.425	8.493	8.491	8.369	9.479
City of Albuquerque										
Operating	6.544	6.544	6.544	6.433	6.203	4.134	3.136	3.166	3.104	3.171
Debt Service	4.976	4.976	4.976	4.976	4.976	6.976	7.976	7.976	7.976	7.976
Albuquerque Public Schools										
Operating	0.327	0.325	0.319	0.315	0.304	0.303	0.304	0.302	0.299	0.301
Debt Service	3.883	3.416	4.020	4.317	4.316	4.304	4.308	2.167	2.162	2.166
Capital Improvement	2.000	2.000	2.000	2.000	2.000	1.999	2.000	1.995	1.958	2.000
Building	3.978	3.981	3.983	3.988	3.985	3.944	3.947	3.975	3.996	3.988
Hospitals	6.400	6.400	6.400	6.400	6.400	6.429	6.428	6.487	6.317	6.500
Village of Tijeras										
Operating	1.316	1.315	1.310	1.316	1.271	1.283	1.265	1.253	1.176	1.240
Village of Corrales (1)										
Operating	-	-	-	-	2.699	2.143	2.950	3.662	3.395	1.919
Debt Service	-	-	-	-	0.594	1.125	1.349	1.020	1.373	NA
Torrance Schools										
Operating	0.393	0.383	0.377	0.370	0.381	0.378	0.364	0.372	0.373	0.369
Debt Service	8.850	8.189	8.836	8.841	8.964	8.217	7.159	7.214	8.254	8.219
Capital Improvement	2.000	2.000	2.000	1.954	2.000	2.000	2.000	2.000	2.000	2.000
Rio Rancho										
Operating	5.725	5.159	4.438	3.447	3.084	2.624	2.484	5.236	5.007	5.349
Debt Service	1.789	1.617	1.645	2.060	2.067	2.060	2.060	1.826	2.067	2.067
Rio Grande Conservancy District	4.221	4.230	4.231	4.244	4.238	4.246	4.250	4.635	4.963	5.330
Edgewood Soil & Water (2) Conservancy District	1.000	1.000	1.000	1.000	1.000	0.939	0.935	0.956	0.969	1.000
State of New Mexico	1.360	1.360	1.362	1.530	1.150	1.250	1.291	1.291	1.234	1.028
Central NM Community College (fka TVI)										
Operating	2.882	2.848	2.770	2.717	2.632	2.596	2.584	2.625	2.569	2.618
Debt Service	0.550	0.550	0.550	0.550	0.550	0.550	0.550	0.550	0.550	0.550
Albuquerque Flood Control	0.929	0.930	0.926	0.926	0.927	0.923	0.919	0.931	0.920	0.931

(1) Village of Corrales is no longer in the Bernalillo County taxation district
(2) County is no longer required to attach special district's schedules to the abstract-info is not available for property tax values
(3) The Open Space mill levy has expired
Source: County Assessor's Office, County Treasurer's Office and State Department of Finance and Administration

COUNTY OF BERNALILLO, NEW MEXICO
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO

	2014			2005		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
Public Service Company of New Mexico - Electric Services	$ 168,389,701	1	1.161%	$ 104,305,710	1	1.032%
Qwest Corp (fka) U.S. West Communication Inc.	62,548,950	2	0.431%	98,991,026	2	0.980%
New Mexico Gas Company (formerly PNM - Gas Services) (1)	41,361,525	3	0.285%	19,719,852	4	0.195%
Comcast of NM Inc.	31,201,561	4	0.215%	19,394,182	6	0.192%
Verizon Wireless	20,194,430	5	0.139%	-		-
Simon Property Group, Ltd (Cottonwood Mall)	15,960,737	6	0.110%	20,483,754	3	0.203%
Coronado Center LLC	13,504,226	7	0.093%	-		-
Southwest Airlines	13,159,879	8	0.091%	19,433,839	5	0.192%
AHS Albuquerque Regional Medical Center	12,049,803	9	0.083%	-		-
GCC Rio Grande Inc.	12,047,120	10	0.083%	18,333,334	8	0.181%
Heitman Properties of NM	-		-	19,111,489	7	0.189%
Cresent Real Estate (Hyatt Hotel)	-		-	15,965,071	9	0.158%
Voicestream PCS II Corp	-		-	14,017,627	10	0.139%
Total	$ 390,417,932		2.691%	$ 349,755,884		3.461%

Source: County Treasurer's Office

(1) PNM Gas Services became the new company, New Mexico Gas Company, in tax year 2010

Note:

Total taxable value including real and personal property for tax year 2013 (fiscal year 2014) is	$	14,504,259,537
Total taxable value including real and personal property for tax year 2004 (fiscal year 2005) is	$	10,102,636,851

COUNTY OF BERNALILLO, NEW MEXICO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2005	$ 96,145,652	$ 91,795,950	95.48%	$ 4,014,213	$ 95,810,163	99.65%
2006	93,906,198	90,013,460	95.85%	3,663,887	93,677,347	99.76%
2007	101,082,171	97,157,620	96.12%	3,438,376	100,595,996	99.52%
2008	112,113,596	107,467,225	95.86%	4,065,455	111,532,680	99.48%
2009	117,508,912	112,092,669	95.39%	4,835,753	116,928,422	99.51%
2010	124,708,278	117,443,009	94.17%	5,345,069	122,788,078	98.46%
2011	120,075,839	114,472,104	95.33%	4,720,969	119,193,073	99.26%
2012	126,686,407	121,576,353	95.97%	4,170,682	125,747,035	99.26%
2013	130,240,155	125,460,280	96.33%	2,760,432	128,220,712	98.45%
2014	$ 137,364,369	$ 132,586,971	96.52%	-	-	-

The levies are requested by the County Commission and set by the Department of Finance and Administration, State of New Mexico

The County Treasurer levies and collects the taxes and distributes to all taxing jurisdictions.

Source: County Treasurer's Office

COUNTY OF BERNALILLO, NEW MEXICO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	Governmental Activities				Business Type Activities				
Fiscal Year	General Obligation Bonds (a)	Special Revenue Bonds (a)	Capital Leases	Note Payable	Revenue Bonds	Note Payable	Total Primary Government	Percentage of Personal Income (b)	Per Capita (b)
2005	$ 82,009,610	$ 187,328,390	$ 1,562,392	$ -	$ 1,815,000	$ -	$ 272,715,392	1.35%	448.67
2006	82,760,720	183,357,851	1,350,110	5,586,382	1,780,000	867,305	275,702,368	1.26%	445.05
2007	87,968,879	177,086,385	1,350,110	3,897,062	1,740,000	1,157,651	273,200,087	1.20%	434.46
2008	98,829,213	171,669,186	1,350,110	1,504,717	1,700,000	994,675	276,047,901	1.17%	434.42
2009	102,758,720	208,075,353	-	-	1,655,000	668,153	313,157,226	1.32%	487.38
2010	106,332,684	212,466,987	-	-	-	343,300	319,142,971	1.34%	480.33
2011	98,387,735	158,325,194	-	-	-	233,113	256,946,042	1.06%	382.95
2012	111,106,070	145,977,475	-	-	-	-	257,083,545	1.02%	381.74
2013	122,409,070	138,450,167	-	-	-	-	260,859,237	1.03%	386.90
2014	$ 122,928,787	$ 130,232,858	-	-	-	-	253,161,645	1.00%	375.49

Sources: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(a) Presented net of original issuance discounts and premiums

(b) See Demographic and Economic Statistics Schedule for personal income and population data.

Note: These ratios are calculated using personal income and population for the prior calendar year.

COUNTY OF BERNALILLO, NEW MEXICO
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds (1)	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value (2) of Property	Per Capita (3)
2005	$ 82,009,610	$ 1,867,853	$ 80,141,757	0.59%	131.85
2006	82,760,720	2,988,578	79,772,142	0.56%	128.77
2007	87,968,879	4,277,694	83,691,185	0.56%	133.09
2008	98,829,213	693,851	98,135,362	0.60%	154.44
2009	102,758,720	1,528,284	101,230,436	0.58%	157.55
2010	106,332,684	2,304,567	104,028,117	0.57%	156.57
2011	98,387,735	113,208	98,274,527	0.55%	146.47
2012	111,106,070	2,635,597	108,470,473	0.63%	161.06
2013	122,409,070	4,884,462	117,524,608	0.68%	174.31
2014	$ 122,928,787	$ 9,507,788	113,420,999	0.65%	168.23

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

Sources:

1) Presented net of original issuance discounts and premiums

2) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

3) Population data can be found in the Schedule of Demographic and Economic Statistics

COUNTY OF BERNALILLO, NEW MEXICO
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2014

	Debt Outstanding	Applicable to Bernalillo County	County Share of Debt
Bernalillo County	$ 253,161,645 (1)	100.00%	$ 253,161,645
Subtotal Bernalillo County Direct Debt			253,161,645
City of Albuquerque	390,900,000	100.00%	390,900,000
Albuquerque Public Schools	506,171,647	97.67%	494,377,848
Moriarty/Edgewood Schools	18,945,000	18.14%	3,436,623
Albuquerque Metropolitan Flood Control Authority	43,125,000	100.00%	43,125,000
Central New Mexico Community College	84,935,000	82.95%	70,453,583
State of New Mexico	349,931,690	26.50%	92,731,898
Subtotal Overlapping Debt			1,095,024,952
Total Direct and Overlapping Debt			$ 1,348,186,597

Ratios:

Total direct and overlapping debt to assessed valuation	9.47%
Total direct and overlapping debt to actual valuation	2.51%
Direct and overlapping debt per capita	$ 1,999.62

Source: Debt outstanding data provided by each governmental unit.

(1) Presented net of original issuance discounts and premiums

Note: Percentage of overlap based on most current assessed property valuation.

COUNTY OF BERNALILLO, NEW MEXICO
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS

Fiscal Year	Gross Receipts Revenues	Debt Service Principal	Debt Service Interest	Coverage
2005	$ 51,732,791	$ 4,885,000	$ 9,857,666	3.51
2006	70,751,581	4,785,000	9,460,490	4.97
2007	100,136,138	6,010,000	9,242,817	6.57
2008	95,787,912	16,495,000	8,784,582	3.79
2009	91,746,733	16,760,000	9,463,039	3.50
2010	89,096,909	16,140,000	9,954,561	3.41
2011	89,669,675	53,835,000	8,998,698	1.43 (1)
2012	47,105,622	12,135,000	7,701,143	2.37 (2)
2013	45,891,807	7,315,000	7,311,029	3.14 (2)
2014	$ 40,894,932	$ 8,005,000	$ 6,964,498	2.73 (2)

Source: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) The low percentage of coverage does not take into account payoff of a 46.9 million debt from bond proceeds rather than from gross receipts revenue in fiscal year 2011

(2) Fiscal years starting in 2012 are reporting only pledged gross receipt tax revenue while prior years are reporting total gross receipts tax revenue

COUNTY OF BERNALILLO, NEW MEXICO
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	2005	2006	2007	2008
Debt Limit	$ 404,105,474	$ 450,417,308	$ 474,746,953	$ 527,644,497
Total net debt applicable to limit (1)	82,479,000	83,475,000	88,580,000	98,835,000
Legal debt margin	$ 321,626,474	$ 366,942,308	$ 386,166,953	$ 428,809,497
Total net debt applicable to the limit as a percentage of debt limit	20.41%	18.53%	18.66%	18.73%

Sources: Details regarding the County's outstanding debt can be found in the notes to the financial statements.
County Assessor's Office

(1) Presented net of original issuance discounts and premiums

2009	2010	2011	2012	2013	2014
$ 559,043,680	$ 592,924,187	$ 575,389,152	$ 578,110,431	$ 575,776,927	$ 580,170,381
102,080,000	105,675,000	97,835,000	111,106,070	122,409,070	122,928,787
$ 456,963,680	$ 487,249,187	$ 477,554,152	$ 467,004,361	$ 453,367,857	$ 457,241,594
18.26%	17.82%	17.00%	19.22%	21.26%	21.19%

Legal Debt Margin Calculation for Fiscal Year 2014

Assessed Value	$ 14,504,259,537
Debt limit (4% of total assessed value)	580,170,381
Debt applicable to limit (1)	122,928,787
Legal debt margin	$ 457,241,594

COUNTY OF BERNALILLO, NEW MEXICO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Personal Income (amounts expressed in thousands) (1)	Per Capita Personal Income	Unemployment Rate (3)
2005	607,825	20,223,896	33,273	4.70%
2006	619,490	21,796,170	35,184	3.80%
2007	628,825	22,754,553	36,186	3.30%
2008	635,444	23,660,565	37,235	4.40%
2009	642,527	23,660,814	36,825	7.00%
2010	664,425	23,777,563	35,787	8.50%
2011	670,968	24,311,260	36,233	7.20%
2012	673,460	25,279,669	37,537	7.10%
2013	674,221	NA	NA	6.90%
2014	674,221	NA	NA	6.90%

Education (4)		Percent
Persons age 25 and Over	439,374	100.00%
Less than 9th Grade	24,295	5.53%
9th-12th grade, no diplomas	31,744	7.23%
High School Graduates	105,027	23.90%
Some college, no degree	105,462	24.00%
Associate degree	32,014	7.29%
Bachelor degree	77,559	17.65%
Graduate or professional degree	63,273	14.40%
Percentage completed high school		87.25%
Percentage completed 4 year college		32.05%

School Enrollment (2)	
Elementary School	45,874
Mid-High Schools	20,049
High Schools	26,392
Private and parochial schools	11,120
Technical-vocational Institute	29,638
University of New Mexico	28,912

Sources:

(1) U.S. Dept. of Commerce, Bureau of the Economic Analysis

(2) New Mexico Higher Education Department

(3) New Mexico Department of Workforce Solutions

(4) National Center for Education Statistics

NA Information not available for these years

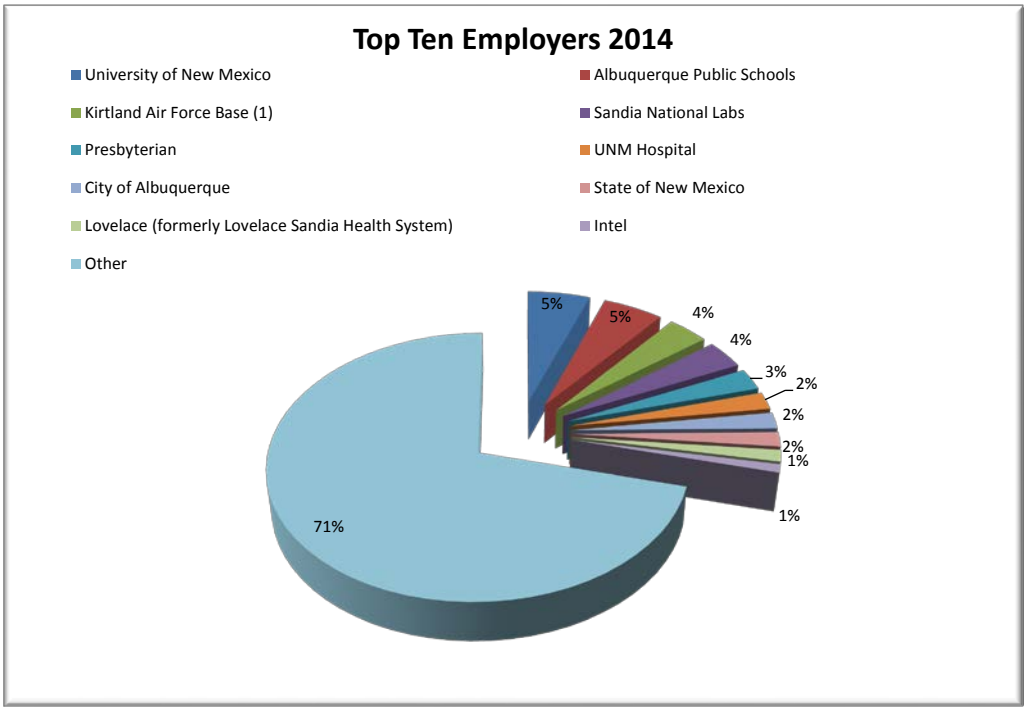
COUNTY OF BERNALILLO, NEW MEXICO
PRINCIPAL EMPLOYERS
FOR THE CURRENT YEAR AND TEN YEARS AGO

	2014			2005		
Employer	**Employees**	**Rank**	**Percentage of Total County Employment**	**Employees**	**Rank**	**Percentage of Total County Employment**
University of New Mexico	15,360	1	5.52%	15,832	2	4.97%
Albuquerque Public Schools	14,810	2	5.32%	11,700	3	3.67%
Kirtland Air Force Base (1)	10,125	3	3.64%	-	-	-
Sandia National Labs	9,852	4	3.54%	7,700	4	2.42%
Presbyterian	7,310	5	2.63%	5,800	6	1.82%
UNM Hospital	5,960	6	2.14%	4,380	10	1.37%
City of Albuquerque	5,500	7	1.98%	6,937	5	2.18%
State of New Mexico	4,950	8	1.78%	5,660	7	1.78%
Lovelace (formerly Lovelace Sandia Health System	4,000	9	1.44%	5,400	8	1.69%
Intel	2,800	10	1.01%	-	-	-
Kirtland Air Force Base(Civilian) (2)	-	-	-	17,125	1	5.37%
Kirtland Air Force Base(Military) (2)	-	-	-	5,240	9	1.64%
Total	80,667		28.99%	85,774		26.91%
Bernalillo County Quarterly Census of Employment	278,247			318,748		

Sources:
New Mexico Department of Workforce Solutions, Albuquerque Economic Development

Notes: (1) For 2014, Kirtland's employment number includes active duty military, guard reserve, civil service and contract employees. Sandia National Laboratories employees are located at Kirtland Air Force Base, but employment number is shown separately.

(2) For 2005, Kirtland's civilian employment numbers includes all Department of Energy employees including contractors on and off the base, including Sandia National Labs. However, Sandia National Labs employment is also shown separately since Sandia and Kirtland publish data in different cycles.



COUNTY OF BERNALILLO, NEW MEXICO
FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	Full-Time Equivalent Employees as of June 30,									
Function	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**
General Government										
Commissioners	10	10	10	10	10	11	10	10	10	10
County Manager										
County Manager	10	11	16	16	16	15	14	14	14	12
Economic Development	6	6	6	6	6	2	2	2	2	3
CIP	-	-	5	6	6	7	3	3	3	-
Public Information	6	6	10	10	10	9	8	8	8	6
Legal Department	13	13	10	10	10	10	12	12	9	9
Information Technology										
Customer Service	73	72	85	85	85	68	67	67	66	67
Human Resources										
Compensation and Benefits	13	12	12	12	12	8	6	6	5	5
Labor Relations/Employment	22	23	21	22	22	23	19	19	14	14
HR Training	4	4	-	-	-	-	-	-	-	-
Clerk										
Bureau of Elections	25	25	25	25	25	25	25	25	25	26
Record and Filing	23	22	23	23	23	24	23	23	23	23
Finance										
Finance Division Administration	5	5	-	-	-	-	-	-	-	-
Budget and Business Improv.	37	37	27	27	27	24	24	24	21	21
Purchasing Office	33	27	19	19	19	18	18	18	15	14
Accounting	31	31	15	15	15	11	13	13	12	12
Risk Management	11	10	10	10	10	11	10	10	8	8
Treasurer										
Accounting	6	6	5	5	5	6	6	6	6	6
Program Support	7	7	8	8	8	8	8	8	8	9
Taxpayer Services	25	25	24	24	24	23	23	23	23	19
Treasury Project	-	-	-	-	-	-	-	-	-	2
Fleet-Facilities Management										
Computer Automation/Admin	5	8	5	7	7	9	9	9	8	8
Custodial Services	45.5	45.5	48.5	48.5	48.5	48	48	48	48	43.5
Facilities Maintenance	39	43	28	28	28	31	32	32	31	31
Vehicle Maintenance	30	28	24	25	25	26	25	25	25	26
Inventory Admin	-	-	8	8	8	-	-	-	-	-
CIP	12	5	-	-	-	-	-	-	-	-
Operations & Maintenance Dept.										
Road Maintenance	42	42	40	41	41	39	41	41	41	41
Traffic Engineering	13	13	12	13	13	14	14	14	14	14
Storm Drainage	5	5	5	5	5	5	4	4	4	4
Infrastructure and GEO Resources										
Geographic Information Systems	10	10	9	9	9	9	9	9	9	9
Right of Way	7	7	6	6	6	6	6	6	6	7
Technical Planning	5	5	4	4	4	4	4	4	4	5
Infrastructure	-	-	-	-	-	6	5	5	5	3
Water Resource/Pipe	-	-	8	8	8	-	-	-	-	-
Technical Services Department										
Tech Services A & B & Review	38	38	38	38	38	27	35	35	35	36
Probate Court	5	5	4	4	4	4	4	4	3	3

Note: Complete information for prior years is not available.
Source: County Budget Department

COUNTY OF BERNALILLO, NEW MEXICO
FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	Full-Time Equivalent Employees as of June 30,									
Function	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**
General Government										
Zoning, Building, and Planning										
Building Division	22	21	19	20	20	18	18	18	18	18
Land-Use Planning	12	13	10	10	10	10	10	10	10	11
Land-use, Review and Code Enf.	16	16	23	22	22	15	14	14	14	14
Assessors										
Property Assessment	55	52	63	61	61	63	63	63	63	63
Valuation	40	36	36	39	39	38	37	37	37	36
Public Safety										
Fire										
Emergency Preparedness	-	-	4	4	4	5	5	5	-	-
Fire Prevention	7	7	8	8	8	9	7	7	7	9
Operations	231	224	225	197	197	183	190	178	168	144
Support Services	12	15	13	13	13	14	12	12	19	13
Sheriff										
Criminal Investigations	73	65	57	56	56	53	55	55	55	52
Court Services	85	83	29	28	28	31	35	35	35	27
Field Services	188	202	207	181	181	181	183	183	183	187
Headquarters	14	14	19	17	17	16	17	17	17	15
Metro Air	-	-	2	1	1	1	-	-	-	-
Support Services	44	49	40	65	65	80	59	59	57	61
Grant	-	-	-	2	2	-	-	-	-	-
Communications Department	54	55	49	49	49	49	49	49	49	50
Public Safety Department										
Animal Control	18	18	13	13	13	13	12	12	12	11
Administrative Services	4	4	3	3	3	3	3	3	3	3
Emergency Management Admin.	5	5	-	-	-	-	-	-	-	-
Youth Services Center										
Resident Services	81	82	81	80	80	80	80	80	80	80
Support Services	29	29	26	27	27	28	27	27	27	-
Metropolitan Detention Center	531	527	531	530	530	532	532	532	-	-
DWI	64	66	66	65	65	52	51	51	-	-
Public Works										
Division Support Program	11	11	8	8	8	11	9	9	9	11
Public Works IT	-	-	6	6	6	3	3	3	3	-
Capital Construction Fund	-	-	-	1	1	-	-	-	-	-
Call Center	-	-	5	-	-	-	-	-	-	-
Solid Waste										
Water/Wastewater	14	14	-	-	-	-	-	-	-	-
Grafitti Program	5	5	-	-	-	-	-	-	-	-
Call Center, IT,Diversified Services	17	16	-	-	-	-	-	-	-	-
Culture and Recreation										
Administration	7	8	8	10	10	9	8.5	8.5	8	10.5
Aquatics Program	4.5	4.5	4.5	4.5	4.5	5	6	6	6	5.75
Community Center Program	63.5	59	56	56	56	50.25	53.5	53.5	53	49.5
Land Management-Parks and Open	43.5	43	41	43	43	45	41.5	41.5	41	38
Recreation Enrichment Program	-	-	-	-	-	8.5	13	13	13	9.5
Sports Program	5	7.5	8.5	9.5	9.5	8	10	10	10	9
Youth and Senior Services Program	7	7.5	7	7	7	7	5	5	5	5
Open Space	11	9	8	7	7	7	9	9	9	8.5
Public Arts	1	1	1	-	-	-	-	-	-	-
Capital Development	3.5	4.5	2.5	2.5	2.5	-	-	-	-	-
Community Services Administration	4	3	-	-	-	-	-	-	-	-
Social Services	2	2	-	-	-	-	-	-	-	-
Cultural Services	5	6	-	-	-	-	-	-	-	-
ABC Schools	4	4	-	-	-	-	-	-	-	-
Health and Welfare										
Protection and Promotion	18	17	16	16	16	24	23	23	22	22
Enterprise Funds-Business Type										
Solid Waste	11	11	13	13	13	13	13	13	13	13
Housing	32	32	31	31	31	32	33	33	33	30
Youth Services Center	15	14	14	14	14	14	24	24	24	23
	2,486	2,469	2,324	2,297	2,297	2,242	2,238	2,226	1,608	1,525

COUNTY OF BERNALILLO, NEW MEXICO
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Sheriffs Office										
911 Calls (1)	65,265	68,900	74,619	70,328	73,960	75,369	73,159	80,218	75,733	44,236
Traffic Offenses(2) (5)	1,996	1,867	2,013	2,067	2,107	NA	NA	NA	3,972	4,111
Fire Department										
Number of calls answered (1) (8)	14,725	13,306	15,594	11,349	11,919	11,180	11,541	10,343	11,200	10,334
Inspections (1)	1,276	1,376	1,331	1,151	1,070	1,839	1,985	1,380	1,351	1,307
Public Works										
Street resurfacing (miles) (2)	14.6	17.1	19.9	12.4	13.5	11.9	15.7	30.9	11.2	9.1
Traffic signs	24,275	23,443	21,175	21,174	20,910	19,991	21,742	21,109	20,494	20,046
Storm Sewer	2,739	2,602	2,518	2,416	2,346	2,183	2,167	2,276	1,925	1,867
Parks and Recreation										
Aquatics Program Attendance (7)	72,009	83,403	81,594	75,857	46,437	38,560	47,643	36,313	44,841	NA
Number of Attendees at Dance Events	265	720	2,409	1,818	-	59	247	2,503	6,481	6,559
Youth Basketball Participation Program	1,739	1,617	1,581	1,759	2,190	1,133	1,950	1,375	1,167	1,642
Zoning, Building, and Planning										
Residential Building Permits	430	573	379	460	532	518	756	826	606	995
Commercial Building Permits	122	141	81	95	100	79	116	119	99	200
Electrical Permits	1,480	1,518	1,402	1,506	1,313	1,452	2,000	2,131	1,231	2,102
Mechanical Permits	768	809	728	749	691	801	484	1,335	632	1,281
Plumbing Permits	813	894	865	859	876	1,222	1,127	1,847	1,214	1,648
Sanitation										
Refuse Collected (Tons/Year) (3)(6)	47,175	41,789	40,285	39,942	39,383	38,338	37,762	35,047	42,939	44,153
Metropolitan Detention Center (4)										
DWI Bookings	5,511	3,987	4,213	4,750	5,435	6,599	6,867	6,307	-	-
Total Bookings	30,046	33,245	41,784	37,374	39,171	40,303	41,597	41,255	-	-
Community Custody Program (Avg Daily Population)	325	216	217	251	487	489	434	364	-	-

(1) Fiscal Year
(2) Calendar Year
(3) Effective FY 05 includes the East Mountain Transfer Station
(4) Effective FY 07 MDC was added
(5) Data source is from the City of Albuquerque and was not available for some prior years due to their system conversion
(6) 2011 thru present are on a fiscal year basis while 2010 and before are on a calendar year basis
(7) Over 60% increase in aquatics attendance in 2011 is due to overall attendance increase at all facilities (including the Alameda Splash Pad) in part due to more use of the free Swim Pass Program and extended pool hours
(8) BCFD took over Station #36 in FY12 and has also been operating Los Ranchos' Fire Station #30 since 2009.

Source: All data provided by Bernalillo County departments.

COUNTY OF BERNALILLO, NEW MEXICO
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2014	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**
Public Safety										
Sheriff										
Sheriff Stations	4	4	4	4	4	4	4	4	4	4
Fire Department										
Fire Stations	12	12	12	11	11	10	10	10	10	10
Public Works										
Streets (miles) (2)	731	730	730	728	726	724	724	723	718	717
Streetlights (1)	514	501	501	483	409	388	370	156	156	156
Traffic Signals	56	56	56	55	53	51	51	52	51	51
Traffic Flashers (Count)	80	80	77	73	60	60	130	136	134	134
Culture and Recreation										
Parks	34	25	25	24	23	20	18	18	15	11
Swimming pools	5	5	5	5	5	5	5	5	5	3
Tennis courts	9	9	9	9	9	9	7	7	8	4
Community centers	7	8	8	7	7	7	8	8	7	4
Walking trails	18	18	18	18	17	17	14	14	8	6
Basketball courts	19	19	19	19	17	17	18	18	12	6
Volleyball Amenities	10	10	10	10	9	9	9	9	7	5
Baseball Fields	39	37	37	35	35	35	35	35	39	26
Soccer Fields	25	27	27	26	26	23	24	24	23	14
Playgrounds	25	40	40	27	25	25	24	24	21	12
Picnic Areas	37	37	35	24	23	23	20	20	20	10

(1) Data provided by Public Service Company of New Mexico (PNM).

(2) Calendar year

Source: All data provided by Bernalillo County departments.

BERNALILLO COUNTY
STATE OF NEW MEXICO

COUNTY OF BERNALILLO, NEW MEXICO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2014

Grantor Agency and Grant Title	CFDA Number	Grant Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Housing and Urban Development				
Direct				
Low Income Housing Assistance Programs				
Section 8 Housing Choice Vouchers	14.871	NM057		$ 11,157,328
Section 8 Housing Operating Administrative	14.871	NM057		1,140,128
				12,297,456
Operating Fund Grant (Seybold)	14.850	NM057-00000112D		35
Operating Fund Grant (Seybold)	14.850	NM057-00000113D		23,197
Operating Fund Grant (Seybold)	14.850	NM057-00000114D		24,882
				48,114
Capital Fund Grant (Seybold)	14.872	NM02P057501-11		11,662
Capital Fund Grant (Seybold)	14.872	NM02P057501-12		21,716
Capital Fund Grant (Seybold)	14.872	NM02P057501-13		14,764
				48,142
Section 8 FSS - Homeownership	14.877	NM057 /FSS		117,538
Section 8 Contract Administrators (El Centro)	14.182	NM020003014		181,358
Bridge Blvd. Corridor Redevelopment Plan	14.704	CCPNM0036-10		5,090
Supportive Housing Program	14.251	NM0051B6B001102		1,362
Supportive Housing Program	14.251	NM0051L6B001203		64,129
				65,491
Total Direct Assistance				12,763,189
Pass-Through Programs From				
HOME Investments Partnership Program				
2012 Homes	14.239		12-01-BCH-HOR-002	308,867
Total Indirect Assistance				308,867
Total U.S. Department of Housing and Urban Development				13,072,056
U.S. Department of Transportation				
Direct				
National Infrastructure Investments				
Tiger 2 Bridge Study	20.933	DTFH61-11-H-00010		8,044
Pass-Through Programs From				
NM Department of Transportation				
Highway Planning and Construction				
Eubank Blvd	20.205	L3710	TPU-4063(6)05	3,083
Alameda Trail	20.205	L3069	TPU-5094(1)	837
Bicycle Monitoring System	20.205	A300120	D13106	18,445
Isleta Blvd.	20.205	A300621	D14055	124,167
Safe School Routes	20.205	A300095	D14069	368,666
Bosque Del Rio Trail	20.205	A300460	D13556/2	47,007
Paradise Hills Trail	20.205	A300900	D14051	7,057
Sunport Blvd.	20.205	A300160	D13112	36,074
Total Highway Planning Cluster				605,336
State and Community Highway Safety				
S.t.e.p. 100 Days	20.600		14-PT-DS-008 ATTACHMENT D	2,135
S.t.e.p. 100 Days	20.600		13-PT-DS-008 ATTACHMENT D	21,818
				23,953
Minimum Penalties for Repeat Offenders for Driving While Intoxicated				
Operation DWI	20.608		13-AL-64-008 ATTACHMENT A	27,424
Operation DWI	20.608		14-AL-64-008 ATTACHMENT A	90,451
				117,875

COUNTY OF BERNALILLO, NEW MEXICO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2014

Grantor Agency and Grant Title	CFDA Number	Grant Number	Pass-Through Entity Identifying Number	Federal Expenditures
NM Department of Homeland Security				
Hazmat Conference May 29- June 1	20.703	HMHMP0362130100	HMHMP0362130100-BERNCO	10,717
Hazmat Conference Oct 13-17	20.703	HMHMP0293120100	HMHMP0293120100-BERNCO	1,382
				12,099
Total Indirect Assistance				759,263
Total U.S. Department of Transportation				767,307
U.S. Department of Agriculture				
National School Lunch Program				
Pass-Through Programs From				
NM Children, Youth and Families Department				
Summer Food Service Program for Children 12	10.559		3004-2012	798
Summer Food Service Program for Children 13	10.559		3004-2013	327,691
Summer Food Service Program for Children 14	10.559		3004-2014	181,543
				510,032
NM Department of Finance and Administration				
National Forest Reserve Distribution	10.665			31,058
Total U.S. Department of Agriculture				541,090
U.S. Department of Justice				
Direct				
US Marshall's Office				
Equitable Sharing	16.922			388,476
JLEO (Joint Law Enforcement Operations)	16.111	MOU FROM U.S. DOJ, US MARSHALS		5,000
Bureau of Justice Assistance				
SCAAP-direct payments for a specified use	16.606	2013-AP-BX-0152		297,426
Total Direct Assistance				690,902
Pass-Through Programs From				
JAG Program Cluster				
City of Albuquerque				
E. Byrne Justice Assistance Grant (JAG)2010	16.738	2010 JAG AWARD	702052	17,835
E. Byrne Justice Assistance Grant (JAG)2011	16.738	2011-DJ-BX-3379	2011 JAG 2011-DJ-BX-3379	2,971
E. Byrne Justice Assistance Grant (JAG)2012	16.738	2012-DJ-BX-0554	2012 JAG FORMULA-BASED	49,837
E. Byrne Justice Assistance Grant (JAG)2013	16.738	2013-DJ-BX-0944	2013 JAG FORMULA-BASED	6,412
New Mexico Dept. of Public Safety				
Edward Byrne Memorial Justice Assist. Grant Prg.				
E. Byrne Justice Assistance Grant (JAG)SWIFT13	16.738	2012-H1127-NM-DJ	12-JAG-SWIFT-SFY13-3/4	2,195
E. Byrne Justice Assistance Grant (JAG)SWIFT14	16.738	2013-DJ-BX-0031	DPSJAG13SWIFT	16,810
Total JAG Program Cluster				96,060
New Mexico Dept. of Public Safety				
Project Safe Neighborhoods				
Psn Anti-Gang Grant	16.609	2013-GP-BX-0013	13-PSN-BCSO-SFY14	360
PREA Demo Project 2012	16.735	2012-RP-BX-0003	12-PREA-BERNCO-SFY13	95,176
National Council on Crime and Delinquence				
PREA	16.735	2010-RP-BX-K001	15708	221,457
				316,633
New Mexico Children Youth and Families Department				
FY15 Continuum Grant	16.548	2010&2011-JP-FX-0017	15-690-17251	763
Total Indirect Assistance				413,816
Total U.S. Department of Justice				1,104,718

COUNTY OF BERNALILLO, NEW MEXICO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2014

Grantor Agency and Grant Title	CFDA Number	Grant Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Homeland Security				
Pass-Through Programs From				
NM Department of Homeland Security				
Homeland Security Grant-Cluster				
2011 Per Diem Grant	97.067	EMW-2011-SS-00094-S01	EMW-2011-SS-00094-S01-PDM	5,893
2011 Homeland Security Equipment	97.067	EMW-2011-SS-00094-S01	EMW-2011-SS-00094-S01-BERN	15,143
2012 Homeland Security Equipment	97.067	EMW-2012-SS-00097-S01	EMW-2012-SS-00097-S01-BERN	31,346
2013 Homeland Security Equipment	97.067	EMW-2013-SS-00152-S01	EMW-2013-SS-00152-S01BERN	49,802
				102,184
EMPG 2012	97.042	EMW-2011-EP-00051	EMW-2011-EP-00051-Bernco	2,795
EMPG 2013	97.042	EMW-2012-EP-00039-S01	EMW-2012-EP-00039-S01-BERNCO	117,945
				120,740
FEMA Pilot Program	97.036	FEMA-4148-001 (-013)	FEMA-4148-DR-NM	26,542
Pre Disaster Mitigation Grant	97.039	PDMC-PL-06-NM-2012-003	PDMC-PL-06-NM-2012-003-BERN	24,438
Total Indirect Assistance				273,904
Total U.S. Department of Homeland Security				273,904
U.S. Environmental Protection Agency				
Direct				
Congressionally Mandated Projects				
Vup Completion Area and Coors Blvd Vacuum Sewer	66.202	XP-00F08101		975,648
Total U.S. Environmental Protection Agency				975,648
U.S. Department of Health and Human Services				
Direct				
Community Transformation Grants				
CDC Health 5 year grant-Yr 2	93.531	5U58DP003593-02		66,748
CDC Health 5 year grant-Yr 3	93.531	5U58DP003593-03		150,233
Total Direct Assistance				216,981
Pass-Through Programs From				
State of New Mexico Department of Health				
DOH Cities Readiness Initiative (CRI) 2013	93.069	CDC-RFATP12-120102CONT13	MOA# 14/665.0300.16269	18,885
Total Indirect Assistance				18,885
Total U.S. Department of Health and Human Services				235,866
U.S. Department of Interior				
Direct				
Bureau of Reclamation				
Water Conservation	15.530	R12AP40040		32,289
Total U.S. Department of Interior				32,289
State Justice Institute-Felony Caseflow Management		Congressional Appropriation	SJI-11-T-010	6,947
Total Expenditures of Federal Awards				$ 17,009,825

The accompanying notes are an integral part of this schedule. See next page.

COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2014

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the County of Bernalillo under programs of the federal government for the year ended June 30, 2014. The information in this schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations* . Because the schedule presents only a selected portion of the operations of the County of Bernalillo, it is not intended to and does not present the financial position, changes in net position or cash flows of the County of Bernalillo.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments,* wherein certain types of expenditures are not allowable or are limited as to reimbursement. Any negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-thru entity identifying numbers are presented where available.

MOSS-ADAMS LLP
Certified Public Accountants | Business Consultants

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*

Commission Chairwoman,
Members of the County Commission
Bernalillo County and
Hector H. Balderas, State Auditor

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons of the general fund of the County of Bernalillo, New Mexico (the County) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and the combining and individual funds and related budgetary comparisons of the County, presented as supplementary information, and have issued our report thereon dated November 14, 2014.

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.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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

Praxity MEMBER GLOBAL ALLIANCE OF INDEPENDENT FIRMS

possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2013-009 and 2013-010 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2013-007, 2014-002, 2014-005, and 2014-006 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 2013-001, 2013-002, 2013-004, 2013-008 through 2013-010, 2013-013, and 2014-007 through 2014-010.

Bernalillo 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 questioned costs. 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 it.

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.

Moss Adams LLP

Albuquerque, New Mexico
November 14, 2014

MOSS-ADAMS LLP
Certified Public Accountants | Business Consultants

REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Commission Chairwoman,
Members of the County Commission
Bernalillo County and
Hector H. Balderas, State Auditor

Report on Compliance for Each Major Federal Program

We have audited Bernalillo County, New Mexico's (County) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2014. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Praxity MEMBER
GLOBAL ALLIANCE OF INDEPENDENT FIRMS

Report on Internal Control Over Compliance

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

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

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

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

Moss Adams LLP

Albuquerque New Mexico
November 14, 2014

BERNALILLO COUNTY
STATE OF NEW MEXICO

COUNTY OF BERNALILLO, NEW MEXICO
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2014

Status of Prior Year Findings

Financial Statement Findings:

Finding Reference			Status
2013-001	[2013-1]	IRS Employee Income Tax Compliance Issues – Educational Assistance, Take-Home Vehicles	Modified and Repeated
2013-002	[2013-2]	Per Diem and Travel Expenditures	Modified and Repeated
2013-003	[2013-3]	PERA Reconciliations	Resolved
2013-004	[2013-4]	Procurement	Modified and Repeated
2013-005	[2013-5]	Reporting of Cash	Resolved
2013-006	[2013-6]	Stale-Dated Checks	Resolved
2013-007	[2013-7]	Improve IT General Controls	Modified and Repeated
2013-008	[2013-8]	Investment Policy – Investment Committee, Conflict of Interest	Modified and Repeated
2013-009	[2013-9]	Decrease in the Fair Value of Investments, Violation of Investment Policy	Modified and Repeated
2013-010	[2013-10]	Investment Bid Process	Modified and Repeated
2013-011	[2013-11]	Human Resources – Personnel Files	Resolved
2013-012	[2013-12]	Violation of the Bernalillo County Code of Ethics	Resolved
2013-013	[2013-13]	Investment Committee Meetings	Modified and Repeated

Federal Findings:

Finding Reference			Status
2013-014	[2013-14]	Reporting	Resolved

COUNTY OF BERNALILLO, NEW MEXICO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2014

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☒ Yes ☐ No
- Significant deficiency(ies) identified? ☒ Yes ☐ None reported

Noncompliance material to financial statements noted? ☒ Yes ☐ No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified? ☐ Yes ☒ None reported

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? ☐ Yes ☒ No

Identification of Major Programs

CFDA Numbers	*Name of Federal Program or Cluster*	*Type of Auditor's Report Issued*
14.871	Section 8 Choice Voucher Program	Unmodified
66.202	Congressionally Mandated Projects	Unmodified

Dollar threshold used to distinguish between type A and type B programs: $ 510,295

Auditee qualified as low-risk auditee? ☐ Yes ☒ No

NOTE: The audit findings that were reported in the examination report of the Bernalillo County Treasurer's Office have been included in the findings below as 2014-001 through 2014-006.

Section II - Financial Statement Findings

2013-009 [2013-9] DECREASE IN THE FAIR VALUE OF INVESTMENTS, VIOLATION OF INVESTMENT POLICY, MATERIAL WEAKNESS INTERNAL CONTROL DEFICIENCY AND MATERIAL NONCOMPLIANCE

(2014-003 CALCULATION OF COUNTY'S CASH FLOW, MATERIAL WEAKNESS)

CONDITION

The County Treasurer's office has not established adequate procedures to determine its cash flow needs and did not make prudent investment decisions that maintained the liquidity necessary to meet the County's daily cash requirement. In discussion with the former Treasurer, the criterion used was to maintain six months' worth of operating expenses in readily available holdings. However, review of existing investments shows that the majority of the investments are in long-term holdings. During the period of July 1, 2010 through March 31, 2014 based on the investment maturity dates, purchases totaling $356,021,000 were made for certificates of deposit and investments with a maturity date of 5 years or less. Purchases totaling $918,916,000 were made for investments with a maturity date of 6 to 27 years and are not available for current operating needs. In addition, the County had $16,681,279 in repurchase agreements with maturity dates greater than 25 years. The following table summarizes the active investments by maturity.

Investment Period	Amount
Certificates of Deposit	$ 221,336,000
5 years or less	134,685,000
6 years to 10 years	197,483,000
11 years to 15 years	367,148,000
16 years to 20 years	344,650,000
More than 20 years	9,635,000
Repurchase	16,681,279
Total	**$ 1,291,618,279**

In fiscal year 2013, the Investment Committee ceased meeting while a new investment policy was being drafted. At the same time, the County Finance Division determined the amount of cash needed to meet the operational needs and hired a financial advisor to assist in the restructuring of the investment portfolio.

CRITERIA
The investment policy requires the County Treasurer to maintain the liquidity necessary to meet the County's daily cash requirement. In addition, the policy requires the County's investment portfolio to remain sufficiently liquid to enable the County to adequately meet all its day to day operation requirements. Further, the policy references 6-8-10 NMSA 1978, which relates to investments being in accordance with the prudent investor rule set forth in the Uniform Prudent Investor Act 45-7-6 NMSA 1978.

EFFECT
As a result, the amount of cash needed for immediate foreseeable needs was not adequate. In order to bring the County into a position of having adequate cash flow to meet operating needs and maintain the liquidity to meet cash requirements, it sold investments and experienced a $17 million dollar loss.

CAUSE
The former and current County Treasurers were not utilizing all the information necessary in determining the cash flow needs and entered into many long-term callable investments. These investments were not advantageous to the County due to rising interest rates. As rates rose, the issuer did not call the bonds, resulting in a decrease to the fair value of the investments. Neither Treasurer gave adequate consideration to the investments not being called and did not use proper judgment in considering future interest rate fluctuations.

RECOMMENDATION
Due to the inability of the Treasurer's office to adequately determine the County's cash flow needs, it is in the best interest of the Treasurer to have resources available to assist him in making this determination. This could include continuing with the advisor and/or having the Treasurer's office accounting staff report to the Finance Division.

In addition, we also recommend the Treasurer, in conjunction with the Investment Committee, structure investment maturities to meet on-going cash flow needs to protect tax dollars in the best interest of the County.

MANAGEMENT RESPONSE
The procedure to determine the cash flow needs of Bernalillo County is a joint effort between the Treasurer's office, the Accounting department, and Enterprise Resource Planning (ERP).

CORRECTIVE ACTION PLAN
The following actions have been taken to address the observation. The Treasurer's office and the County's accounting department have worked together to improve cash projection reporting. A unified cash flow projection report was designed to include laddered investments and a reserve

of short-term investments needed for liquidity; this report is being implemented into our accounting system for easy accessibility and reliability.

On April 1, 2014 the Board of Finance approved the Treasurer's Investment Policy that states the Treasurer shall maintain at least fifteen percent (15%) of the annual county budget in maturities thirty (30) days or less. Please see Investment Policy: SectionVIII-Investment Parameters/B.-Maturity Restrictions/2- Maturity Limits for the Liquidity Component This minimum liquidity requirement should ensure the county can meet all of its day to day operational requirements. In addition to requiring a certain level of liquid investments in the portfolio, the new policy also dictates governance and reporting within the new policy guidelines. In its regularly scheduled meetings, the investment committee will review the cash flow, as presented by finance and treasury department staff. A continuously updated cash flow report will be a standard agenda item during quarterly investment committee meetings and a standard report to the Treasurer on a monthly basis. Please see Investment Policy: section Section V. Controls / G. Investment Committee / 2. Duties and Section IX-Reporting/A.-Specific Reporting Requirements.

2013-010 [2013-10] INVESTMENT BID PROCESS, MATERIAL WEAKNESS INTERNAL CONTROL DEFICIENCY AND MATERIAL NONCOMPLIANCE

(2014-001 INVESTMENT FILES, MATERIAL WEAKNESS)

CONDITION

We tested all 495 investment transactions, including purchases and sales, during the period of July 1, 2010 through March 31, 2014. During our test work of the investment files, we noted neither the former nor current County Treasurer complied with investment file record requirements.

We identified the following related to the former County Treasurer:

- 128 purchase transactions totaling $616,180,000 did not have support for the bid from the broker on file for any of the bids documented on the bid sheets. As of 12/1/2011, the Treasurer's Office was to maintain a copy of the email with the bid. Of these 128 purchase transactions, 5 were subsequent to 12/1/2011 for a total of $2,525,000. In addition, 125 of these transactions totaling $597,499,000 did not have any support for the final bid selected. Of these 125 transactions, 4 were subsequent to 12/1/2011 for a total of $2,250,000.

- 18 purchase transactions totaling $93,713,000 had incomplete bid sheets. Bid sheets were missing the time, price, yield, discount, maturity, settlement and/or approvals.

- 11 purchase transactions totaling $55,681,000 where the bid sheets had no signature/approval by the County Treasurer, or designee, as required in the investment policy.

- 6 purchase transactions totaling $27,275,000 had no bid sheets on file.

- One purchase transaction totaling $5,000,000 where the same bid sheet was used for a purchase on October 4, 2010 and then again on August 24, 2011.

- One purchase transaction totaling $5,000,000 where the settlement date of 07/29/2010 was two weeks after the bid date of 07/13/2010. The investment was purchased at a 4% yield higher than what was documented on the bid sheet. The documentation provided does not adequately explain the change in purchasing at a higher yield.

- One purchase transaction totaling $5,000,000 where the broker selected had a second opportunity to submit a lower price after the other two brokers submitted their bid.

- One purchase transaction totaling $10,000,000 where there was a bid sheet on the settlement however, there was no third party verification confirmation covering the terms. We further noted the bid sheet was not filled out completely.

- One purchase transaction totaling $7,000,000 where the bid sheet was completed; however, the time of day on the bid sheet did not agree to the third party email confirmations. The email confirmations were before the time noted for the phone calls.

We identified the following related to the current County Treasurer:

- Purchase transactions on 1/23/2013, 1/30/2013, and 5/2/2013 totaling $15,000,000 did not have support for any of the bids documented on the bid sheets. In addition, one of these transactions totaling $5,000,000 did not have support for the final bid selected.

- 10 purchase transactions totaling $51,393,000 where the bid sheets were not completed. Bid sheets were missing the time, price, yield, discount, maturity, settlement and/or approvals. The purchase dates for these transactions range from 1/31/2013-6/6/2013.

- Purchase transactions on 5/16/2013, 5/24/2013, 5/30/2013 and 6/6/2013 totaling $16,393,000 where the bid sheets had no signature/approval by the County Treasurer, or designee, as required in the investment policy.

- One purchase transaction on 3/1/2013 totaling $5,000,000 had no bid sheets on file.

- One purchase transaction on 1/30/2013 totaling $5,000,000 where the broker selected had a second opportunity to submit a lower price after the other two brokers submitted their bid. The Treasurer did not document why the broker was given an opportunity to submit a second bid.

CRITERIA
In accordance with 1.19.6.119 NMAC, Investment File, records concerning investment of County funds are retained for six years. The records may include the following information: firm name and address, trade date, settlement date, account number, investment description, investment amount, accrued interest, quote sheets, repurchase agreements, accounting information, investment forms, and copy of payment voucher. In accordance with 1.19.6.118, regarding Investment Confirmation, records confirming that transactions between the treasurer and the broker have been completed. Confirmation may include firm name and address, trade date, settlement date, account number, initial investment amount, investment description, purchase or sell price, accrued interest, etc.

Per the County Treasurer's office investment policy "when securities are being purchased or sold, the County Treasurer will obtain a minimum of two bids, however when both bids for purchases are determined to be good choices for the County, then both bids may be accepted. Bid evaluation can be based on price, yield, liquidity, call date, service, and/or any combination of the five mentioned, which would benefit the needs of the County. Purchase may be made at the County Treasurer's discretion and documented after purchase is complete. The County Treasurer shall record all bids and related details of the transaction in a permanent investment transaction record. All investment trades shall be signed by the County Treasurer and co-signed by a Deputy County Treasurer or the Investment Officer."

EFFECT
Purchase transactions totaling $907,635,000 may not have been in the best interest of the County.

CAUSE
The former and current Treasurer did not consistently apply the requirements for investment file records and internal control requirements. In addition, prior to 12/1/2011, the former Treasurer was maintaining files at an off-site location outside of the custody and control of the County. The storage of the files at this off site location was not an authorized storage facility nor designated disaster recovery site. As a result, some documentation needing to be included in the investment file was not filed.

RECOMMENDATION
We recommend the County Treasurer implement the controls to ensure compliance with internal policies and procedures and administrative code for investment file documentation. All files

should be complete and contain all required information to accurately reflect the decision made behind the transaction.

MANAGEMENT RESPONSE
The Treasurer's Office will follow the State Statutes and Regulations required for the Investment Files. NMAC 1.19.6.119.

CORRECTIVE ACTION PLAN
The Treasurer's Office will ensure all records are maintained in a fashion that will provide public confidence that all statutory, code, policies, and regulatory requirements were complied with.

2013-007 [2013-7] IMPROVE IT GENERAL CONTROLS, SIGNIFICANT DEFICIENCY

CONDITION
During our review of surrounding IT (Information Technology) general controls that are significant to financial reporting, we noted the following:

1. There is no Disaster Recovery Plan that will provide guidance to the County in a recovery effort in case of a disaster. If something happens to the ERP system, the County has to rely on backup tapes which will take them few days or even week to do the recovery effort.

2. We noted that several departments are using applications that are hosted by vendors, and that the County has no IT Vendor Assessment Policy in place to assess vendors' surrounding general controls.

3. Batch processing jobs (nightly jobs) in the ERP system are scheduled to run automatically. We noted that there is no mechanism to review the status of the jobs.

CRITERIA
IT, including systems and infrastructure are essential and integral to the efficiency of the County's operations. IT internal controls are essential to maintain the confidentiality, integrity, and availability of data. IT internal controls are as important as the internal controls that surround the input of financial transactions into the County's general ledger.

In accordance with ISACA's Control Objectives for Information and related Technology (COBIT) 4.1, framework (DS4, Ensure Continuous Service), a Disaster Recovery Plan needs to be developed and tested to reduce impact of a major disruption on key business functions and processes. Framework DS5 (Ensure System Security) provides that the need to maintain integrity of information and protect IT assets requires a security management process. This

process includes establishing and maintain IT security and roles and responsibilities, policies, standards, and procedures. Security management also includes performing security monitoring and periodic testing and implementing corrective actions for identified security weakness or incidents. Effective security management protects all IT assets to minimize the business/financial impact of security vulnerabilities and incidents.

EFFECT

The absence of a formal Disaster Recovery Plan may pose question as to the County's ability to respond and recover its critical data and applications in the event of an unforeseen disaster.
Without strong internal controls over the County's IT infrastructure and the ERP system, there is the potential for the confidentiality, integrity, and/or availability of data to be compromised. This compromise could be by an internal user of the system, by an external source (hacker), could be intentional or unintentional, and could be the result of a disaster. In order to continue this improvement and implement the approved IT policies, the IT Department needs the support of County's management and the cooperation of County's employees.

CAUSE

The County is still in the process of developing and improving its processes and procedures.

RECOMMENDATION

We recommend the following:

1. Develop a formal Disaster Recovery Plan that should be comprehensive in scope covering staff roles and responsibilities, system recovery steps, data restoration procedures, and how to maintain business operations. It would be prudent for the County to test the Disaster Recovery Plan to ensure the viability of the plan and the timeliness of its execution. We also recommend that the County consider having a redundant server, especially for the ERP system.

2. Develop an IT Vendor Assessment Policy. This should cover due diligence before selecting a vendor as well as continuing assessment such as review of vendor's SSAE 16 report (Service Organization Control Report). The result of review of the SSAE 16 report should be documented, especially the users' control considerations.

3. Implement a formal mechanism to review nightly jobs such as alert notification to ensure that any error in the processing is timely and properly addressed.

MANANGEMENT RESPONSE

1. Concur. IT has implemented Disaster Recovery processes for critical business applications but these processes are not documented in a formal plan.

2. Concur. IT is aware of the issue and has been conducting research for best practices and standards to use in a Vendor Assessment Policy.

3. ERP agrees with this deficiency and will update and configure the Solution Manager (SolMan) toolset within the SAP system to provide a formal background job monitoring mechanisms to ensure that errors in processing are properly addressed in a timely fashion.

CORRECTIVE ACTION PLAN

1. IT Management will incorporate Disaster Recovery processes into a formal Disaster Recovery Plan by July 31, 2015.

2. IT Security Group will create an IT Vendor Assessment Policy by March 31, 2015.

3. ERP staff and consultants are currently performing a full core-system upgrade to include an upgrade of Solution Manager from 7.0 to 7.1 to support Central Monitoring and Alerting across our entire SAP landscape. While we had originally planned for this task to be completed by June 30, 2014, we first had to complete a critical project with IT to virtualize all of our servers and are now planning to configure Solution Manager plug-in's across all of our Production servers beginning February 1, 2015 with the entire process scheduled to be completed by June 30, 2015. In the interim period, we do have a SQL Server Agent job that sends an e-mail alert to our BASIS Team for both our core system (ECC) and Procurement (SRM) system when any background job fails.

2014-002 INVESTMENT TRANSACTIONS – PRUDENT PERSON, SIGNIFICANT DEFICIENCY

CONDITION

During testing of active investment transactions, we found that the former Treasurer authorized questionable investment transactions. Specifically, we noted the following:

- One instance where the former County Treasurer entered into a ZERO COUPON Bond for $5,000,000. Zero coupon bonds do not pay interest during the life of the bond causing prices to fluctuate more than other types of bonds in the secondary market.

- One instance where the former County Treasurer sold an investment for $5,000,000 and then sold the same investment a second time. To cover the second sale, the former County Treasurer made a subsequent purchase to cover the transaction. Thus, the sell date was prior to the purchase date for the $5,000,000 transaction.

CRITERIA

6-8-10-NMSA 1978, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." Per the treasurer's office investment policy, "the Bernalillo County Treasurer shall establish a system of internal controls governing the administration and management of the investment portfolio, which shall be reviewed annually by the Investment Committee. The controls shall be designed to prevent losses of County assets arising from fraud, error, misrepresentation, conflicts of interest, or imprudent actions and mitigate losses due to unanticipated market changes."

In accordance with section 6-10-36(C) NMSA 1978, requires public money to be placed in interest bearing deposits in banks and savings and loan associations and it shall be equitably distributed among all banks and savings and loan associations having their main or staffed branch offices within the geographical boundaries of the governmental unit that have qualified as public depositories by reason of insurance of the account by an agency of the United States or by depositing collateral security or by giving bond as provided by law and that desire a deposit of public money pursuant to this section.

EFFECT

The former Treasurer placed the County at risk by entering into unfavorable transactions.

CAUSE

The former Treasurer did not consistently perform adequate due diligence when selecting offers.

RECOMMENDATION

We recommend the Treasurer ensure adequate due diligence when selecting offers to ensure there are no over expenditures of taxpayer funds. All supporting documentation should be completed at the time of the transaction and maintained in the investment file including the bid sheets.

In addition, the policy and procedures should be updated to include more strategic trading in order to alleviate overpaying for investments and the Investment Committee should review in detail the purchases entered into by the Treasurer.

MANAGEMENT RESPONSE

The zero coupon was purchased at 1,576,950 on 10/22/10 and sold on 11/4/10 for 1,587,650 for a profit of $10,700.

CORRECTIVE ACTION PLAN

The following actions have been taken. On April 1, 2014 the Board of Finance approved the Treasurer's Investment Policy. Open market security transactions and all securities shall be executed at a price most advantageous to the County utilizing an electronic trading platform. Additionally, the County will no longer purchase zero coupon bonds or short sale investments. These restrictions will be included as ineligible securities in the next revision of the Investment Policy, which is required to be reviewed annually.

2014-005 PROCUREMENT/RELATED PARTIES, SIGNIFICANT DEFICIENCY

CONDITION

During our test work of procurement and/or related party contracts we noted the former treasurer entered into one contract with a related party. Specifically, we noted the following:

The former County Treasurer contracted with a related party totaling $15,175 after the Deputy County Manager of Finance and County Manager specifically indicated the contract should be cancelled and not entered into. The owner of a business and vendor of the County Treasurer's office is also an appointed citizen member of the County Treasurer's investment committee by both the former and current County Treasurer. The vendor was Treasurer for two of the former County Treasurer's campaigns, in 2004 and in 2008, and contributed $100 to the current County Treasurer's campaign in 2012.

The vendor is also a registered Director, along with the former County Treasurer and the former County Treasurer's wife, for a nonprofit organization. The nonprofit provides educational assistance to one disadvantaged high school graduate each year. We noted a campaign disclosure form was signed to show no more than $250 was contributed to public officials during this time. We also noted a conflict of interest statement was signed but no mention of this relationship was disclosed by the vendor.

While the Deputy County Manager of Finance directed the contract was to be cancelled and the County Manager met with the former Treasurer and stated the former Treasurer should not enter into the contract, the former Treasurer did so anyway. In fact, the contract was approved by a designee while the Deputy County Manager of Finance and County Manager were out on vacation and after the former Treasurer was instructed not to enter into the contract.

CRITERIA

Per the County Treasurer's office investment policy "All persons involved either directly or indirectly in the County investment program shall refrain from activities that give the appearance of conflict of interest."

13-1-125 NMSA 1978 Small Purchases "A central purchasing office may procure professional services having a value not exceeding $50,000, excluding applicable state and local gross receipts taxes, except for the services of landscape architects or surveyors for state public works projects or local public works projects, in accordance with professional services procurement rules promulgated by the department of finance and administration, the general services department or a central purchasing office with the authority to issue rules."

EFFECT
The County may be subject to penalties and may have paid more than necessary for services.

CAUSE
The former Treasurer elected to enter into the contract despite County Management direction to not enter into the contract.

RECOMMENDATION
We recommend the County Treasurer's office review and implement procedures as necessary to ensure they are in alignment with the updated investment policy and the state procurement requirements. In addition, the County should review all contracts entered into by the Treasurer's office to determine if any contracts should be cancelled and reopened to ensure the Treasurer's Office has participated in open and competitive contracting practices, and is transparent and accountable in its dealings.

MANAGEMENT RESPONSE
The County will implement sufficient internal controls to reduce the likelihood of this recurring in the future. In addition, the Treasurer will follow the guidelines set forth in the Investment Policy dated April 1, 2014.

CORRECTIVE ACTION PLAN
The Treasurer's office will be more diligent to ensure that there are no conflicts of interest and that the proper documents are completed when necessary. Applicable forms have been created and are being reviewed by County Legal to ensure all persons involved either directly or indirectly in the County investment program shall refrain from activities that give the appearance of conflict of interest. In addition, current required Standards of Conduct will be followed:

- The Bernalillo County Code, Code of Conduct, 2-126 to 2-139;
- The Governmental Conduct act, NMSA §§10-16-1 to -18;
- The Gift Act, NMSA 1978 §§10-16B-1 to-4; and
- The Procurement Code, NMSA 1978 §§ 13-1-28 to 199.

2014-006 VENDOR APPROVAL PROCESS, SIGNIFICANT DEFICIENCY

CONDITION

During our test work of transactions with brokers/dealers, we noted that while the Investment Committee approved Brokers, Dealers, and Banks, they did so based on incomplete information. The brokers/dealers submitted incomplete information to the former County Treasurer in eight instances and the current County Treasurer in one instance, who in turn submitted the incomplete information to the Investment Committee for approval. Specific observations include the following:

Under the former County Treasurer, incomplete information was submitted to the Investment Committee for review and approval as follows:

1. Four instances where the broker/dealer had indicated to see attached documentation; however the attachment did not exist.

2. Four instances where the broker/dealer did not complete the questionnaire. Information missing included providing four references and indicating the types of investments in which they participated.

3. One instance where the information provided by the broker was not on the standard form.

Under the current County Treasurer, incomplete information was submitted to the Investment Committee for review and approval as follows:

1. One instance where the broker/dealer had indicated to see attached; however the attachment did not exist and the broker/dealer did not indicate the types of investments in which they participated.

CRITERIA

Per the investment policy, "The Treasurer shall use only Brokers, Dealers, and Banks accepted and approved by the investment committee."

The policy further states "the brokers used shall be licensed dealers and shall bid on a competitive basis." In addition, "The selection criteria are: the firm must be registered as a dealer under the Securities Exchange Act of 1934, the firm must be a member of the National Association of Security Dealers, the firm and assigned broker must have been engaged in transacting trades in U.S. government and fixed income securities for at least the immediately preceding five consecutive years and have managed assets of at least 100 million dollars." As noted on the Broker/Dealer questionnaire, the qualified broker/dealer update is required by February 15th of each year.

EFFECT
The County Treasurer's office could be entering into transactions with broker/dealers who are not qualified and thus place the County at risk of loss of its financial resources.

CAUSE
The County Treasurer's office did not submit complete information to the Investment Committee for their review and approval and in turn, the Investment Committee did not perform due diligence when approving brokers.

RECOMMENDATION
We recommend the County Treasurer's office further develop and implement controls to ensure compliance with internal policies and procedures over broker/dealer selections. At a minimum, the following should be performed:

- Obtain complete background information on the broker/dealer.
- Present complete broker/dealer packages to the investment committee for approval.
- Monitor broker/dealer results against benchmarks on a regular basis.
- Rotate broker/dealers.

We also recommend the investment committee perform due diligence when reviewing and approving broker/dealer applications.

MANAGEMENT RESPONSE
The following actions have been taken to address the deficiency. On April 1, 2014 the Board of Finance approved the Treasurer's Investment Policy that stated the Treasurer with the advice and consent of the Board of Finance shall approve all authorized brokers and dealers. The broker/dealer qualifications in the approved investment policy include:

- Broker-dealer must be a registered dealer pursuant the Uniform Securities Act of NM,
- Broker-dealer must be registered with the financial industry regulatory authority (FINRA),
- Broker-dealer must have a minimum of five (5) years of current and continuous employment history involving fixed income securities and
- Must have a FINRA series 7 license or equivalent certification.

Applicable forms have been created and are being reviewed by County Legal to ensure a*ll persons involved either directly or indirectly in the County investment program shall refrain from activities that give the appearance of conflict of interest.* In addition, *c*urrent required Standards of Conduct will be followed:

- The Bernalillo County Code, Code of Conduct, 2-126 to 2-139;

- The Governmental Conduct act, NMSA §§10-16-1 to -18;
- The Gift Act, NMSA 1978 §§10-16B-1 to-4; and
- The Procurement Code, NMSA 1978 §§ 13-1-28 to 199.

CORRECTIVE ACTION PLAN
Bernalillo County requested that Public Trust Advisors execute trades on their behalf beginning February 20, 2014, as part of the portfolio restructuring.

2013-001 [2013-1] IRS EMPLOYEE INCOME TAX COMPLIANCE ISSUES –TAKE-HOME VEHICLES, FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT DEFICIENCY

CONDITION
The County does not have adequate controls over the Vehicle Take-Home Authorization Form to ensure that the forms are being remitted timely to the payroll department to ensure proper taxing for the appropriate periods. In addition, as the forms were not closely monitored there is potential for employees to receive the authorization but not utilize the benefits or employees who have take-home vehicles but no authorization which may result in the employee being over or under taxed.

Per review of 20 employees who had take-home vehicles, the following 5 deficiencies between the usage of the vehicle and the period the benefit was reported for tax purposes were noted during the annual audit.

1. For one employee tested, the beginning date indicated on the Vehicle Take-Home Authorization Form indicated a take-home vehicle was required from 09/12/2011 with no ending date specified. However, per review of the payroll system for calendar year 2013 for this employee, the employee had fringe benefits related to a take-home vehicle for pay period end 11/1/2013 to 12/27/2013.

2. For another employee tested, the beginning date indicated on the Vehicle Take-Home Authorization Form indicated a take-home vehicle was required as of 10/21/2013 with an end date of 11/08/2013. However, per review of the payroll system for calendar year 2013 for this employee, the employee had fringe benefits related to a take-home vehicle for pay period end 11/1/2013 to 12/27/2013.

3. For another employee tested, the beginning date indicated on the Vehicle Take-Home Authorization Form indicated a take-home vehicle was required as of 10/19/2013 with no ending date specified. Per review of the payroll system, this employee did

not have any fringe benefits related to take-home vehicles reported in their gross wages.

4. For another employee tested, the beginning date indicated on the Vehicle Take-Home Authorization Form indicated a take-home vehicle was required as of 7/1/2013 with an ending date of 12/31/2013. Per review of the payroll system for calendar year 2013, the employee had fringe benefits related to a take-home vehicle pay period end 9/6/2013 to 12/27/2013.

5. For another employee tested, the beginning date indicated on the Vehicle Take-Home Authorization Form indicated a take-home vehicle was required as of 2/10/2012 with no specified ending date. Per review of the payroll system for calendar year 2013, the employee had fringe benefits related to a take-home vehicle pay period end 3/8/2013 to 12/27/2013.

CRITERIA
In accordance with IRS Publication 15-B, Employer's Tax Guide to Fringe Benefits, qualified nonpersonal-use vehicles are a working condition benefit and are not taxed; however, all other usage is taxable.

EFFECT
The County is not in compliance with IRS regulations regarding fringe benefits.

CAUSE
The County's payroll department does not always receive the Vehicle Take-Home Authorization Forms in a timely manner from various other departments requesting an employee to have a take-home vehicle.

RECOMMENDATION
The County should ensure all Department Directors are informed of the policy and procedures.

MANAGEMENT RESPONSE
A database, managed by Risk Management, has been configured to capture take home vehicle information as input by responsible departments and quarterly training is provided to liaisons designated to maintain their departments' information. The Payroll Office and county departments have unrestricted access to the information in this driver management database. In addition, an automated email is sent at the beginning of each calendar year requiring departments to complete take home vehicle forms and to submit them to the Payroll Office for processing. It is the department's responsibility to ensure that employees with take home vehicles complete and submit the forms to their Directors and Deputy County Managers for approval and forward them to the Payroll Office timely.

CORRECTIVE ACTION PLAN

The Payroll Office is responsible for processing take home vehicle tax adjustments for employees who have submitted take home vehicle forms each calendar year. The Payroll Office will in the future also process retroactive tax adjustments for take home vehicle forms submitted with start dates prior to the current date. An automatic entry will be entered in the payroll system for those employees who require tax adjustments for the timeframe specified on the submitted form. In addition, the take home vehicle form will be modified to indicate that the beginning and ending dates are required and that a new form must be completed each calendar year to certify that departments are up to date. Also, a second automated email will be sent to departments mid-year asking for status updates on take home vehicles and the information must be provided to the Payroll Office and Risk Management for processing. The process will be enhanced to ensure accountability.

2013-002 [2013-2] PER DIEM AND TRAVEL EXPENDITURES, FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT DEFICIENCY

CONDITION

Per review of 29 travel and per diem expenditures the following instances of noncompliance were noted.

1. For one travel and per diem expenditure reviewed, the employee incurred travel expenditures related to airfare, and traveled back on a Saturday instead of a Friday due to personal reasons. The County's credit card was charged an additional $24 for the Saturday travel; however, the County was not reimbursed by the employee.

2. For another travel and per diem expenditure reviewed, the employee incurred travel expenditures related to a hotel stay for a conference. This employee extended their hotel stay for personal reasons. The total amount of travel expenses charged on the County's credit card was $596.94 ($208.80 for County business and $388.14 for personal reasons); however, only $315.38 was repaid to the County by the employee resulting in $72.76 paid by the County for non-County business related charges.

3. For another travel and per diem expenditure reviewed, the employee incurred travel expenditures related to airfare for overseas travel on March 15th to March 23rd, in which additional charges of $364 related to "bulkhead premium seat" and "extra legroom" were charged to the County's credit card on February 16th. These additional expenditures were not included in the initial approval of travel on February 4th and were approved by the County Manager on April 4th after the travel took place.

4. For another travel and per diem expenditure reviewed, the employee incurred travel costs related to a partial day per diem reimbursement. This travel did not require an overnight stay, but did extend beyond a normal work day by a total of 7 hours. The employee was over-reimbursed $10.

CRITERIA

1. *(Applies to part 1 and 2 of the condition*) Per review of the County's Travel/Training/Registration Procedures, employees traveling on county-approved business will only be reimbursed for the time and costs indicated on the approved *Travel/Registration Form (TRF).* Travel time (i.e., time away from work) should be limited to the schedule for the conference/class/seminar. Travel that is primarily for personal reasons will not be reimbursed by the County. In addition, the procedure indicates that any increased cost that results from changing travel arrangements or making late reservations may result in those costs being charged back to the traveler.

2. *(Applies to part 3 of the condition)* Per review of the County's Travel/Training/Registration Procedures, requests for travel outside of the United States should be made as far in advance of the planned travel dates as possible. All such requests must be made on a *Travel/Registration Form (TRF)* and be reviewed and approved by the County Manager (CM). In addition, the procedure indicates that travel liaisons and travelers are expected to obtain the lowest airfare.

3. *(Applies to part 4 of the condition)* Per review of 2.42.2.8 (B)(1) NMAC, employees who occasionally and irregularly travel shall be reimbursed for travel which does not require overnight lodging, but extends beyond a normal work day. A "normal work day" is defined as 8 hours within a nine-hour period for all employees both salaried and non-salaried, regardless of the employees' regular work schedule.

EFFECT

The County is not in compliance with the NMAC and County policies and procedures.

CAUSE

1. *(Applies to parts 1 and 2 of the condition)* The County Travel Coordinator did not properly adjust the travel registration reimbursement form (TRRF) when the individual returned from travel status to account for the personal reasons.

2. *(Applies to part 3 of the condition)* The County Travel Coordinator received approval from the County Manager indicating it was allowable to reimburse the Commissioner for the additional costs.

3. *(Apples to part 4 of the condition)* The County Travel Coordinator did not input the correct amount for reimbursement in the "final approved amount" column based on the "final approved cost" column.

RECOMMENDATION
The County should ensure employees are adequately trained with regards to the NMAC and County policies and procedures.

MANAGEMENT RESPONSE
The travel section has made significant improvements to County travel procedures, guidelines and forms over the past few years. These improvements include updated comprehensive procedures and several new or revised forms as of 2/3/14 for which training was provided to all travel liaisons, department directors/elected officials, or their designee. The County has also moved to a combined travel and procurement card as of 7/1/14 thus improving efficiencies in card administration and ease of use for cardholders.

The travel section consists of the County Travel Coordinator, whose primary responsibility is to ensure compliance with NMAC and County travel procedures, which is done by reviewing and approving all requests for travel and travel reimbursements. The County Travel Coordinator communicates regularly with travel liaisons submitting requests for travel and reimbursements and provides them guidance on procedures, guidelines, and proper submission of required documentation. Assisting the County Travel Coordinator, part time as this position has other duties, is the Administrative Officer II. Both these positions report to the Budget & Business Improvement Administrator, who provides oversight of the travel section, leads efforts for all aspects of travel from form automation to procedure updates, and reviews complex requests for compliance as needed.

It is a requirement that all staff involved in travel for the County read and regularly refers to the updated travel procedures, guidelines and forms when processing County travel requests and reimbursement. Continued improvements on travel procedures, guidelines and forms are a primary objective of the travel section, which is accomplished in many ways, such as capitalizing on opportunities to automate and standardize processes and updating procedures in response to the evolving needs of the County, e.g. foreign travel. In 2015, the travel section will roll out and provide training for an automated workflow for the Travel Registration Form (TRF), which will include enhanced controls for data entry and automated calculations to ensure accurate submission of travel requests.

CORRECTIVE ACTION PLAN
(Applies to part 1 and 2 of the condition) These reimbursements were prepared using the Travel Reimbursement Worksheet, which was replaced by the Travel/Registration Reimbursement Form (TRRF) on 2/3/14. The TRRF is a significant improvement over the Travel

Reimbursement Worksheet, which had several sections for miscellaneous adjustments such as those in conditions 1 and 2. The travel section will analyze options for improved controls in the future, such as dual reviews and additional check boxes on the TRRF, to better identify and adjust for travel includes personal charges. Finally, adjusted TRRFs have been prepared by the County Travel Coordinator and the County expects full reimbursement from each traveler.

(*Applies to part 3 of the condition)* The additional charges were reviewed by the County Travel Coordinator and approval from the County Manager was requested and granted for these items. Travel procedures indicate that the County Manager's role is to review and approve/deny requests for travel and to establish travel/registration guidance and policy. The additional charges were subsequently reimbursed by the traveler. Going forward as foreign travel becomes more prevalent, the County will evaluate its procedures and guidelines against industry standards and leading practices in this area to ensure comprehensive guidance is available to all travelers. Further, additional language will be added to the procedures to indicate that the County Manager has authority to approve/deny reasonable requests not specifically prohibited and that such approval/denial may occur after the fact as it is not always practicable to obtain such approvals in advance.

(*Applies to part 4 of the condition)* The Travel Registration Form (TRF), which will be automated via workflow in 2015, and Travel Registration Reimbursement Form (TRRF) will be updated in early 2015 so that the calculation when the "normal work day" criteria is met is performed automatically via the forms, thus eliminating the potential for incorrect meal per diem calculation in the future. Finally, an adjusted TRRF has been prepared by the County Travel Coordinator and the County expects full reimbursement from the traveler.

2013-004 [2013-4] PROCUREMENT-CONTRACTS, FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT DEFICIENCY

CONDITION

For 39 vendors selected we reviewed 66 purchase orders, of which one purchase order had a contract related to professional services which expired on June 30, 2013; however, $23,500 of expenditures were incurred and expended during the fiscal year ended June 30, 2014.

CRITERIA

Bernalillo County policies and procedures (section 11 contracts), indicates that a contract is any written agreement for tangible personal property, services or construction. In addition, for the contract to be effective it must have the date services are to be completed, and an option to extend the contract if required. In addition, amendments to contracts shall consist of additions, revisions, deletions from, corrections or modifications of an original contract. All contract

amendments must be routed through the Purchasing Department and are subject to the "Review/Routing and Approval Authority."

EFFECT
The County is not in compliance with their policies and procedures.

CAUSE
The Economic Development and Cultural Services Department who requested the contract did not notify the Purchasing Department that the contract terms needed to be extended as the professional services provided were not completed.

RECOMMENDATION
The County should ensure there is a system of internal control including adequate communication in place to ensure Departments are not purchasing off of expired contracts.

MANAGEMENT RESPONSE
The Purchasing Department will continue to communicate the importance of contract administration to user departments. The Purchasing Department sends quarterly contract expiration reports to user departments advising them of contracts that are due to expire within three months of expiration.

CORRECTIVE ACTION PLAN
The Purchasing Department will communicate the finding with the Economic Development and Cultural Services Department and will provide refresher training to applicable staff.

2013-008 [2013-8] INVESTMENT POLICY – VIOLATIONS, FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT DEFICIENCY

CONDITION
During our review of the investment policy we noted the following items:

1. During our review of the investment transaction process, a total of 24 investment transactions were tested for the month of April 2014. The sample included 15 security purchases and 9 security dispositions. Per a letter dated February 20, 2014 from the County to Public Trust Advisors, Bernalillo County chose to liquidate existing securities to convert unrealized losses to realized losses not to exceed a net realized loss of $15,000,000. The County also specified in the letter that the amount may be amended at any time by the County and amendments would be provided in writing. Nine securities were sold in April of 2014 with a net realized loss of $1,428,050; however, $1,324,113 of

the losses incurred exceeded the authorized amount of $15,000,000 total net realized losses.

2. The monthly investment reports and the quarterly report for the fourth quarter of fiscal year 2014 were not posted on the County's Transparency website in accordance with the investment policy adopted April 1, 2014. The reports were posted to the Treasurer's website after the auditors requested additional clarification of the County's compliance with its investment policy.

3. The investment portfolio was not compared to the required approved benchmarks for total rate of return, weighted average maturity, and duration for the months of April 2014, May 2014, and June 2014.

CRITERIA

1. *(Applies to part 1 of condition)* The letter of authorization dated February 20, 2014 provided by the County to Public Trust Advisors indicated "Public Trust Advisors will be responsible for assisting the Treasurer in liquidating specified securities as follows: … b. Co[n]vert unrealized losses to realized losses in an amount not to exceed $15,000,000.00. Please note, that this $15,000,000.00 realized loss number can be changed or amended by the County at any point in time. It must be done so in writing."

2. *(Applies to part 2 of condition)* Part IX of the March 2014 revision of the Investment Policy requires that "The Investment Officer and the County Treasurer will submit and present the monthly investment report, to the County Board of Finance and shall make sure that the report is posted on the County Transparency website."

3. *(Applies to part 3 of the condition)* Part IX (B) of the March 2014 revision of the Investment Policy requires the Investment Portfolio be compared to the applicable and approved benchmarks for weighted average maturity, duration, and total rate of return as part of the monthly reporting requirements.

EFFECT

1. *(Applies to parts 1 through 3 of the condition)* The County Treasurer's Office was not in compliance with its written agreement with Public Trust Advisors and the investment policy as approved by the Board of Finance and the County Treasurer.

2. *(Applies to part 1 of the condition)* Investment transactions occurred without proper written authorization, and future transactions could continue to occur without proper written authorization.

3. *(Applies to part 2 of the condition)* Due to a deficiency in internal controls, the required monthly reports and the quarterly report were not posted to the County's transparency website creating a lack of transparency over investment activities for the County.

4. *(Applies to part 3 of the condition)* The County Treasurer's Office did not compare the Investment Portfolio to the required approved benchmarks for the months of April 2014, May 2014, and June 2014.

CAUSE

The County Treasurer's Office did not have proper controls in place to ensure that the Investment Policy was being adhered to.

RECOMMENDATION

The County Treasurer's Office should continue to develop a set of internal controls and system for monitoring the Investment Portfolio and investment activities to ensure compliance with the March 2014 revision of the Investment Policy.

MANANGEMENT RESPONSE

1. A telephone conference with the Treasurer, County Manager, Deputy County Manager of Finance and Public Trust Advisors allowed Public Trust Advisors (a Registered Investment Advisor) to exceed the 15,000,000 and the new policy approved April 1, 2014 allowed this without written approval.

2. The monthly reports were presented to the Board of Finance on August 12, 2014 and were posted upon receipt, to the County's Transparency website. The minutes for the August 12, 2014 meeting should be approved on November 18, 2014 at the Board of Finance meeting.

3. The Investment Policy was approved by the Board of Finance in April 2014, which described the investment committee structure and their responsibilities. The first investment committee meeting was held in July 2014 and the County Manager was acting as the interim Investment Officer. During the first Investment Committee meeting, the investment portfolio was discussed in detail which included the rate of return, weighted average maturity and the portfolio's duration. Since the benchmarks had not been established by the investment committee prior to the July 2014 meeting, the portfolio could not be compared to the approved benchmarks for the months of April 2014, May 2014 and June 2014.

CORRECTIVE ACTION PLAN

1. Public Trust Advisors is a Registered Investment Advisor and as of August 12, 2014 is the Investment officer as well. The investment procedures have been written and will be presented to the Board of Finance on November 18, 2014 for approval.

2. The monthly investment reports will be electronically posted (to the County's Transparency website) in the Board of Finance packet that will be presented to the Board of Finance quarterly.

3. The Investment Officer position was outsourced to Public Trust Advisors in August 2014 and the established benchmarks are compared to the portfolio's performance for the months thereafter.

AUDITOR REBUTTAL

1. As described in criteria one, the County indicated that they would provide Public Trust Advisors written notification of any changes; however, the County was unable to provide such written documentation.

2. On Wednesday, October 15, 2014, the auditors requested the location of the information on the County's Transparency website. On Friday, October 24, 2014, the auditor's obtained the County's documentation noting the information was posted on Wednesday, October 22, 2014 after the auditors requested the location.

3. As described in criteria three, the County was not in compliance with their Investment Policy.

2013-013 [2013-13] INVESTMENT COMMITTEE MINUTES, FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT DEFICIENCY

(2014-004 OPEN MEETINGS ACT, SIGNIFICANT DEFICIENCY)

CONDITION

During our review of the Investment Committee Meeting Minutes, we noted that there were no agendas for the February 24, 2011, April 21, 2011, June 30, 2011, October 27, 2011, and December 1, 2011. We also noted that the December 22, 2010, October 27, 2011, and December 19, 2013 meetings were not approved. There was one instance for the October 30, 2013 meeting where there was no evidence that a draft transcript was kept on file and one instance where the meeting did not identify the location for the July 25, 2013 minutes. In addition, the meeting minutes for the July 20, 2010 meeting were altered to indicate the investment policy had been reviewed by the investment Committee over one year later, in preparation for the annual audit.

The Bernalillo County Investment Policy No. 2-14-2012 established the Investment Committee. Under this policy, the Investment Committee is charged with the following responsibilities (among others): "Monitor the investment transactions to insure that proper controls are in place to guarantee the integrity and security of the [County] Treasurer's investment portfolio; Review that current State laws and policies of the Bernalillo County Board of Finance are being adhered to by the Office of the County Treasurer; Meet as appropriate, but not less than quarterly, to deliberate on such topics as economic outlook, portfolio diversification and maturity structure, potential risks and the target rate of return on the investment portfolio; Authorize and recommend depositories, custodians and broker/dealers [for inclusion on the Treasurer's list of approved investment managers]." At the December 19, 2013 Investment Committee meeting, the Investment Committee disbanded after the close of the meeting, until a new investment policy was created.

There is no indication in the meetings minutes provided by County Treasurer staff that the Investment Committee determined on an annual basis what notice for a public meeting is reasonable when applied to them. There is also no evidence that the Investment Committee provided twenty-four hours public notice of its meetings, including an agenda containing a list of specific items of business to be discussed or transacted or information on how the public may obtain a copy of such agenda.

A new investment policy was signed on March 13, 2014 and became effective on April 1, 2014, which reestablished the Investment Committee. Under the new investment policy the Investment Committee is charged with the following responsibilities (among others): "[m]onitor the investment transactions to ensure that proper controls are in place to guarantee the integrity and security of the County Treasurer's investment Portfolio; Ensure that current State laws and policies of Bernalillo County, are being adhered to by the County Treasurer, Board of Finance and Investment Officer; Meet as appropriate, but not less than quarterly, to deliberate on such topics as economic outlook, portfolio diversification and maturity structure, benchmarks, potential risks and the target rate of return on the investment portfolio; A quorum is necessary to conduct a meeting; Review and recommend custodians and broker-dealers. A list will be recommended to the County Treasurer and County Board of Finance of financial institutions authorized to provide investment services. In addition, a list will also be recommended to the County Treasurer and County Board of Finance of security broker/dealers. The broker-dealers list will be recommended by the Investment Committee no less than annually."

There were no Investment Committee meetings from April 1, 2014 through June 30, 2014.

CRITERIA

Section 10-15-1(B) NMSA, 1978, of the Open Meetings Act provides in pertinent part that "[a]ll meetings of a quorum of members of any board, commission… or other policymaking body of… any agency or authority of any county… held for the purpose of formulating public policy…,

discussing public business or taking action within the authority of or the delegated authority of any board commission or other policymaking body are declared to be public meeting open to the public at all times except as otherwise provided in the constitution of New Mexico or the Open Meetings Act."

Section 10-15-1(G) NMSA, 1978, of the Open Meetings Act provides in pertinent part that "…the policymaking body shall keep written minutes of all its meetings. The minutes shall include at a minimum the date, time and place of the meeting, the names of members in attendance and those absent, the substance of the proposals considered and a record of any decision and votes taken that show how each member voted. All minutes are open to public inspection. Draft minutes shall be prepared within ten working days after the meeting and shall be approved, amended, or disapproved at the next meeting where a quorum is present. Minutes shall not become official until approved by the policymaking body."

Section 10-15-1(D) NMSA, 1978, of the Open Meetings Act provides in pertinent part that "[a]ny meetings at which the discussion or adoption of any proposed resolution, rule, regulation or formal action occurs and at which a majority or quorum of the body is in attendance, and any closed meetings, shall be held only after reasonable notice to the public. The affected body shall determine at least annually in a public meeting what notice for a public meeting is reasonable when applied to that body. That notice shall include broadcast stations licensed by the federal communications commission and newspapers of general circulation that have provided a written request for such notice."

Section 10-15-1(F) NMSA, 1978, of the Open Meetings Act provides in pertinent part that "[m]eeting notices shall include an agenda containing a list of specific items of business to be discussed or transacted at the meeting or information on how the public may obtain a copy of such an agenda… [which notices shall be made available to the public] at least twenty-four hours prior to the meeting… and posted on the public body's web site, if one is maintained." (NOTE: this provision of the code was amended in 2013 to require seventy-two hours of notice to the public, but since the records reviewed pre-date that amendment, the auditor is reviewing this condition in accordance with the prior applicable statutory requirement.)

Section 1.15.2.119 NMAC (records retention for general administrative records) indicates that minutes of meetings of boards, commissions or other policy making bodies, as defined in Open Meetings Act (Section 10-15-1 NMSA 1978) are to be retained permanently.

<u>EFFECT</u>
In addition to not being in compliance with Section 10-15-1, NMSA 1978, the Treasurer's office and Investment Committee are acting in a manner that is less than transparent and accountable to the County.

The Treasurer's Office is not following the Open Meetings Act with respect to properly maintaining meeting minutes of the Investment Committee, ensuring draft minutes are properly reviewed and approved, maintaining approved final minutes, establishing proper public notification protocols, and ensuring adequate public notice of public meetings. The Treasurer's Office is not following records retention requirements as outlined in the NMAC with regards to minutes and it is unclear as to which minutes were the original minutes approved by the investment committee.

CAUSE

The former and current Treasurers believe that as the Investment Committee is not making decisions that the meetings are not subject to the stated criteria. However, the Committee is making decisions by approving investment brokers and the investment policy, and should be approving overall investment decisions.

The County Treasurer's interpretation of the Open Meeting Act is that it does not apply to the Investment Committee on the basis that the Investment Committee only advises the County Treasurer. Moreover, the County Treasurer makes the assertion that the Investment Committee is not required to keep meeting minutes. If that is true, then there is no formal process for the Investment Committee to document which "Brokers, Dealers, and Banks" they have authorized the County Treasurer to use, which calls into question ALL investments made by the County Treasurer as a violation of the County's Investment Policy.

RECOMMENDATION

We recommend the County implement procedures to ensure compliance with Section 10-15-1, NMSA 1978 including documenting the meeting agendas, the decisions reached during the meetings, approval of meeting minutes, and minutes of every meeting. The meeting minutes should be posted within ten working days after the meeting. The minutes should be approved at the following meeting and under no circumstances should changes be made to those minutes.

The Treasurer's Office should ensure that the official proceedings of the investment committee follow the New Mexico Statutes Annotated and the New Mexico Administrative Code with respect to the Open Meeting Act as well as their policies and procedures. In addition, minutes should accurately reflect the meetings and document any changes based on the actual events that occurred.

MANANGEMENT RESPONSE

The County adopted a revised investment policy on April 1, 2014. Part of this new investment policy establishes a new Investment Committee; see Section IV-Controls/G. Investment Committee.

CORRECTIVE ACTION PLAN
This new Investment Committee will act in compliance with section 10-15-1, NMSA 1978 where applicable.

2014-007 CASH RECEIPT POSTING, FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT DEFICIENCY

CONDITION
During our test work of cash receipts, for one of the three items tested, we noted a receipt of solid waste billings was received via a wire transfer on April 2, 2014; however, the receipt was not recorded in the general ledger as revenue until April 30, 2014.

CRITERIA
Per County Policy Administrative Instruction No. 57: Collection of Monies and Handling Requirements, "It is the responsibility of each department and office to maintain effective internal controls over the receipting of County monies. Internal controls require accountability to be maintained by issuing pre-numbered receipts, or cash register or electronic receipts that have assigned numbers; immediately recording payment transactions; immediately canceling checks with a County "for deposit only;" limiting access to monies; and reconciling accounts as outlined below."

EFFECT
The County is not in compliance with their cash receipts policy. In addition, the County is at risk of misappropriation of cash by having cash in their possession that has not been recorded in the general ledger.

CAUSE
The department does not always post wires daily due to workload.

RECOMMENDATION
We recommend that the department record cash receipt wires daily to have an accurate reflection of cash and revenue in the general ledger.

MANAGEMENT RESPONSE
Waste Management (WM) uses an electronic transfer system to post information from receipts throughout the month. This goes through the Bank of America to the Bernalillo County designated bank which hits the Solid Waste (SW) Trash Fee account. With each electronic wire transfer, WM will email their records to SW showing the dollar amount and transaction number. Solid Waste then enters the same dollar amount that is already in the SW account into SAP. Money from the electronic wire transfers are not kept or held at the Solid Waste office.

CORRECTIVE ACTION PLAN
Dollar amounts from the Electronic Wire Transfers from WM will be entered on a weekly basis and will not be held until the end of the month.

2014-008 FAMILY SELF-SUFFICIENCY ESCROW BALANCE, FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT DEFICIENCY

CONDITION
During our review of the Housing escrow liability balance under the Family Self Sufficiency (FSS) program we noted that the escrow balance recorded in Housing's books and records totaled $263,964.62. The associated cash balance recorded in Housing's books and records totaled $253,668.43, leaving an unreconciled difference of $10,296.19.

CRITERIA
24 CFR 984.305 paragraph (a)(1) states "The PHA shall deposit the FSS account funds of all families participating in the PHA's FSS program into a single depository account. The PHA must deposit the FSS account funds in one or more of the HUD-approved investments." In addition, 24 CFR 984.305 paragraph (a)(2)(i) states "The total of the combined FSS account funds will be supported in the PHA accounting records by a subsidiary ledger showing the balance applicable to each FSS family. During the term of the contract of participation, the PHA shall credit periodically, but not less than annually, to each family's FSS account, the amount of the FSS credit determined in accordance with paragraph (b) of this section.

EFFECT
The total of FSS escrow account funds held by the Housing Authority is not supported, as required by federal regulations related to the establishment and maintenance of FSS accounts.

CAUSE
The Housing Authority personnel responsible for tracking the escrow liability balances are not the same personnel reconciling the related cash balance. A proper reconciliation between the two has not been performed.

RECOMMENDATION
The Housing Authority should reconcile the escrow liability balances for all participants in the program with the available cash balance to ensure adequate liability coverage is available within the program and to maintain compliance with 24 CFR 984.305 with regards to the keeping of a subsidiary ledger that supports the FSS account funds.

MANAGEMENT RESPONSE
We agree with the auditors' comments and the following corrective action plan will be taken to remediate the situation. The remediation plan will ensure that the Housing Authority reconciles and sustains compliance in accordance with 24 CFR 984.305.

CORRECTIVE ACTION PLAN
A communication process will be established between the Housing Authority personnel responsible for tracking escrow liability and the personnel responsible for reconciling the associated cash balance. As a result, update of HAP adjustment amounts to be escrowed will be communicated to finance by the responsible personnel tracking the escrow liability.

The Housing escrow liability balance under the Family Self Sufficiency (FSS) program will be reconciled in correlation with the cash balance. The appropriate adjustment will be recorded to bring the accounts current. Finance will work with the Casterline consultant, in making proper adjustments to resolve the $10,296.19 deficiency between the FSS escrow account funds and cash balance.

2014-009 BUDGETARY CONTROL, FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT DEFICIENCY

CONDITION
During our review of budget to actual expenses, we noted two instances of over expenditures within the Fire District Fund:

District #3	$423
Fire administration	$836

CRITERIA
Per State Statute NMSA 1978, Section 6-6-2-(I), the local government division of the department of finance and administration has the power and duty in relation to local public bodies to supervise the disbursement of funds to the end that expenditures will not be made in excess of budgeted items or for items not budgeted. In addition, per County policy, the county's legal level of budgetary control is at the fund level, except for the Emergency Medical Services and Fire Districts funds, whose legal level of budgetary authority is at the program or district level.

EFFECT
The County is out of compliance with New Mexico state statute and the control established by the use of budgets has been compromised, which could result in deficit fund balances and unnecessary usage of taxpayer funds to cover the over-expenditures.

CAUSE
The new personnel in the budget department were unaware of the budgetary level of authority for the Fire District Fund at the district level.

RECOMMENDATION
We recommend the County establish a policy of budgetary review and approve the necessary budgetary adjustments to ensure funds are not over expended.

MANAGEMENT RESPONSE
Going forward, the Budget Office will place controls on each cost center within both funds 12101 and 12102 that will stop any budget from being over spent between districts. We have these same controls in other areas and will continue to evaluate funds/cost centers/internal orders as part of our year end procedures to ensure any changes needed are captured in a timely manner. Additionally, anytime new funds/cost centers/internal orders are created the Budget Office will work with the requesting department to place the proper level of control necessary.

CORRECTIVE ACTION PLAN
Budgetary controls will be added to each district so that the system will not allow over expenditures to occur.

2014-010 CASH RECONCILIATION, FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT DEFICIENCY

CONDITION
During review of the bank reconciliation for the pooled cash that is recorded in the Treasurer General Main Account, the following two items were noted.

1. The NSF Checks Holding Account (general ledger account number 103304), has a balance of $243,711, which includes items related to revenues that were received in 2008 and prior. This general ledger account should be functioning in the capacity of a clearing account.

2. The Treasury Main Payroll ZBA (TRPYZ) Account (general ledger account number 101450), has a balance of $135,658; however, the County only has $81,176 of outstanding checks related to payroll at June 30, 2014. This general ledger account should be functioning in the capacity of a clearing account.

CRITERIA
Proper internal controls over financial reporting and good accounting practices require that the cash accounts be properly reconciled every month and the reconciling items are a true reflection of outstanding items.

EFFECT
The County has reconciling items on their records that they either are unlikely to collect or unsure of where the balances originated.

CAUSE
The County is unsure what the discrepancies specifically relate to and was reluctant to remove the reconciling items activity.

RECOMMENDATION
It is recommended that the County ensure their accounting records are properly reflected in the account balances reported in the Treasurer General Main Account.

MANAGEMENT RESPONSE

1. The County's current process for dealing with returned checks has been in place since July of 2008 and is functioning correctly and timely. Steps of the current process are as follows; upon receipt of a returned check, the County Treasurer's Office notifies the department that deposited check of the returned item, the County Treasurer's Office adjusts the department's revenue and then subsequently turns the check over to the County Legal Department for collection. The balance in the NSF Checks Holding Account (general ledger account number 103304) represents checks that predate the implementation of this process.

2. The difference between general ledger account number 101450 and the outstanding payroll checks is made up of several items dating back prior to 2008 and a smaller number of items after 2008. The main items that attribute to this difference are timing of outstanding payroll checks being voided, timing of issuance of payroll checks for employees retiring and benefit payments being made for employees that have exhausted their leave balances and are not able to work.

CORRECTIVE ACTION PLAN

1. The County will take appropriate action in FY15 to research and resolve this balance in the Treasurer General Main Account reconciliation.

2. The County will thoroughly research every difference and take appropriate action to resolve them in FY15.

Section III - Federal Award Findings and Questioned Costs

None identified.

COUNTY OF BERNALILLO, NEW MEXICO
EXIT CONFERENCE
YEAR ENDED JUNE 30, 2014

An exit conference was held on November 10, 2014 and attended by the following:

Audit Committee
Mandy Funchess, CPA, Chair
Armando Sanchez, CPA, Member
Paulette Becker, CPA, Esq., Member

External Auditors – New Mexico Office of the State Auditor
Evan Blackstone, Chief of Staff
Melissa Spanger, Financial Audit Director
Sara Specht, Audit Supervisor
Lisa Jennings, Senior Auditor

External Auditors – Moss Adams
Jim Thompson, Partner, CPA, CFE
Jenny Harrington, CPA, Business Assurance Manager

County Personnel
Shirley Ragin, Deputy County Manager, Finance Division
Jarvis Middleton, Deputy County Manager, Public Works Division
Vincent Murphy, Deputy County Manager, Community Service Division
Paul Roybal, Chief Information Officer, Information Technology
Manny Ortiz, Treasurer
Jeff P. Lovato, MBA, Director of Accounting
Isabelle Purcella, Chief Deputy Treasurer, Treasurer's Office
Lisa Sedillo-White, Director of Purchasing
Maria Zuniga, Budget Administrator, Budget & Business Improvement
Anthony Infantino, MBA, Financial Projects Coordinator, Accounting
Paul Herrera, Grant Administrator, Accounting
Amy Childers, Financial Projects Coordinator, Accounting
Jennifer Gallegos, Financial Projects Coordinator, Budget & Business Improvement
Randy Landavazo, ERP Manager, Budget & Business Improvement
Christopher Sanchez, Treasury Accounting Manager, Treasurer's Office
Emily Madrid, Special Projects Coordinator, Finance Division
Martin Gallegos, Fixed Asset Manager, Accounting
Trudy McGregor, CPA, Financial Administrator, Accounting
Ryan Travelstead, Financial Administrator, Accounting
John Watt, Financial Administrator, Accounting
Jaqueline Sanchez, Financial Services Administrator IV, Budget & Business Improvement
Mario Ruiz, Financial Services Administrator III, Budget & Business Improvement
Cindy Torres, Audit Liaison, Accounting Officer, Accounting
Denise Benavidez, Accounting Officer, Finance Division
Crystal Trujillo, Accounting Officer, Treasurer's Office
Darlene Ortiz, Travel Coordinator, Budget & Business Improvement
Victoria Herring, Administrative Assistant, Accounting
Sheila Duffy, Director, Public Trust Advisors