

NEW ISSUE
Book-Entry Only

RATINGS:
Standard & Poor's: AAA
Moody's Investors Service: Aaa
Fitch Rating: AAA

In the opinion of Sherman & Howard L.L.C., Bond Counsel, assuming continuous compliance with certain covenants described herein, interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds (the "Tax Code"), interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except that for taxable years of corporations beginning before January 1, 2018, such interest is required to be included in calculating the "adjusted current earnings" adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations, and interest on the Bonds is exempt from State of New Mexico income taxes under New Mexico income tax laws in effect on the date of delivery of the Bonds as described herein. See "TAX MATTERS."

\$16,000,000
BERNALILLO COUNTY, NEW MEXICO
General Obligation Bonds, Series 2018

Dated: Date of Delivery

Due: August 15, as detailed below

The Bonds will be issued as fully registered bonds, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York, the securities depository for the Bonds, to which principal and interest payments on the Bonds will be made. Individual purchases will be made in book-entry form only in denominations of \$5,000 or any integral multiple thereof. Purchasers of the Bonds will not receive physical delivery of bond certificates. (See "The Bonds – Book-Entry Only System"). Interest is payable semi-annually on February 15 and August 15, commencing February 15, 2019. Principal is payable annually as detailed below. The Bonds are subject to redemption prior to maturity. (See "The Bonds – Prior Redemption").

See Inside Cover Page for Maturities, Principal Amounts, Interest Rates and Yields

The Bonds are general obligations of the County. The Bonds are payable from general (*ad valorem*) taxes which may be levied against all taxable property within the County without limitation as to rate or amount. The Bonds were authorized for various public purposes as more fully described herein.

The Bonds are offered when, as and if issued, subject to the approval of validity by Sherman & Howard, L.L.C., Denver, Colorado, Bond Counsel. Certain legal matters will also be passed on for the County by Modrall, Sperling, Roehl, Harris & Sisk, P.A., Albuquerque, New Mexico, Disclosure Counsel to the County. RBC Capital Markets, LLC, Albuquerque, New Mexico, serves as Municipal Advisor to the County. It is anticipated that the Bonds will be available for delivery on or about August 8, 2018 through the facilities of DTC in New York, New York.

Dated: July 10, 2018

MATURITY SCHEDULE

\$16,000,000 General Obligation Bonds Series 2018

Maturity Date (August 15)	Principal Amount	Interest Rate	Yield	Cusip No. †
2019	\$4,580,000	5.00%	1.450%	085275 U37
2020	820,000	5.00%	1.600%	085275 U45
2021	820,000	5.00%	1.770%	085275 U52
2022	820,000	5.00%	1.900%	085275 U60
2023	820,000	5.00%	2.000%	085275 U78
2024	820,000	5.00%	2.110%	085275 U86
2025	820,000	5.00%	2.230%	085275 U94
2026	820,000	5.00%	2.310%	085275 V28
2027	820,000	5.00%	2.380% ^C	085275 V36
2028	820,000	5.00%	2.430% ^C	085275 V44
2029	820,000	5.00%	2.470% ^C	085275 V51
2030	820,000	4.00%	2.650% ^C	085275 V69
2031	820,000	4.00%	2.700% ^C	085275 V77
2032	820,000	3.00%	3.000%	085275 V85
2033	760,000	3.00%	3.084%	085275 V93

^C Yield calculated based on the assumption that the Bonds denoted and sold at a premium will be redeemed on August 15, 2026, the first optional redemption date for such bonds, at a redemption price of par, plus accrued interest to the redemption date.

[†]The above referenced CUSIP numbers have been assigned by an independent company not affiliated with the parties to this bond transaction and are included solely for the convenience of the holders of the Bonds. CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, managed by S&P Capital IQ on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the County nor the Underwriters take any responsibility for the selection or uses of such CUSIP numbers, and no representation is made as to their correctness on the Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities.

BERNALILLO COUNTY, NEW MEXICO

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Debbie O'Malley, District 1
Steven Michael Quezada, Chair, District 2
Maggie Hart Stebbins, District 3
Lonnie C. Talbert, Vice Chair, District 4
James E. Smith, District 5

COUNTY OFFICIALS

Julie Morgas Baca, County Manager
Nancy Marie Bearce, Treasurer
Tanya R. Giddings, Assessor
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USE OF INFORMATION IN THIS OFFICIAL STATEMENT

This Official Statement is furnished to prospective purchasers of the Bernalillo County, New Mexico General Obligation Bonds, Series 2018 (the “Bonds” or the “2018 Bonds”) in the aggregate principal amount of \$16,000,000 to be issued by Bernalillo County, New Mexico (the “County”). The offering of the Bonds is made only by way of this Official Statement which supersedes any other information or materials used in connection with the offer or sale of the Bonds. Additional information concerning the County, the Bonds, and other aspects of this offering may be obtained from the Deputy County Manager for Finance, One Civic Plaza, N.W., Suite 10111, Albuquerque, New Mexico 87102, Telephone (505) 468-7000.

This Official Statement, which includes the cover page and appendices, does not constitute an offer to sell the Bonds in any state to any person to whom it is unlawful to make such offer in such state. No dealer, salesman, or other person has been authorized to give any information or to make any representations, other than those contained in this Official Statement, in connection with the offering of the Bonds, and if given or made, such information or representation must not be relied upon.

The information contained in this Official Statement has been obtained from the County and other sources which are deemed to be reliable. The Municipal Advisor has reviewed the information in this Official Statement in accordance with, and as part of, its respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Municipal Advisor does not guarantee the accuracy or completeness of such information. The information in this Official Statement is subject to change without notice, and neither the delivery of this Official Statement nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the County or others since the date hereof.

This Official Statement contains statements relating to future results that are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995, as amended. When used in this Official Statement, the words “estimate,” “intend,” “expect” and similar expressions identify forward-looking statements. Any forward-looking statement is subject to uncertainty and risks that could cause actual results to differ, possibly materially, from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop forward-looking statements will not be realized or unanticipated events and circumstances may occur. Therefore, investors should be aware that there are likely to be differences between forward-looking statements and actual results; those differences could be material.

The Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon exemptions contained in such Act, nor have the Bonds been registered or qualified in any state. Neither the Securities and Exchange Commission nor any other federal, state, municipal or other governmental entity, nor any agency or department thereof, has passed upon the merits of the Bonds or the accuracy or completeness of this Official Statement. Any representation to the contrary may be a criminal offense.

The County has covenanted to provide such annual financial statements and other information in the manner as may be required by regulations of the Securities and Exchange Commission or other regulatory body.

SUMMARY INFORMATION

This Official Statement, which includes the cover page and the appendices hereto, sets forth certain information in connection with the offering of \$16,000,000 aggregate principal amount of the Bernalillo County, New Mexico General Obligation Bonds, Series 2018 to be issued by Bernalillo County, New Mexico, pursuant to Bond Ordinance No. 2018-19 adopted on June 12, 2018, as supplemented by the Sale Certificate (collectively, the “Bond Ordinance”). Capitalized terms used but not defined herein have the meanings given such terms in the Bond Ordinance.

The following information is not a full description of the Bonds and is entirely subject to the more complete information contained elsewhere in this Official Statement, which includes the appendices.

PURPOSE: The Bonds will be issued to fund certain Improvement Projects of the County as approved by voters of the County at the November 8, 2016 general elections as follows:

Libraries	\$750,000
Public Safety	
Facilities/County Buildings	2,350,000
Parks and Recreation	1,800,000
Transportation	8,100,000
Storm Drainage and Utilities	3,000,000

SECURITY: The Bonds are general obligations of the County and are payable from general (*ad valorem*) taxes which may be levied against all taxable property within the County without limitation as to rate or amount.

COMPLIANCE: The County undertakes to comply with the requirements of Section (b)(5)(i) of the Securities and Exchange Commission Rule 15c2-12. (*See* “**APPENDIX B.**”)

DELIVERY: Delivery of the Bonds to the purchaser through the facilities of the Depository Trust Company is expected on or about August 8, 2018.

REDEMPTION: The Bonds maturing on and after August 15, 2027 are subject to redemption at the option of the County on August 15, 2026, or any date thereafter, at a price of 100% of the par amount of the bonds plus accrued interest to the call date.

**PAYING AGENT/
REGISTRAR:**

The Deputy County Manager for Finance or any successor
named by the Board.

PLAN OF FINANCING

The following table shows the sources and uses of the proceeds of the Bonds and other available funds.

SOURCES AND USES OF FUNDS

Par amount of the Bonds:	\$16,000,000.00
Net Original Issue Premium:	<u>1,559,289.00</u>
TOTAL SOURCES OF FUNDS:	<u>\$17,559,289.00</u>
Improvement Projects:	\$16,000,000.00
Underwriter's Discount:	27,735.30
Costs of Issuance ⁽¹⁾ :	164,085.00
Debt Service Fund:	<u>1,367,468.70</u>
TOTAL USES OF FUNDS:	<u>\$17,559,289.00</u>

(1) Includes legal fees, municipal advisor fees, printing costs, rating fees, and other miscellaneous fees.

SELECTED DEBT RATIOS

2017 Assessed Valuation	\$16,116,114,678
2017 Actual Valuation ⁽¹⁾	\$48,959,649,209
Total Bonded Debt Outstanding (including the Series 2018 Bonds)	\$121,825,000
Less Estimated Debt Service Fund Balance on June 1, 2018 ⁽²⁾	<u>\$11,387,910</u>
NET DEBT	<u>\$110,437,089</u>
Estimated Direct & Overlapping G/O Debt	\$1,482,485,800
<u>Net Debt as a Percentage of</u>	
Assessed Valuation	0.69%
Estimated Actual Valuation	0.23%
<u>Direct & Overlapping Debt as Percentage of</u>	
Assessed Valuation	9.20%
Estimated Actual Valuation	3.03%
Estimated 2017 Population	678,968 ⁽³⁾
County Net Debt Per Capita	\$162.65
Direct and Overlapping Debt Per Capita	\$2,183.44

(1) Actual valuation is computed by multiplying assessed valuation by three and adding the exemptions.

(2) The estimated debt service fund balance is \$12,597,246. The amount properly attributable to principal reduction due on June 1, 2018 is 90.4%.

(3) Source: U.S. Dept. of Commerce, Bureau of the Census.

THE BONDS

AUTHORIZATION

The Bonds are issued pursuant to the Public Securities Act, Section 6-14-1 through 6-14-12, NMSA 1978, and Sections 6-15-1 through 6-15-28, NMSA 1978, and acts amendatory and supplemental thereto, which authorize counties to issue general obligation bonds payable from general (*ad valorem*) taxes. Proceeds from the Bonds will be used to fund approximately \$750,000 in library projects, \$2,350,000 in public safety facilities and other County buildings, \$1,800,000 in parks and recreation projects, \$8,100,000 in transportation projects, and \$3,000,000 in storm drainage and utilities projects as approved by voters of Bernalillo County at the November 8, 2016 general election.

DESCRIPTION OF THE BONDS

The Bonds will be dated the date of delivery. The Bonds will bear interest from their dated date at the rates, and will mature in the amounts and on the dates, as set forth on the inside cover pages of this Official Statement. Interest on the Bonds will be payable semi-annually on February 15 and August 15 in each year commencing February 15, 2019. The Bonds will bear interest from the most recent interest payment date to which interest has been fully paid or duly provided for or, if no interest has been paid, from the date of issuance. The Bonds will be issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof. The principal of and interest on the Bonds is payable through the Depository Trust Company, New York, New York (“DTC”).

PAYMENT AND PRESENTATION OF BONDS FOR PAYMENT

The principal of each Bond and interest due at maturity shall be payable to the registered owner thereof as shown on the registration books kept by the Deputy County Manager for Finance, as “registrar/paying agent” (or any successor thereto, the “Registrar/Paying Agent”) for the Bonds, upon maturity and upon presentation and surrender thereof at the principal office of the Registrar/Paying Agent. Payments to DTC made under the Bond Ordinance shall be made in accord with the DTC Representations Letter. If any Bond shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the rate borne by said Bond until the principal thereof is paid in full. Payment of interest on the Bonds (other than at maturity) shall be made by check or draft mailed to the registered owner thereof as of the close of business on the last day of the calendar month (whether or not a business day) preceding the next regularly scheduled interest payment date on the Bonds (the “Record Date”) at its address as it appears on the registration books kept by the Registrar/Paying Agent (or by such other arrangement as may be mutually agreed to by the Registrar/Paying Agent and such registered owner). All such payments shall be made in lawful money of the United States of America. The person in whose name any Bond is registered at the close of business on any Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable thereon on such Interest Payment Date notwithstanding any transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date; but interest on any Bond which is not timely paid or duly

provided for shall cease to be payable as provided above and shall be payable to the person in whose name such Bond is registered at the close of business on a special record date (the “Special Record Date”) fixed by the Registrar/Paying Agent for the payment of any such overdue interest. The Special Record Date shall be fixed by the Registrar/Paying Agent whenever moneys become available for payment of overdue interest, and notice of any such Special Record Date shall be given not less than ten days prior thereto, by first-class mail, to the registered owners of the Bonds as of the fifth day preceding the mailing of such notice by the Registrar/Paying Agent, stating the Special Record Date and the date fixed for the payment of overdue interest.

SECURITY FOR THE BONDS

The Bonds are general obligations of the County payable from general (*ad valorem*) taxes which shall be levied against all taxable property within the County without limitation as to the rate or amount. The full faith and credit of the County is irrevocably pledged to the payment of the principal of and interest on the Bonds. The County has covenanted in the Bond Ordinance to levy on all taxable property in the County at the time and in the manner provided by law in addition to all other taxes, direct annual ad valorem taxes sufficient to pay the principal of and interest accruing on the Bonds promptly as the same become due. The County may pay the principal of and interest on the Bonds from any legally available funds belonging to the County. The Bond Ordinance is declared therein to be the certificate of the Board as to the amount of taxes necessary to be levied for the purposes herein stated and said taxes shall be certified, levied and extended upon the tax rolls and collected in the same manner, at the same time and subject to the same penalties as general state and county taxes are certified, levied and collected.

Said taxes, when collected, shall be kept by the County Treasurer in a separate special fund for the Bonds to be known as the “Bernalillo County, New Mexico General Obligation Bonds, Series 2018 Interest and Sinking Fund” which fund shall be used solely for the purpose of paying the principal of and interest on the Bonds as the same become due or mature and, if so required, to satisfy the covenants of the County set forth in the Bond Ordinance; provided that nothing therein contained shall be so construed as to prevent the application of any other funds belonging to the County and available for that purpose, to the payment of the Bonds or the interest thereon, as the same become due and upon such payment the levy or levies of tax provided for in the Bond Ordinance may thereupon to that extent be diminished. If the taxes therein provided for shall not be levied or collected in time to pay the interest on or principal of the Bonds as the same become due or mature, then such interest or principal shall be paid from any funds belonging to the County, which funds may be reimbursed from the taxes therein provided for when the same are collected.

ORDINANCE IRREPEALABLE

After any of the Bonds have been issued, the Bond Ordinance shall constitute a contract between the County and the holder or holders of the Bonds and shall be and remain irrevocable and unalterable until the Bonds and the interest thereon shall have been fully paid, satisfied and discharged or until such payment has been duly provided for.

REGISTRATION

The Deputy County Manager for Finance will initially serve as the Registrar/Paying Agent for the

Bonds. The County may, upon notice mailed to each registered owner of Bonds at the address last shown on the registration books, appoint a successor Registrar/Paying Agent. Every such successor Registrar/Paying Agent shall be a bank or trust company located in and in good standing in the United States and having a shareholders' equity (e.g., capital stock, surplus and undivided profits), however denominated, of not less than \$10,000,000.

Books for the registration, transfer and exchange of the Bonds shall be kept by the Deputy County Manager for Finance as Registrar/Paying Agent for the Bonds. Upon the surrender for transfer or exchange of any fully registered Bond at the principal office of the Registrar/Paying Agent or any successor, duly endorsed for transfer or exchange or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar/Paying Agent shall authenticate and deliver, not more than three (3) business days after receipt of the Bond or Bonds to be transferred, in the name of the transferee or registered owner, as appropriate, a new Bond or Bonds in fully registered form of the same aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. Bonds may be exchanged at the principal office of the Registrar/Paying Agent for an equal aggregate principal amount of Bonds of other authorized denominations, and of the same maturity, series and interest rate. The Registrar/Paying Agent shall authenticate and deliver, not more than three business days after receipt of the Bond to be exchanged, a Bond or Bonds which the registered owner making the exchange is entitled to receive, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of Bonds as herein provided shall be without charge to the owner or any transferee, but the Registrar/Paying Agent may require the payment by the owner of any Bond requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

BOOK-ENTRY ONLY SYSTEM

Unless otherwise noted, the information contained under the caption "General" below has been provided by DTC. The County makes no representations as to the accuracy or the completeness of such information. The Beneficial Owners of the Bonds should confirm the following information with DTC, the Direct Participants or the Indirect Participants.

THE COUNTY WILL NOT HAVE ANY RESPONSIBILITY OR OBLIGATION TO DIRECT PARTICIPANTS, TO INDIRECT PARTICIPANTS, OR TO ANY BENEFICIAL OWNER WITH RESPECT TO (A) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, ANY DIRECT PARTICIPANT, OR ANY INDIRECT PARTICIPANT; (B) ANY NOTICE THAT IS PERMITTED OR REQUIRED TO BE GIVEN TO THE OWNERS OF THE BONDS UNDER THE BOND ORDINANCE, (C) THE SELECTION BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE BONDS; (D) THE PAYMENT BY DTC OR ANY DIRECT PARTICIPANT OR INDIRECT PARTICIPANT OF ANY AMOUNT WITH RESPECT TO THE PRINCIPAL OR INTEREST DUE WITH RESPECT TO THE OWNER OF THE BONDS; (E) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS THE OWNERS OF BONDS; OR (F) ANY OTHER MATTER REGARDING DTC.

General

The Bonds will be issued in book-entry form. DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of the Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond (the "Beneficial Owner") in turn is to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interest in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in

beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Trustee and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by Direct Participants in accordance with DTC's procedures. Under its usual procedures, DTC will mail an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal of and sinking fund and interest payments on the Bonds will be made to Cede & Co., or such other name as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts on each payable date in accordance with their respective holdings shown on DTC's records unless DTC has reason to believe that it will not receive payment on the date payable. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County, disbursement of such payments to Direct Participants shall be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners shall be responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the County. Under such circumstances, in the event that a successor securities depository is not obtained, security certificates are required to be printed and delivered as described in the Indenture.

The County may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Bonds will be printed and delivered as described in the Bond Ordinance.

The County cannot and does not give any assurances that DTC will distribute to Participants, or that Participants or others will distribute to the Beneficial Owners, payments of principal of and interest and premium, if any, on the Bonds paid or any redemption or other notices or that they will do so on a timely basis or will serve and act in the manner described in this Official Statement. The County is not responsible or liable for the failure of DTC or any Direct Participant or Indirect Participant to make any payments or give any notice to a Beneficial Owner with respect to the Bonds or any error or delay relating thereto.

The foregoing description of the procedures and record keeping with respect to beneficial ownership interests in the Bonds, payment of principal of and interest and other payments with respect to the Bonds to Direct Participants, Indirect Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in such Bonds and other related transactions by and between DTC, the Direct Participants, the Indirect Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the Direct Participants, the Indirect Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters but should instead confirm the same with DTC or the Participants, as the case may be.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE BONDS, AS NOMINEE OF DTC, REFERENCES HEREIN TO THE HOLDERS SHALL MEAN CEDE & CO., AS AFORESAID, AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE BONDS.

LIMITATIONS ON REMEDIES AVAILABLE TO OWNERS OF BONDS

There is no provision for acceleration of maturity of the principal of the Bonds in the event of a default in the payment of principal of or interest on the Bonds. Consequently, remedies available to the owners of the Bonds may have to be enforced from year to year.

The enforceability of the rights and remedies of the owners of the Bonds, and the obligations incurred by the County in issuing the Bonds, are subject to the following: the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditor's rights generally, now or hereafter in effect; usual equity principles which may limit the specific enforcement under State law of certain remedies; the exercise by the United States of America of the powers delegated to it by the federal Constitution; and the reasonable and necessary exercise, in certain exceptional situations, of the police power inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose. Bankruptcy proceedings, or the exercise of powers by the federal or State government, if initiated, could subject the owners of the Bonds to judicial discretion and interpretation of their rights in bankruptcy or otherwise and consequently may entail risks of delay, limitation, or modification of their rights.

PRIOR REDEMPTION

The Bonds maturing on or after August 15, 2027 are subject to prior redemption at the County's option in one or more units of principal of \$5,000 on and after August 15, 2026, in whole or in part at any time, in such order of maturities as the County may determine (and by lot if less than all Bonds of such maturity is called, such selection by lot to be made by the Registrar in such manner as considered appropriate and fair) for the principal amount of each \$5,000 unit of principal so redeemed plus accrued interest to the redemption date. Redemption shall be made upon prior notice mailed to each registered owner of each Bond selected for redemption as shown on the registration books kept by the Registrar in the manner and upon the conditions provided in the Bond Ordinance.

NOTICE OF REDEMPTION

Notice of redemption shall be given by the Registrar by sending a copy of such notice by registered or certified first-class, postage prepaid mail at least thirty (30) days prior to the redemption date to the registered owners of the Bonds to be redeemed, at the address shown as of the close of business of the Registrar on the fifth day prior to the mailing of notice on the registration books kept by the Registrar. The County shall give the Registrar written instructions to give notice of redemption to the registered owners of the Bonds to be redeemed at least forty-five (45) days prior to such redemption date. Neither the County's failure to give such notice nor the Registrar's failure to give such notice to the registered owners of the Bonds, or any defect therein, shall affect the validity of the proceedings for the redemption of any Bonds for which proper notice was given. Notice of redemption shall specify the amount being redeemed, the date fixed for redemption, and that on such redemption date there will become and be due and payable upon the Bonds to be redeemed at the office of the Paying Agent, the principal amount to be redeemed plus accrued interest to the redemption date and that from and after such date interest will cease to accrue on such amount. Notice having been given in the manner hereinbefore provided, the Bonds so called for redemption shall become due and payable on the redemption date so designated and if an amount of money sufficient to redeem the Bonds called for redemption shall on the redemption date be on deposit with the Paying Agent, the Bonds to be redeemed shall be deemed not outstanding and shall cease to bear interest from and after such redemption date. Upon presentation of the Bonds to be redeemed at the office of the Paying Agent, the Paying Agent will pay the Bonds so called for redemption with funds deposited with the Paying Agent by the County.

DEBT AND OTHER OBLIGATIONS

The aggregate amount of general obligation indebtedness of the County for general purposes under the State Constitution is limited to 4% of, and the single debt limitation to 12 mills on, the assessed value of taxable property within the County (excepting the construction or purchase of a water or sewer system with general obligation indebtedness, which has no limit).

BONDING CAPACITY

2017 Assessed Valuation	\$16,116,114,678
Legal Bonding Capacity (4% of assessed valuation)	644,644,587
Less total bonds to be outstanding ⁽¹⁾	<u>121,825,000</u>
Capacity in excess of present requirements	<u>\$522,819,587</u>

(1) Includes the Series 2018 Bonds.

Source: Bernalillo County Finance Division

The County currently has outstanding the following general obligation debt.

GENERAL OBLIGATION BONDS OUTSTANDING – (POST ISSUANCE OF THE 2018 BONDS)

<u>G.O. Bonds Series</u>	<u>Original Issue</u>	<u>Outstanding Principal</u>	<u>Final Maturity</u>
1999	\$18,676,000	\$2,785,000	August 1, 2019
2009	10,000,000	1,200,000	June 1, 2019
2009A	10,750,000	4,850,000	December 1, 2020
2010	15,105,000	6,150,000	February 1, 2022
2011	4,200,000	645,000	February 1, 2019
2012	6,535,000	3,195,000	June 15, 2023
2012A	14,400,000	14,400,000	June 15, 2032
2013	17,800,000	14,600,000	August 15, 2028
2014	8,700,000	845,000	August 15, 2029
2014A	2,995,000	2,995,000	August 15, 2021
2015	17,281,000	15,560,000	August 15, 2030
2015A	14,010,000	11,160,000	August 15, 2027
2016	9,860,000	6,060,000	August 15, 2030
2016A	14,380,000	6,530,000	August 15, 2027
2017	18,285,000	14,850,000	August 15, 2032
2018	16,000,000	<u>16,000,000</u>	August 15, 2033
TOTAL		<u>\$121,825,000</u>	

Source: Bernalillo County Finance Division

The following schedule shows, for each Calendar Year of the County, the annual debt service requirements to be payable on all outstanding general obligation debt, including the Bonds.

TOTAL DEBT SERVICE REQUIREMENTS (POST ISSUANCE OF THE 2018 BONDS)

Calendar Year	Principal	Interest	Total
2018	\$13,230,000 ⁽¹⁾	\$1,762,130	\$14,992,130
2019	16,485,000	3,631,832	20,116,832
2020	11,300,000	2,986,935	14,286,935
2021	10,480,000	2,625,035	13,105,035
2022	9,460,000	2,263,453	11,723,453
2023	8,000,000	1,915,103	9,915,103
2024	7,675,000	1,675,553	9,350,553
2025	7,855,000	1,427,528	9,282,528
2026	7,535,000	1,186,190	8,721,190
2027	7,760,000	938,140	8,698,140
2028	6,565,000	699,671	7,264,671
2029	4,665,000	485,946	5,150,946
2030	4,700,000	328,262	5,028,262
2031	2,660,000	176,558	2,836,558
2032	2,695,000	85,019	2,780,019
2032	760,000	22,800	782,800
Total	\$121,825,000⁽¹⁾	\$22,210,153	\$144,035,153

Source: Bernalillo County Finance Division

(1) The principal payment outstanding reflects the total for calendar year 2018 after the County paid the principal payments for the Series 2010 Bonds and Series 2011 Bonds on February 1, 2018, the principal payments for the Series 2009 Bonds on June 1, 2018, and the Series 2012 Bonds on June 15, 2018. After incorporating these payments, the outstanding aggregate principal amount of County general obligations bonds, post issuance of the Series 2018 Bonds, is \$121,825,000.

DIRECT AND OVERLAPPING DEBT

	<u>G.O. Debt</u>	<u>Tax Year 2017 Assessed Valuation</u>	<u>% Applicable to County</u>	<u>Gross Overlapping</u>
City of Albuquerque	\$433,601,000	\$13,251,141,812	100.00%	\$433,601,000
Albuquerque Public Schools	666,005,000	16,388,834,729	100.00%	666,005,000
Albuquerque Metropolitan Arroyo Flood Control Authority	42,125,000	15,264,359,979	100.00%	42,125,000
Central New Mexico Community College	90,340,000	18,611,631,378	88.06%	79,550,648
Village of Los Ranchos	2,665,000	265,317,446	100.00%	2,665,000
Sandoval County	13,850,000	3,477,523,540	2.09%	288,970
Southern Sandoval AFCA	19,088,480	2,607,410,222	0.29%	55,357
Bernalillo County ⁽¹⁾	121,825,000	16,116,114,678	100.00%	121,825,000
State of New Mexico	<u>475,735,000</u>	57,173,515,395	28.67%	<u>136,369,825</u>
Total Direct and Overlapping G.O. Debt	<u>\$1,865,234,480</u>			<u>\$1,482,485,800</u>

RATIOS

Direct and Overlapping G.O. Debt as Percent of 2017 Assessed Valuation	9.20%
Direct and Overlapping G.O. Debt as Percent of 2017 Actual Valuation	3.03%
Direct and Overlapping G.O. Debt Per Capita (678,968)	\$2,183.44

(1) Includes the Series 2018 Bonds.

Sources: Bernalillo County Assessor; New Mexico Department of Finance and Administration; University of New Mexico Bureau of Business and Economic Research.

ASSESSED VALUATION

PROPERTY SUBJECT TO TAXATION

Real property is subject to taxation with certain exemptions. Within the real property classification, exemptions include: property of the United States of America; property of the State, all counties, towns, cities and school districts or other municipal corporations; public libraries; community ditches and all laterals thereof; all church property not used for commercial purposes; all property used for educational and charitable purposes; all cemeteries not used or held for private or corporate profit; and motor vehicles (other than mobile homes). Also, certain amounts of the taxable value of property is exempt from taxation if such property is owned by the head of a family who is a State resident (\$3,500 of residential property) or is owned by a veteran or a veteran's unmarried surviving spouse if the veteran or spouse is a State resident (\$2,000 of residential property). All tangible personal property has been exempted from property taxation by statute

except for tangible personal property used, produced, manufactured, held for sale, leased or maintained by a person for purposes of his profession, business or occupation (unless otherwise specifically exempted from property taxation by the Federal or State Constitution or law); tangible property for which the owner has claimed a deduction from depreciation for federal income tax purposes; mobile homes; livestock; and certain inventories of personal property.

ASSESSMENT OF PROPERTY

The County assessor sets the value of most residential and nonresidential real and personal property within the County; however, those properties used in the businesses of railroads, communications, pipelines, public utilities and airlines are valued by the Central Assessment Bureau, Property Tax Division of the State Taxation and Revenue Department. The Central Assessment Bureau also is responsible for the valuation of electric generating facilities, mineral properties and certain industrial machinery. The value of oil and natural gas property and equipment is determined by the Oil and Gas Accounting Division of the State Taxation and Revenue Department based on the prior calendar year's output. The net taxable value of all property is one-third of the actual value (the "Assessment Ratio").

The value of residential property for property taxation purposes is its market value as determined by sales of comparable property or, if that method cannot be used due to the lack of comparable sales data for the property being valued, then its value is determined using an income method or costs method of valuation. Regardless of the method used for valuation, the valuation authority must apply generally accepted appraisal techniques.

Each county assessor must mail a notice by April 1 of each year to each property owner informing him of the net taxable value of his property that has been valued for property taxation purposes, the tax ratio, the classification of the property valued, and other information. The Central Assessment Bureau must also send notices by May 1 of each year to property owners with property subject to valuation by the State Property Tax Division. A property owner may protest the value or classification of his or her property by filing a petition of protest with the Director of the Property Tax Division or with the appropriate county assessor. The protest hearing may be held before the Director of the Property Tax Division or before the appropriate county valuation protest board, dependent upon whether the property tax or the local county assessor was responsible for review of the valuation. A property owner may appeal an order made by the Director of the Property Tax Division or a county valuation protest board by filing with the New Mexico Court of Appeals a notice of appeal within 45 days of the date the order was made.

Analysis of Assessed Valuation

	2017	2016	2015	2014	2013
ASSESSMENTS					
Value of Land	\$6,113,107,001	\$5,992,142,882	\$5,969,971,718	\$5,885,730,766	\$5,854,492,640
Improvements	12,595,884,485	12,144,202,792	11,715,364,505	11,425,556,170	11,151,138,799
Personal Property	478,728,711	455,750,591	439,247,116	423,500,136	410,601,849
Mobile Homes	45,492,719	45,687,835	45,252,282	46,846,269	47,934,051
Livestock	1,117,549	1,216,786	1,594,838	920,938	963,446
Assessor's Total Valuation	\$19,234,330,465	\$18,639,000,886	\$18,171,430,459	\$17,782,554,279	\$17,465,130,785
LESS EXEMPTIONS					
Head of Family	\$198,150,982	\$198,843,925	\$199,545,280	\$196,355,547	\$196,198,073
Veterans	106,267,230	108,866,016	111,699,061	110,700,553	112,999,256
Disabled Veterans Exemption	205,094,208	192,868,363	178,291,096	165,298,900	155,090,265
Other	3,118,663,519	3,046,168,513	3,046,337,793	2,959,534,732	2,959,199,809
Total Exemptions	\$3,628,175,939	\$3,546,746,817	\$3,535,873,230	\$3,431,889,732	\$3,423,487,403
Assessors Net Valuation	\$15,606,154,526	\$15,092,254,069	\$14,635,557,329	\$14,350,664,547	\$14,041,643,382
Central Assessed	509,960,152	500,650,174	483,520,015	484,382,593	462,616,155
Total Assessed Valuation	\$16,116,114,678	\$15,592,904,243	\$15,119,077,344	\$14,835,047,140	\$14,504,259,537
Residential	\$12,285,113,843	\$11,775,274,216	\$11,315,870,482	\$11,021,769,490	\$10,709,157,954
Non-Residential	3,831,000,815	3,817,630,027	3,803,206,862	3,813,277,650	3,795,101,583
Total	\$16,116,114,678	\$15,592,904,243	\$15,119,077,344	\$14,835,047,140	\$14,504,259,537

Source: New Mexico Department of Finance & Administration

REASSESSMENT

New Mexico has a statewide property reassessment program. The program's objective is to keep property values close to their market values so that there will be a high correlation between the value of a property and its share of the tax burden. The first reassessment under this present program was in 1986, and such reassessments will continue to occur biannually. In 2010, property values were adjusted to their 2008 market levels.

The County Assessor ordered a County wide canvass to collect and verify the necessary data on the more than 250,000 real properties in the County. The full canvass of residential properties began in February 2013. Prior to the residential property canvass a small area of the County was identified to serve as the pilot project area. The results of the pilot project showed that information of approximately 40% of properties was not current or accurate. Approximately 15% of properties canvassed during the pilot project had a significant physical improvement or new construction that resulted in material added value.

LIMITATION ON INCREASES IN VALUATION OF RESIDENTIAL REAL PROPERTY

A 1998 amendment to the State Constitution allows the State Legislature to enact legislation providing for the assessment of residential properties at levels different than the current estimated market value of a home on the basis of age of the owner, income, or home ownership. Section 7-36-21.2 NMSA 1978, as amended, limits increases in the value of residential property for taxation

purposes beginning with the Tax Year 2001 (“Statutory Valuation Cap”). The section provides that, with respect to properties within a county assessing properties in the aggregate at or greater than 85% of their market value, a property’s new valuation shall not exceed 103% of the previous year’s valuation or 106.1% of the valuation two years prior to the Tax Year in which the property is being valued. This does not apply to residential properties in their first year of valuation, physical improvements made to the property or instances where the owner or the zoning of the property has changed in the year prior to the Tax Year for which the value of the property is being determined. The constitutionality of the Statutory Valuation Cap has been challenged in a number of venues and was upheld by the New Mexico Supreme Court in 2014. To the extent that judicial or legislative action is taken or a further constitutional amendment is passed amending the valuation provisions, it could have a material impact on the valuation of residential property.

HISTORY OF ASSESSED VALUATION

<u>Tax Year</u>	<u>Bernalillo County</u>	<u>Albuquerque</u>
2017	\$16,116,114,678	\$13,251,142,082
2016	15,592,904,243	12,809,839,299
2015	15,119,077,344	12,414,140,796
2014	14,835,047,140	12,228,594,690
2013	14,504,259,537	11,967,046,394
2012	14,394,423,187	11,876,389,475
2011	14,452,760,775	11,951,429,843
2010	14,405,788,823	11,920,466,310
2009	14,401,614,829	12,299,076,660
2008	13,976,092,003	11,581,011,823

Source: Bernalillo County Treasurer’s Office

MAJOR TAXPAYERS

Largest Property Taxpayers for Tax Year 2016 (Fiscal Year 2017)⁽¹⁾

Name of Taxpayer	Taxable Value 2017 Assessed	Percentage of Total Assessed Valuation
Public Service Co. of New Mexico	\$218,778,124	1.67%
Qwest Communications	45,914,080	0.35
Gas Company of New Mexico	41,793,719	0.32
Comcast	33,780,329	0.26
Verizon	21,813,098	0.17
Southwest Airlines	16,215,651	0.12
AT&T	15,441,237	0.12
BN&SF	13,773,028	0.11
GCC Rio Grande	12,190,151	0.09
T-Mobile	<u>9,025,467</u>	<u>0.07</u>
Top Ten Centrally and Locally Assessed Values	<u>\$428,724,884</u>	<u>3.28%</u>

(1) Major taxpayers are those taxpayers that have a tax bill on a single piece of property of at least \$50,000. In figuring the total tax bills for these taxpayers, only their properties with tax bills of \$50,000 or more are included except Public Service Company, which has multiple tax bills. The list is compiled once a year, usually in November, and does not reflect final net taxable values. As a result of methodology, year to year comparisons may not be meaningful.

Source: Bernalillo County Assessor's Office

TAX RATES

YIELD CONTROL

Section 7-37-7.1, NMSA 1978, limits the allowable increase in property taxes from the preceding year. Specifically, no rate shall be set or assessment imposed which will produce current tax revenues in excess of the prior year's tax revenues plus a percent that is determined by a growth control factor. The growth control factor is the sum of ("G") the growth in the assessed valuation due to net new additions to the property tax rolls, expressed as a percent of the prior year's assessed, and ("I") the percentage change, not in excess of five percent, in the annual business indicator index between the prior calendar year and the year next preceding the prior calendar year. The resulting yield control equation is:

$$\text{Current tax revenues} = \text{prior tax revenues} \times (G+I)$$

Where: G is never less than 100%

I is never less than 0% or more than 5%

The annual business indicator index is defined as "annual implicit price deflator index for state and local government purchases of goods and services", as published in the United States Department of Commerce monthly publication entitled "Summary of Current Business" or any

successor publication for the calendar year.” The yield control formula applies to both residential and nonresidential property, but the calculations for each property class are made separately. Additionally, the yield control formula applies to any authorized operating levy but not to any debt service levy.

20-MILL LIMITATION ANALYSIS

Article VIII, Section 2 of the New Mexico Constitution limits the total ad valorem taxes for operational purposes levied by all overlapping governmental units within the County to \$20.00 per \$1,000 of assessed value. This limitation does not apply to special levies, such as levies for bond issues, authorized at an election by a majority of the qualified voters within the County. The overlapping operational levies of the County are within the 20-mill limit.

RESIDENTIAL AND NON-RESIDENTIAL PROPERTY

Property in New Mexico is sub-classified as either residential or non-residential based on its use. The calculation of revenue limitations for Yield Control, as discussed above, is performed separately for each property class. The result is that levies for operational purposes may be different for each property class. The levies shown in the table on the following page are shown for residential property in the County.

Total Levy	Within 20 Mill Limit for General Purposes				
	2017	2016	2015	2014	2013
State of New Mexico	-	-	-	-	-
Bernalillo County	\$6.996	\$7.090	\$7.245	\$7.254	\$ 7.320
City of Albuquerque	6.241	6.339	6.494	6.494	6.544
AMAFCA	0.171	0.173	0.177	0.177	0.179
Albuquerque MSD # 12	<u>0.266</u>	<u>0.270</u>	<u>0.325</u>	<u>0.276</u>	<u>0.278</u>
Total	\$13.674	\$13.872	\$14.241	\$14.201	\$14.321

Total Levy	20 Mill Limit - Interest, Principal, Judgement, etc				
	2017	2016	2015	2014	2013
State of New Mexico	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360
Bernalillo County - Debt Service	1.265	1.265	1.265	1.265	1.246
Bernalillo County - Other	0.202	0.206	0.010	0.012	0.013
City of Albuquerque	4.976	4.976	4.976	4.976	4.976
AMAFCA	0.675	0.675	0.675	0.675	0.675
Albuquerque MSD #12	10.186	10.217	10.255	10.187	10.189
UNM Hospital	6.400	6.198	6.342	6.400	6.400
Central New Mexico CC	<u>3.789</u>	<u>3.776</u>	<u>3.377</u>	<u>3.392</u>	<u>3.344</u>
Total	\$28.853	\$28.673	\$28.262	\$28.249	\$27.854

Total Levy	TOTAL LEVY				
	2017	2016	2015	2014	2013
State of New Mexico	\$1.360	\$1.360	\$1.360	\$1.360	\$1.360
Bernalillo County	8.463	8.561	8.820	8.531	8.579
City of Albuquerque	11.217	11.315	11.470	11.520	11.520
AMAFCA	0.846	0.848	0.852	0.854	0.851
Albuquerque MSD #12	10.452	10.487	10.531	10.465	10.463
UNM Hospital	6.400	6.198	6.342	6.400	6.400
Central New Mexico CC	<u>3.789</u>	<u>3.776</u>	<u>3.377</u>	<u>3.392</u>	<u>3.344</u>
Total Residential	\$42.527	\$42.545	\$42.463	\$42.570	\$42.056
Total Non-Residential in	\$44.132	\$46.788	\$46.132	\$45.995	\$46.125

Source: New Mexico Department of Finance & Administration

TAX COLLECTIONS

METHODS OF TAX COLLECTION

Current taxes for all units of government are collected by the County Treasurer and distributed monthly to the various political subdivisions to which they are due. The level of tax collections is an important component in the analysis of the ability to pay principal and interest on a timely basis. Property taxes are payable to the County Treasurer in two (2) equal installments due on November 10 of the tax year in which the tax bill was prepared and mailed and, on April 10 of the following year. Pursuant to Section 7-38-46, NMSA 1978, property taxes are delinquent thirty (30) days after the date on which they are due.

INTEREST ON DELINQUENT TAXES

Pursuant to Section 7-38-49, NMSA 1978, if property taxes are not paid for any reason within thirty (30) days after the due date, interest on the unpaid taxes shall accrue from the thirtieth (30th) day after they are due until the date they are paid. Interest accrues at the rate of one percent (1%) per month or any fraction of a month.

PENALTY FOR DELINQUENT TAXES

Pursuant to Section 7-38-50, NMSA 1978, if property taxes become delinquent, a penalty of one percent (1%) of the delinquent tax for each month, or any portion of a month, remaining unpaid shall be imposed, but the total penalty shall not exceed five percent (5%) of the delinquent taxes. The minimum penalty imposed is \$5.00. A County can suspend application of the minimum penalty requirement for any tax year.

If property taxes become delinquent because of intent to defraud by the property owner, fifty percent (50%) of the property taxes due or fifty dollars (\$50.00), whichever is greater, shall be added as a penalty.

REMEDIES AVAILABLE FOR NON-PAYMENT OF TAXES

Pursuant to Section 7-38-47, NMSA 1978, property taxes are the personal obligation of the person owning the property on the date on which the property was subject to valuation for property taxation purposes. Pursuant to Section 7-38-53, NMSA 1978, a personal judgment may be rendered against the taxpayer for payment of taxes that are delinquent, together with any penalty and interest on the delinquent taxes.

Taxes on real property are a lien against the real property. Pursuant to Section 7-38-65, NMSA 1978, delinquent taxes on real property may be collected by selling the real property on which the taxes are delinquent. Collection statistics for all political subdivisions for which the County Treasurer collects taxes are as follows:

TAX COLLECTION HISTORY - BERNALILLO COUNTY

Fiscal Year Ended June 30	Total Tax Levy for Fiscal Year⁽¹⁾	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	\$111,761,935	\$107,467,225	96.16%	\$4,116,270	\$111,583,495	99.84%
2009	117,354,996	112,092,669	95.52%	4,961,506	117,054,175	99.74%
2010	124,522,701	117,443,009	94.31%	6,613,375	124,056,384	99.63%
2011	119,848,855	114,472,104	95.51%	5,015,225	119,487,329	99.70%
2012	126,643,453	121,576,353	96.00%	4,753,259	126,329,612	99.75%
2013	130,282,624	125,460,280	96.30%	4,459,546	129,919,826	99.72%
2014	137,354,067	132,586,971	96.53%	4,314,273	136,901,244	99.67%
2015	139,772,076	134,876,335	96.50%	4,143,514	139,019,849	99.46%
2016	144,964,676	140,186,826	96.70%	2,854,437	143,041,263	98.67%
2017	147,504,196	142,752,268	96.78%	--	--	--

⁽¹⁾Includes both operating and debt service levies. Reported each January by the County Treasurer based on tax bills, including those under protest.

Source: Bernalillo County Treasurer's Office

THE COUNTY

GENERAL

The economic and population hub of New Mexico, Bernalillo County is located in the north central region of the State at the crossroads of Interstate Highways 25 and 40. Its boundaries encompass the entire City of Albuquerque, which comprises 83% of the County's population. With 678,968 residents (2017 estimated), Bernalillo County ranks 92th in population of the nation's 3,143 counties. The County comprises nearly 32% of New Mexico's population total and 75% of the four county Albuquerque Metropolitan Statistical Area, and is home to the University of New Mexico, Kirtland Air Force Base and Sandia National Laboratories.

The County 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 187th in the "Job Growth Expected" category.

Because of its accessibility and tourist facilities, the County and the surrounding area is the gateway for tourism in New Mexico as well as an attraction in its own right. The County and the City of Albuquerque features the historic "Old Town", the Sandia Peak Tramway and ski area, a number of nationally recognized museums and the Cibola National Forest. Other attractions include the Albuquerque International Balloon Fiesta, the National Hispanic Cultural Center, the Gathering of Nations Native American event, and the New Mexico State Fair. There are several Indian pueblos within easy driving distance that draw many tourists because of their historical and cultural significance and arts.

COUNTY GOVERNMENT

Bernalillo County operates under a commission-manager form of government and provides for public safety, highways and streets, sanitation, cultural and recreational services, public improvements, planning and zoning, and general administrative services. Legislative and some executive power are vested in a five-member Board of County Commissioners, who are elected for four-year terms from single member districts. Administration is overseen by a County Manager, who has responsibility for 25 departments.

THE GOVERNMENT BODY

Bernalillo County was established by the laws of 1876, under the provisions of the Act now referred to as Section 4-1-1 of the New Mexico Statutes Annotated, 1978 Compilation. Brief resumes of the County Commissioners, County Manager, and Deputy County Manager for Finance are as follows:

BERNALILLO COUNTY COMMISSIONERS

Debbie O'Malley, Commissioner, District 1. Term expires December 2018; elected in November 2012 to fill the term of former commissioner Michelle Lujan Grisham who was elected to the U.S. House of Representatives in November 2012. An Albuquerque native, Ms. O'Malley brings more than 20 years of strong, effective public service to the County joining the County Commission after serving for nine years on the Albuquerque City Council, serving as President and Vice President and is currently Chair of the Middle Rio Grande Council of Governments.

Steven Michael Quezada, Chair, Commissioner, District 2. Term expires December, 2020; first elected November 2016. Mr. Quezada won his first political race in 2013 to earn a seat on the Albuquerque Board of Education. Mr. Quezada is a Screen Actors Guild award-winning actor, producer and comedian with a long record of public service for Bernalillo County children and families. Mr. Quezada is a life-long resident of New Mexico and studied theatre arts at Eastern New Mexico University, and has earned the distinction as one of the most charitable celebrities in New Mexico.

Maggie Hart Stebbins, Commissioner District 3. Term expires December, 2020; has served on the Commission since 2009. Ms. Hart Stebbins earned a Bachelor of Arts degree from Harvard University where she was an All-American athlete and recipient of the prestigious Radcliffe Alumni Association Award for leadership. She came to the Commission with extensive experience in public service including work for the United States Congress, New Mexico House of Representatives and the Middle Rio Grande Council of Governments where she focused on air quality, water conservation and regional transportation. She has served on numerous boards and commissions for governmental entities and not for profit organizations.

Lonnie C. Talbert, Vice Chair, Commissioner, District 4. Term expires December 2020; first elected November 2012. Mr. Talbert is a magna cum laude graduate of Jacksonville University in Jacksonville, Florida and is a banking executive in the City of Albuquerque. His past community involvement has included service as chairman of the Greater Albuquerque Chamber of Commerce, chairman of the March of Dimes, chairman of the United Way of Central New Mexico and he is a member of the New Mexico Amigos.

James E. Smith, Commissioner, District 5. Term expires December 2018; first appointed March 2018. Mr. Smith is a retired educator with teaching experience at Albuquerque Public Schools, Moriarty High School and East Mountain High Charter School. Mr. Smith recently retired from the New Mexico Legislature after serving for eight legislative sessions. Mr. Smith has been actively involved in his community, serving on the board for the Foundation at East Mountain High School, the Parent-Teacher Organization for Route 66 Elementary School, the board at Wildlife West Nature Park, and as Treasurer of the Edgewood Chamber of Commerce.

COUNTY MANAGER

Julie Morgas Baca, County Manager.

Ms. Morgas Baca began serving as County Manager in September 2015. Between 2013 and 2015, she was President and CEO of the National Hispanic Cultural Center Foundation, where she was responsible for the fiscal integrity of the organization. From 2004 to 2011, Ms. Morgas Baca served Bernalillo County as Deputy County Manager for Community Services, where she was responsible for the long-range planning and coordination of Parks and Recreation, Housing, Building, Planning and Zoning, Environmental Health, Economic Development, Cultural Services, Social Services and other community services functions. Ms. Morgas Baca holds a bachelor's degree in business administration from the University of Phoenix.

DEPUTY COUNTY MANAGER

Shirley Ragin, Deputy County Manager of Finance.

Ms. Ragin joined the County in September 2012 as director of Budget and Business Improvement and held that position until appointment to Deputy County Manager for Finance on June 24, 2014. Prior to joining the County, Ms. Ragin worked in the private sector for Public Service Company of New Mexico for 32 years. Ms. Ragin is a Certified Management Accountant, holds a bachelor of science in Business Administration with a concentration in Accounting from the University of Albuquerque and a Master's in Public Administration with a certificate in Budgeting and Financial Management from the University of New Mexico.

RETIREMENT PLAN

Plan Description. Substantially all of the Bernalillo County 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, 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. That report may be obtained by writing to PERA, PO Box 2123, Santa Fe, New Mexico 87504-2123.

Actuarial information is shown below:

**State of New Mexico Public Employees Retirement Fund
Summary Information as of June 30, 2017**

Membership ¹	103,130
Actuarial Information	
Actuarial Accrued Liability ²	\$20,194,698,000
Actuarial Value of Assets ³	\$15,124,167,000
Unfunded Actuarial Accrued Liability	\$5,070,530,000
Funded Ratio	74.89%

¹ Includes both state and municipal divisions.

² Includes accrued liability of both the retired and active members.

³ The valuation of assets is based on an actuarial value of assets whereby gains and losses relative to a 7.25% annual return for the first 10 years and 7.75% thereafter. Annual returns are smoothed in over a four-year period.

Source: Public Employees Retirement Association

As of June 30, 2017, PERA has an amortization or funding period of 55 years based on the employer and member contribution rates in effect as of July 1, 2017. The funded ratio (ratio of the actuarial value of assets to accrued actuarial liability) was 74.89% as of June 30, 2017 and the Unfunded Actuarial Accrued Liability (“UAAL”) of the PERA Fund increased \$251 million to approximately \$5.1 billion. The State’s portion of the UAAL of the PERA Fund is 53.1%, or \$2.7 billion. On a market value basis, PERA’s funded ratio is approximately 73.1% as of June 30, 2017. Current 30-year projections indicate the PERA Fund will be 87.3% funded in 2043.

Funding Policy. Plan members are required to contribute 10.65-18.15% of their gross salary. The County is required to contribute 9.55-21.65% depending upon the plan of the gross covered salary. The contribution requirements of plan members and the County are established by 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, 2017, 2016 and 2015 were \$14,848,547, \$14,680,080, and \$14,822,664, respectively, which equal the amount of the required contributions for each year. In accordance with Chapter 10, Article 11, Section 5 NMSA 1978, the County has elected to make contributions of sixty-nine percent of its employees’ member contributions under the general-management, blue collar, white collar, sheriff, fire and detention plans.

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 post-employment 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 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, 10-12B-1 NMSA 1978), during the fiscal year ended June 30, 2015, the statute required each participating employer to contribute 2.50% of each participating employee's annual salary, and each participating employee was required to contribute 1.25% of their salary.

The RHCA plan is financed on a pay-as-you-go basis. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the contributions can be changed by the New Mexico State Legislature.

The Bernalillo County's contributions to the RHCA for the years ended June 30, 2017, 2016 and 2015 were \$2,382,154, \$2,411,649, and \$2,380,476, respectively, which equal the required contributions for each year.

Based on the GASB Statement 43 valuation for Fiscal Year 2012, and assuming the RHCA Fund is an equivalent arrangement to an irrevocable trust and, hence using a discount rate of five percent, the unfunded accrued actuarial liability has been calculated to be approximately \$3.6 billion. As required by GASB Statement 43, this calculation takes into consideration only current assets of the RHCA Fund. The RHCA continues to look for additional opportunities to further strengthen the financial standing of the RHCA. The RHCA Board of Directors has passed a five-year solvency plan

to ensure the long term financial stability of the program through a series of targeted benefit reductions and increases to contribution levels from participating employees and their employers. In addition to increased retiree cost sharing through plan design changes, the solvency plan calls for proportionally higher premiums for retirees who retired younger (decreased premium subsidies to pre-Medicare retirees), didn't work or pay into the system as long (increasing years of service required to receive maximum subsidy) and decreased subsidies for family members. Taken as a whole, the plan is projected to extend the life of the RHCA's trust fund into 2043.

COUNTY INSURANCE COVERAGE

The County maintains insurance on its assets and operations as is customary and adequate, in its opinion, for similar entities insuring similar operations and assets. The County carries general liability insurance, auto damage and workers compensation with the New Mexico County Insurance Authority for its errors and omissions coverage, emergency medical, and law enforcement liability coverage. There can be no assurance, however, that the County will continue to maintain the present level of coverage or that the insurance maintained will be sufficient.

FISCAL YEAR 2017 AUDIT REPORT

CliftonLarsonAllen LLP, of Albuquerque, New Mexico conducted the audit of the County's general-purpose financial statements and the combining and individual fund and account group financial statements for the fiscal year ended June 30, 2017. The report of such accounting firm is attached as **"APPENDIX D – STATE OF NEW MEXICO COUNTY OF BERNALILLO COMPREHENSIVE ANNUAL FINANCIAL REPORT, FISCAL YEAR ENDED JUNE 30, 2017."**

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES OF THE COUNTY

BASIS OF PRESENTATION - FUND ACCOUNTING

The accounts of the County are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped into the following generic fund types:

GOVERNMENTAL FUND TYPES

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. Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

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 89% 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 revenue 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.

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.

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.

Fixed Assets and Long-Term Liabilities

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or “financial flow” measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resource.” Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable sources” during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost, except for donated assets which are valued at their fair market value on the date donated.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The two account groups are not “funds.” They are concerned only with the measurement of financial position. They are not involved with the measurement of the results of operations.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Because they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the General Long-Term Debt Account Group.

BASIS OF ACCOUNTING

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

STATEMENT OF NET POSITION
TOTAL PRIMARY GOVERNMENT
Fiscal year ending June 30

ASSETS:	2017	2016	2015	2014	2013
Cash and investments	\$291,383,678	\$246,755,788	\$230,810,724	\$239,978,226	\$269,741,463
Accounts receivable, net	51,583,935	51,176,383	47,816,975	43,499,227	45,515,517
Accrued interest receivable	559,442	373,389	283,916	263,776	1,228,173
Note receivable	1,940,716	2,077,851	2,213,861	2,355,163	172,630
Due from grantor	7,268,051	7,478,592	5,460,608	3,496,116	2,894,254
Inventory	564,194	602,692	631,935	754,982	756,203
Prepaid assets	2,860,832	2,668,578	2,445,992	2,253,504	2,214,020
Deferred charges	0	0	0	0	1,096,893
Cash-restricted	17,740,698	17,740,698	17,740,698	17,740,698	12,806,949
Investment in joint venture	0	633,000	633,000	633,000	633,000
Land	145,436,266	143,679,746	140,460,251	138,689,661	136,591,937
Art	3,127,345	2,970,594	2,783,902	2,739,938	2,552,405
Construction in progress	24,413,816	20,994,442	22,441,044	29,407,970	45,572,298
Building	167,168,977	173,979,835	187,378,613	189,560,752	195,534,615
Land improvements	20,129,424	22,508,941	22,251,427	17,859,250	14,578,482
Machinery and equipment	20,162,424	21,557,108	24,627,684	26,206,381	21,899,986
Infrastructure	159,214,549	169,373,059	165,598,584	170,724,328	169,540,945
Leasehold improvements	1,244,366	1,372,902	1,501,438	1,629,974	1,758,510
Total assets	\$914,798,455	\$885,943,598	\$875,080,652	\$887,792,946	\$924,998,280
DEFERRED OUTFLOWS OF RESOURCES:					
Deferred change on refunding	\$1,429,759	\$1,550,472	\$1,049,225	\$734,732	0
Deferred outflow of pensions	97,817,770	22,883,761	27,008,361	0	0
Total deferred outflow of resources	\$99,247,529	\$24,434,233	\$28,057,586	0	0
LIABILITIES:					
Accounts payable	\$25,855,090	\$23,463,859	\$21,657	\$23,757,068	\$20,752,447
Interest payable	2,542,665	2,557,075	2,794,172	2,873,516	2,985,774
Accrued payroll	3,608,928	3,120,916	9,068,077	8,335,015	6,780,074
Unearned revenue	7,219,349	6,912,735	8,554,110	9,955,520	8,577,412
Due to grantor	0	0	0	0	1,541
Deposits held in trust for others	15,258	15,042	14,936	13,912	14,422
Net pension liability	304,465,362	212,730,348	163,533,132	0	0
Non-current liabilities due within one year	29,389,448	30,430,385	24,305,288	22,864,374	19,823,721
Non-current liabilities due in more than one year	235,796,617	243,000,274	259,570,566	263,456,990	272,298,803
Total liabilities	\$608,892,717	\$522,230,634	\$489,497,338	\$331,256,395	\$331,234,194
DEFERRED INFOLOWS OF RESOURCES					
Deferred Inflows of Pensions	\$11,862,223	\$7,683,884	\$54,815,531	0	0
NET ASSETS:					
Invested in capital assets, net of related debt	\$351,676,894	\$346,042,356	\$330,916,516	\$375,623,222	\$372,504,791
Restricted for:					
Public safety	43,139,811	4,204,808	3,792,228	3,006,178	1,944,890
Health and welfare	14,405,333	32,771,006	11,094,401	9,587,276	12,778,986
Debt service	32,673,899	34,965,055	32,645,816	9,895,993	7,006,304
Capital projects	50,393,588	32,559,730	35,570,453	18,998,797	26,034,420
General government	21,555,487	20,938,465	19,711,522	17,868,036	15,909,240
Reserve requirements	77,907,508	71,405,154	66,939,899	69,344,139	69,463,043
Unrestricted	(198,461,476)	(162,423,261)	(141,845,466)	52,947,642	88,122,412
Total net assets	\$393,291,044	\$380,463,313	\$358,825,369	\$557,271,283	\$593,764,086

Source: Bernalillo County Comprehensive Annual Financial Reports, Fiscal Years 2013-2017. The notes to the Comprehensive Annual Financial report are an integral part of the Report.

STATEMENT OF ACTIVITIES
TOTAL PRIMARY GOVERNMENT
Fiscal year ending June 30

Governmental activities:	2017	2016	2015	2014	2013
General government	\$(60,949,448)	\$(50,884,118)	\$(49,187,166)	\$(54,492,472)	\$ (54,637,509)
Public works	(40,159,650)	(37,861,660)	(42,686,357)	(47,956,744)	(37,197,272)
Public safety	(155,057,780)	(142,368,454)	(140,740,902)	(155,388,451)	(139,470,908)
Culture and recreation	(15,446,641)	(14,237,020)	(11,983,333)	(14,339,833)	(19,041,226)
Health and welfare	(28,636,311)	(31,916,448)	(29,338,157)	(32,003,841)	(32,687,559)
Interest on long-term debt	(8,965,408)	(9,865,437)	(10,551,340)	(10,613,790)	(10,876,254)
Total government activities	<u>\$(309,215,238)</u>	<u>\$(287,133,137)</u>	<u>\$(284,487,255)</u>	<u>\$(314,795,131)</u>	<u>\$(293,910,728)</u>
Business-type activities:					
Solid waste	\$324,926	\$106,563	\$665,360	\$584,670	\$291,399
Housing Authority	(4,247)	42,019	(37,107)	(413,817)	(24,790)
Seybold Village Handicapped Project	(80,896)	(31,089)	(68,548)	(195,053)	(288,975)
Regional Juvenile Detention Center	(191,520)	50,591	(20,515)	149,647	36,499
El Centro Familiar	169,607	190,513	58,851	(170,046)	32,845
total business-type activities	<u>217,870</u>	<u>358,597</u>	<u>598,041</u>	<u>(44,599)</u>	<u>46,978</u>
Total primary government	<u>\$(308,997,368)</u>	<u>\$(286,774,540)</u>	<u>\$(283,889,214)</u>	<u>\$(314,839,730)</u>	<u>\$(293,863,750)</u>
General revenues:					
Property taxes	\$149,700,594	\$146,095,633	\$142,069,070	\$139,744,912	\$132,624,981
Gross receipts taxes	159,416,140	160,455,894	128,400,872	123,184,816	120,149,781
Motor vehicle taxes	3,858,012	3,961,112	3,756,040	3,775,013	3,702,824
Gas taxes	1,614,636	1,608,128	1,590,447	1,678,264	1,809,719
Investment income	2,457,656	1,562,572	1,478,490	4,740,715	5,627,570
Net decrease in fair value of investments	(605,616)	-	-	(4,259,348)	(12,814,794)
Miscellaneous	5,383,677	5,589,013	4,827,780	10,579,448	19,941,590
Capital contributions	-	-	-	-	-
Total general revenue and transfers	<u>321,825,099</u>	<u>319,272,352</u>	<u>281,122,699</u>	<u>279,443,820</u>	<u>271,041,671</u>
Change in net assets	<u>12,827,731</u>	<u>32,497,812</u>	<u>(1,766,515)</u>	<u>(35,395,910)</u>	<u>(22,822,079)</u>
Net assets – beginning	<u>380,463,313</u>	<u>358,825,369</u>	<u>557,271,283</u>	<u>593,746,086</u>	<u>616,586,165</u>
Prior period adjustment	-	(10,859,868)	(196,679,399)	(1,096,893)	-
Net assets – beginning as restated	-	347,965,501	360,591,884	592,667,193	-
Net assets – ending	<u>\$393,291,044</u>	<u>\$380,463,313</u>	<u>\$358,825,369</u>	<u>\$557,271,283</u>	<u>\$593,764,086</u>

Source: Bernalillo County Comprehensive Annual Financial Reports, Fiscal Years 2013-2017. The notes to the Comprehensive Annual Financial report are an integral part of the Report.

BALANCE SHEET
GOVERNMENTAL FUNDS – GENERAL FUND
Fiscal year ending June 30

ASSETS:	2017	2016	2015	2014	2013
Cash and investments	\$136,599,194	\$127,754,425	\$128,498,366	\$140,396,899	\$172,786,465
Accounts receivable, net	35,297,622	35,093,840	34,865,503	32,494,060	34,264,326
Accrued interest receivable	246,632	158,482	90,190	81,224	955,674
Note receivable	1,940,716	2,077,851	2,213,861	2,355,163	172,630
Due from other funds	30,827	728,214	-	-	-
Inventory	557,183	595,361	623,197	747,617	746,250
Advances to other funds	-	-	-	1,497,000	1,497,000
Cash-restricted	-	-	-	-	-
Total assets	<u>\$174,672,174</u>	<u>\$166,408,173</u>	<u>\$166,291,117</u>	<u>\$177,571,963</u>	<u>\$210,422,345</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$10,926,054	\$11,378,853	\$10,725,064	\$13,197,072	\$11,935,783
Accrued payroll	3,393,598	2,940,425	8,438,733	7,872,267	6,410,033
Deferred revenue	70,192	69,190	68,784	61,023	10,358,054
Due to other funds	3,121,736	4,589,426	1,006,659	983,049	735,851
Total liabilities	<u>\$17,511,580</u>	<u>\$18,977,894</u>	<u>\$20,239,240</u>	<u>\$22,113,411</u>	<u>\$29,439,721</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	<u>\$14,827,843</u>	<u>\$16,564,966</u>	<u>\$17,394,511</u>	<u>\$16,256,107</u>	-
Total deferred inflows of resources	<u>\$14,827,843</u>	<u>\$16,564,966</u>	<u>17,394,511</u>	<u>\$16,256,107</u>	-
Nonspendable	2,497,899	2,673,212	2,837,058	4,599,780	2,415,880
Restricted	78,061,870	71,531,259	67,112,761	69,603,058	69,493,554
Committed	2,077,428	4,514,768	16,269,423	36,349,629	43,293,845
Assigned	44,013,909	37,764,900	28,950,001	15,400,000	29,970,246
Unassigned	15,681,645	14,381,174	13,488,123	13,249,978	35,809,099
Total fund balances	<u>\$142,332,751</u>	<u>\$130,865,313</u>	<u>\$128,657,366</u>	<u>\$139,202,445</u>	<u>\$180,982,624</u>
Total liabilities and fund balances	<u>\$174,672,174</u>	<u>\$166,408,173</u>	<u>\$166,291,117</u>	<u>\$177,571,963</u>	<u>\$210,422,345</u>

Source: Bernalillo County Comprehensive Annual Financial Reports, Fiscal Years 2013-2017. The notes to the Comprehensive Annual Financial report are an integral part of the Report.

STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS – GENERAL FUND
Fiscal year ending June 30

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Revenues					
Taxes:					
Property	\$127,607,585	\$125,142,369	\$123,815,334	\$122,139,784	\$120,416,953
Sales	113,155,232	112,506,790	100,710,280	92,203,040	96,316,614
Motor vehicle	3,858,012	3,961,112	3,756,040	3,775,013	3,702,824
Gas & Cigarette	1,614,636	1,608,128	1,590,447	1,678,264	1,809,719
Intergovernmental	1,283,618	1,293,340	1,320,487	1,642,104	1,715,175
Licenses and permits	2,579,502	2,587,330	2,898,925	2,630,342	2,648,321
Fees for services	6,069,738	5,658,243	5,575,353	5,611,526	6,459,802
Investment income	657,751	639,912	618,427	3,556,181	4,406,434
Net decrease in fair value of investments	-	-	-	(4,259,348)	(12,814,794)
Miscellaneous	5,102,064	5,085,903	3,997,299	5,575,436	7,828,471
Total revenues	<u>\$261,928,138</u>	<u>\$258,483,127</u>	<u>\$244,282,592</u>	<u>\$234,552,342</u>	<u>\$232,489,519</u>
Expenditures					
Current:					
General government	\$58,096,082	\$53,329,589	\$52,428,519	\$55,234,399	\$54,659,667
Public works	26,989,025	28,530,171	29,368,497	30,630,883	28,620,426
Public safety	132,342,828	136,668,320	136,989,439	145,834,941	130,101,375
Health and welfare	4,949,424	7,625,286	6,419,351	5,020,854	2,859,663
Culture and recreation	10,404,130	10,617,673	10,466,980	12,527,553	10,777,214
Capital outlay	6,935,118	3,924,676	6,858,936	8,621,808	15,010,837
Intergovernmental – capital outlay	20,808	307,107	6,253	829,455	6,826,346
Total expenditures	<u>\$239,737,415</u>	<u>\$241,002,822</u>	<u>\$242,537,975</u>	<u>\$258,699,893</u>	<u>\$248,855,528</u>
Excess (deficiency) of revenues over expenditures	<u>\$22,190,723</u>	<u>\$17,480,305</u>	<u>\$1,744,617</u>	<u>\$(24,147,551)</u>	<u>\$(16,366,009)</u>
Other financing sources (uses)					
Transfers in	-	-	\$547,708	\$799	\$307,190
Transfers out	\$(10,863,742)	\$(12,649,609)	(13,107,957)	(17,960,387)	(10,403,267)
Sale of capital assets	140,457	68,125	270,553	326,960	385,486
Total other financing sources (uses)	<u>\$(10,723,285)</u>	<u>\$(12,581,484)</u>	<u>\$(12,289,696)</u>	<u>\$(17,632,628)</u>	<u>\$(9,710,591)</u>
Net changes in fund balances	<u>\$11,467,438</u>	<u>\$4,898,821</u>	<u>\$(10,545,079)</u>	<u>\$(41,780,179)</u>	<u>\$(26,076,600)</u>
Fund balance – beginning	<u>\$130,865,313</u>	<u>\$128,657,366</u>	<u>\$139,202,445</u>	<u>\$180,982,624</u>	<u>\$207,059,224</u>
Restatement – changes in fund balance	-	(2,690,874)	-	-	-
Fund balance – beginning as restated	-	125,966,492	-	-	-
Fund balance – ending	<u>\$142,332,751</u>	<u>\$130,865,313</u>	<u>\$128,657,366</u>	<u>\$139,202,445</u>	<u>\$180,982,624</u>

Source: Bernalillo County Comprehensive Annual Financial Reports, Fiscal Years 2013-2017. The notes to the Comprehensive Annual Financial report are an integral part of the Report.

LITIGATION

At the time of the original delivery of the Bonds, the County will deliver a no-litigation certificate to the effect that no litigation or administrative action or proceeding is pending or, to the knowledge of the appropriate officials, threatened, restraining or enjoining, or seeking to restrain or enjoin, the issuance and delivery of the Bonds, the levying or collecting of taxes to pay the principal of and interest on the Bonds or contesting or questioning the proceedings and authority under which the Bonds have been authorized and are to be issued, sold, executed or delivered, or the validity of the Bonds.

The County's tort liability is limited under the New Mexico Tort Claims Act. The New Mexico Tort Claims Act limits liability to (i) \$200,000 for damage to or destruction of property arising out of a single occurrence, (ii) \$300,000 for all past and future medical and medically-related expenses arising out of a single occurrence, (iii) \$400,000 to any person for any number of claims arising out of a single occurrence for all damages other than property damage and medical and medically-related expenses, as permitted under the New Mexico Tort Claims Act, and (iv) \$750,000 for all claims other than medical or medically-related expenses arising out of a single occurrence.

TRANSCRIPT AND CLOSING DOCUMENTS

A complete transcript of proceedings and a no-litigation certificate (described above under "LITIGATION") will be delivered by the County when the Bonds are delivered. The County will at that time also provide a certificate issued by the County Commission's Chair relating to the accuracy and completeness of this Official Statement.

LEGAL MATTERS

The County has engaged Sherman & Howard L.L.C., Denver, Colorado, as Bond Counsel in connection with the issuance of the Bonds. Legal matters incident to the issuance of the Bonds and with regard to the tax-exempt status of the interest thereof (*see* "TAX MATTERS" below) are subject to the approving legal opinion of Bond Counsel. A signed copy of its opinion, dated the date of the original delivery of the Bonds will be delivered at the time of original delivery of the Bonds. See "Appendix A" – Legal Opinion. Certain other matters will be passed upon by Modrall, Sperling, Roehl, Harris & Sisk, P.A., Albuquerque, New Mexico, as disclosure counsel.

THE MUNICIPAL ADVISOR

RBC Capital Markets, LLC is employed as Municipal Advisor to the County in connection with the issuance of the Bonds. The Municipal Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification

of or to assume responsibility for the accuracy, completeness, or fairness of the information in this Official Statement.

PURCHASER OF THE BONDS

Morgan Stanley & Co. LLC, an underwriter of the Bonds, has entered into a distribution agreement with its affiliate, Morgan Stanley Smith Barney LLC. As part of the distribution arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the Bonds.

UNDERTAKING TO PROVIDE ONGOING DISCLOSURE

The County has entered into an undertaking (the “Undertaking”) for the benefit of the holders of the Bonds to send certain financial information and operating data and to provide notice to the Municipal Securities Rulemaking Board of certain events, pursuant to the requirements of Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 (17 C.F.R. Part 240, § 240.15c2-12) (the “Rule”). (See “**APPENDIX B**” hereto.)

In the past five years, the County has filed its continuing disclosure requirements in a timely manner. The County has procedures in place to ensure future compliance with its continuing disclosure obligations. A failure by the County to comply with the Undertaking will not constitute an Event of Default under the Bond Ordinance (although Bondholders will have any available remedy at law or in equity). Nevertheless, such a failure must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price. The County believes it is in material compliance with its outstanding continuing disclosure obligations.

TAX MATTERS

In the opinion of Bond Counsel, assuming continuous compliance with certain covenants described below, interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Bonds (the “Tax Code”), interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code except that for taxable years of corporations beginning before January 1, 2018, such interest is required to be included in calculating the “adjusted current earnings” adjustment applicable to corporations for purposes of computing the corporate alternative minimum taxable income of corporations as described below, and interest on

the Bonds is exempt from State of New Mexico income taxes under New Mexico income tax laws in effect on the date of delivery of the Bonds. For purposes of this paragraph and the succeeding discussion, “interest” includes the original issue discount on certain of the Bonds only to the extent such original issue discount is accrued as described herein.

The Tax Code and New Mexico law impose several requirements which must be met with respect to the Bonds in order for the interest thereon to be excluded from gross income, alternative minimum taxable income (except to the extent of the aforementioned adjustment applicable to corporations) and State of New Mexico income taxes. Certain of these requirements must be met on a continuous basis throughout the term of the Bonds. These requirements include: (a) limitations as to the use of proceeds of the Bonds; (b) limitations on the extent to which proceeds of the Bonds may be invested in higher yielding investments; and (c) a provision, subject to certain limited exceptions, that requires all investment earnings on the proceeds of the Bonds above the yield on the Bonds to be paid to the United States Treasury. The County will covenant and represent in the Bond Ordinance for the benefit of the registered owners of the Bonds that it will not take any action or omit to take any action with respect to the Bonds, the proceeds thereof, any other funds of the County or any facilities financed with the proceeds of the Bonds if such action or omission (i) would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under the Tax Code, (ii) would cause interest on the Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except to the extent that such interest is required to be included in calculating the adjusted current earnings adjustment applicable to corporations for purposes of computing corporate alternative minimum taxable income for taxable years of corporations beginning before January 1, 2018. The foregoing covenants shall remain in full force and effect notwithstanding the payment in full or defeasance of the Bonds until the date on which all obligations of the County in fulfilling the above covenant under the Tax Code have been met. Bond Counsel’s opinion as to the exclusion of interest on the Bonds from gross income, alternative minimum taxable income (to the extent described above) and State of New Mexico income taxes is rendered in reliance on these covenants, and assumes continuous compliance therewith. The failure or inability of the County to comply with these requirements could cause the interest on the Bonds to be included in gross income, alternative minimum taxable income or State of New Mexico income taxes, or a combination thereof, from the date of issuance. Bond Counsel’s opinion also is rendered in reliance upon certifications of the County and other certifications furnished to Bond Counsel. Bond Counsel has not undertaken to verify such certifications by independent investigation.

Section 55 of the Tax Code contains a 20% alternative minimum tax on the alternative minimum taxable income of corporations. Under the Tax Code, 75% of the excess of a corporation’s “adjusted current earnings” over the corporation’s alternative minimum taxable income (determined without regard to this adjustment and the alternative minimum tax net operating loss deduction) is included in the corporation’s alternative minimum taxable income for purposes of the alternative minimum tax applicable to the corporation. “Adjusted current earnings” includes interest on the Bonds. The alternative minimum tax on corporations described in this paragraph has been repealed effective for taxable years beginning after December 31, 2017, but continues to apply for taxable years of corporations that begin before January 1, 2018. Corporations with taxable years that do not coincide with the calendar year should consult their tax advisors about inclusion of interest on the Bonds in alternative minimum taxable income of the corporation as

described in this paragraph during the corporation's taxable year that begins during calendar year 2017.

With respect to Bonds that were sold in the initial offering at a discount (the "Discount Bonds"), the difference between the stated redemption price of the Discount Bonds at maturity and the initial offering price of those bonds to the public (as defined in Section 1273 of the Tax Code) will be treated as "original issue discount" for federal income tax purposes and will, to the extent accrued as described below, constitute interest which is excluded from gross income, alternative minimum taxable income, or State of New Mexico income taxes under the conditions and subject to the exceptions described in the preceding paragraphs. The original issue discount on the Discount Bonds is treated as accruing over the respective terms of such Discount Bonds on the basis of a constant interest rate compounded at the end of each six-month period (or shorter period from the date of original issue) ending on February 15 and August 15 with straight line interpolation between compounding dates. The amount of original issue discount accruing each period (calculated as described in the preceding sentence) constitutes interest which is excluded from gross income, alternative minimum taxable income, and State of New Mexico income taxes under the conditions and subject to the exceptions described in the preceding paragraphs and will be added to the owner's basis in the Discount Bonds. Such adjusted basis will be used to determine taxable gain or loss upon disposition of the Discount Bonds (including sale or payment at maturity). Owners should consult their own tax advisors with respect to the tax consequences of the ownership of the Discount Bonds.

Owners who purchase Discount Bonds after the initial offering or who purchase Discount Bonds in the initial offering at a price other than the initial offering price (as defined in Section 1273 of the Tax Code) should consult their own tax advisors with respect to the federal tax consequences of the ownership of the Discount Bonds. Owners who are subject to state or local income taxation (other than New Mexico state income taxation) should consult their tax advisor with respect to the state and local income tax consequences of ownership of the Discount Bonds. It is possible that, under the applicable provisions governing determination of state and local taxes, accrued original issue discount on the Discount Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment.

The Tax Code contains numerous provisions which may affect an investor's decision to purchase the Bonds. Owners of the Bonds should be aware that the ownership of tax-exempt obligations by particular persons and entities, including, without limitation, financial institutions, insurance companies, recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, foreign corporations doing business in the United States and certain "subchapter S" corporations may result in adverse federal and New Mexico tax consequences. Under Section 3406 of the Tax Code, backup withholding may be imposed on payments on the Bonds made to any owner who fails to provide certain required information, including an accurate taxpayer identification number, to certain persons required to collect such information pursuant to the Tax Code. Backup withholding may also be applied if the owner underreports "reportable payments" (including interest and dividends) as defined in Section 3406, or fails to provide a certificate that the owner is not subject to backup withholding in circumstances where such a certificate is required by the Tax Code. Certain of the Bonds were sold at a premium, representing a difference between the original offering price of those Bonds and the principal amount thereof payable at maturity. Under

certain circumstances, an initial owner of such bonds (if any) may realize a taxable gain upon their disposition, even though such bonds are sold or redeemed for an amount equal to the owner's acquisition cost. Bond Counsel's opinion relates only to the exclusion of interest (and, to the extent described above for the Discount Bonds, original issue discount) on the Bonds from gross income, alternative minimum taxable income and State of New Mexico income taxes as described above and will state that no opinion is expressed regarding other federal or New Mexico tax consequences arising from the receipt or accrual of interest on or ownership of the Bonds. Owners of the Bonds should consult their own tax advisors as to the applicability of these consequences.

The opinions expressed by Bond Counsel are based on existing law as of the delivery date of the Bonds. No opinion is expressed as of any subsequent date nor is any opinion expressed with respect to pending or proposed legislation. Amendments to the federal or state tax laws may be pending now or could be proposed in the future that, if enacted into law, could adversely affect the value of the Bonds, the exclusion of interest (and, to the extent described above for the Discount Bonds, original issue discount) on the Bonds from gross income or alternative minimum taxable income or both from the date of issuance of the Bonds or any other date, the tax value of that exclusion for different classes of taxpayers from time to time, or that could result in other adverse tax consequences. In addition, future court actions or regulatory decisions could affect the tax treatment or market value of the Bonds. Owners of the Bonds are advised to consult with their own tax advisors with respect to such matters.

The Internal Revenue Service (the "Service") has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. No assurances can be given as to whether or not the Service will commence an audit of the Bonds. If an audit is commenced, the market value of the Bonds may be adversely affected. Under current audit procedures, the Service will treat the County as the taxpayer and the Owners may have no right to participate in such procedures. The County has covenanted in the Bond Ordinance not to take any action that would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes or lose its exclusion from alternative minimum taxable income except to the extent described above for the owners thereof for federal income tax purposes. None of the County, Municipal Advisor or Bond Counsel is responsible for paying or reimbursing any holder with respect to any audit or litigation costs relating to the Bonds.

INVESTMENT PROCEDURES

INVESTMENTS

Various sections of the New Mexico Statutes Annotated 1978, as amended, control how New Mexico's local governments (including counties, municipalities and school districts) ("Local Governments") may invest funds not immediately necessary for public use. The primary purpose of these laws is to provide for safety of invested principal. As of the date of this Official Statement, the County's investible funds were invested only in statutorily permitted investments. No funds of the County are invested in derivative securities, i.e., securities whose rate of return is determined by reference to some other instrument, index or commodity. Additional information regarding the County's procedures can be found at www.bernco.gov/finance/investor-relations.

RATINGS

Standard & Poor's has assigned a municipal bond rating of "AAA" to the Bonds.

Moody's Investors Service, Inc. has assigned a municipal bond rating of "Aaa" to the Bonds.

Fitch Rating has assigned a municipal bond rating of "AAA" to the Bonds.

These rating reflect only the view of such rating agencies, and an explanation of the significance of such rating may be obtained from the respective rating agency. There is no assurance that such ratings will remain for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agencies, if in their judgments, circumstances so warrant. Any such downward revision or withdrawal may have an adverse effect on the market price for the Bonds.

COUNTY APPROVAL OF OFFICIAL STATEMENT

This Official Statement is deemed final; has been authorized and approved by the County; is considered to be true, complete and correct in all material aspects; and does not contain any untrue statements of material fact or omit to state a material fact necessary to make the statements made herein, in light of the circumstances under which they were made, not misleading.

BERNALILLO COUNTY, NEW MEXICO

/s/ Steven Michael Quezada
Chair, Board of County Commissioners

APPENDIX A

FORM OF LEGAL OPINION

SHERMAN & HOWARD

August __, 2018

Bernalillo County
One Civic Plaza N.W., 10th Floor
Albuquerque, New Mexico 87102

\$16,000,000
Bernalillo County, New Mexico
General Obligation Bonds, Series 2018

Ladies and Gentlemen:

We have acted as bond counsel to Bernalillo County, New Mexico (the “County”), in connection with the issuance of the above-captioned bonds (the “Bonds”), pursuant to an authorizing ordinance of the Board of County Commissioners of the County adopted on June 12, 2018 (the “Bond Ordinance”). In such capacity, we have examined the County’s certified proceedings and such other documents and such law of the State of New Mexico and of the United States of America as we have deemed necessary to render this opinion letter. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them by the Bond Ordinance.

Regarding questions of fact material to our opinions, we have relied upon the County’s certified proceedings and other representations and certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon such examination, it is our opinion as bond counsel that:

1. The Bonds constitute valid and binding general obligations of the County.
2. All of the taxable property of the County is subject to the levy of an ad valorem tax to pay the Bonds without limitation of rate and in an amount sufficient to pay the Bonds when due.
3. Interest on the Bonds is excluded from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the “Tax Code”), interest on the Bonds is excluded from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, except that for taxable years of corporations

beginning before January 1, 2018, such interest is required to be included in calculating the adjusted current earnings adjustment applicable to corporations for purposes of computing the alternative minimum taxable income of corporations and interest on the Bonds is exempt from State of New Mexico income taxes under New Mexico income tax laws in effect as of the date hereof. The opinions expressed in this paragraph assume continuous compliance with the covenants and continued accuracy of the representations contained in the County's certified proceedings and in certain other documents and certain other certifications furnished to us.

The opinions expressed in this opinion letter are subject to the following:

The obligations of the County incurred pursuant to the Bonds, the Bond Ordinance and the Sale Certificate may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

In this opinion letter issued in our capacity as bond counsel, we are opining only upon those matters set forth herein, and we are not passing upon the accuracy, adequacy or completeness of the Official Statement dated July 10, 2018, relating to the Bonds or any other statements made in connection with any offer or sale of the Bonds or upon any federal or state tax consequences arising from the receipt or accrual of interest on or the ownership or disposition of the Bonds, except those specifically addressed herein.

This opinion letter is issued as of the date hereof and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

APPENDIX B

UNDERTAKING TO PROVIDE ONGOING DISCLOSURE

CONTINUING DISCLOSURE UNDERTAKING

\$16,000,000

**BERNALILLO COUNTY, NEW MEXICO
General Obligation Bonds, Series 2018**

This instrument constitutes the written undertaking by the Bernalillo County, New Mexico (the “Issuer”) for the benefit of the holders of the above-captioned bonds (the “Bonds”) required by Section (b)(5)(i) of Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (17 C.F.R. Part 240, § 240.15c2-12) (the “Rule”). Capitalized terms used in this undertaking and not otherwise defined in a Resolution adopted by the Board of County Commissioners on June 12, 2018 (the “Resolution”) shall have the meanings assigned such terms in subsection 3 hereof.

1. The Issuer undertakes to provide the following information as provided herein:
 - a. Annual Financial Information;
 - b. Audited Financial Statements, if any; and
 - c. Event Notices.

2.
 - a. The Issuer shall, while any Bonds are Outstanding, provide the Annual Financial Information on or before March 31 of each year (the “Report Date”), beginning in 2019 to EMMA. The Issuer may adjust the Report Date if the Issuer changes its fiscal year by providing written notice of the change of fiscal year and the new Report Date to EMMA; provided that the new Report Date shall be 270 days after the end of the new fiscal year and provided further that the period between the final Report Date relating to the former fiscal year and the initial Report Date relating to the new fiscal year shall not exceed one year in duration. It shall be sufficient if the Issuer provides to EMMA, the Annual Financial Information by specific reference to documents previously provided to EMMA or filed with the Securities and Exchange Commission and, if such a document is a final official statement within the meaning of the Rule, available from the Municipal Securities Rulemaking Board.

- b. If not provided as part of the Annual Financial Information, the Issuer shall provide the Audited Financial Statements when and if available while any Bonds are Outstanding to EMMA.

- c. If an Event occurs while any Bonds are Outstanding, the Issuer shall provide an Event Notice in a timely manner not in excess of ten (10) business days after the occurrence of the event to EMMA. Each Event Notice shall be so captioned and shall prominently state the date, title and CUSIP numbers of the Bonds.

- d. The Issuer shall provide in a timely manner to EMMA, notice of any failure by the Issuer while any Bonds are Outstanding to provide to EMMA, Annual Financial Information on or before the Report Date.

e. The County or its designated agent, will provide, in a timely manner not in excess of ten (10) business days after the occurrence of the event, to EMMA, notice of any: (i) failure of the County to timely provide the Annual Financial Information as specified in Sections 3(a) and 3(b); (ii) changes in its fiscal year-end; and (iii) amendment of this Undertaking.

3. The following are the definitions of the capitalized terms used herein and not otherwise defined in the Resolution:

a. **“Annual Financial Information”** means the financial information (which shall be based on financial statements prepared in accordance with generally accepted accounting principles (“GAAP”) for governmental units as prescribed by the Governmental Accounting Standards Board (“GASB”)) or operating data with respect to the Issuer, provided at least annually, of the type included in the final official statement with respect to the Bonds; which Annual Financial Information may, but is not required to, include Audited Financial Statements.

b. **“Audited Financial Statements”** means the Issuer’s annual financial statements, prepared in accordance with GAAP for governmental units as prescribed by GASB, which financial statements shall have been audited by such auditor as shall be then required or permitted by the laws of the State.

c. **“EMMA”** means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access System located on its website at emma.msrb.org.

Bonds: d. **“Event”** means any of the following events, if material, with respect to the

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issued (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (vii) Modifications to rights of security holders, if material;
- (viii) Bond calls, if material, or tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the securities;

- (xi) Rating changes;
 - (xii) bankruptcy, insolvency, receivership or a similar event with respect to the County or an obligated person;
 - (xiii) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
 - (xiv) appointment of a successor or additional trustee, or a change of name of a trustee, if material.
- e. **“Event Notice”** means written or electronic notice of an Event.

4. Unless otherwise required by law and subject to technical and economic feasibility, the Issuer shall employ such methods of information transmission as shall be requested or recommended by the designated recipients of the Issuer’s information.

5. The continuing obligation hereunder of the Issuer to provide Annual Financial Information, Audited Financial Statements, if any, and Event Notices shall terminate immediately once Bonds no longer are Outstanding. This undertaking, or any provision hereof, shall be null and void in the event that the Issuer delivers to EMMA an opinion of nationally recognized bond counsel to the effect that those portions of the Rule which require this undertaking, or any such provision, are invalid, have been repealed retroactively or otherwise do not apply to the Bonds. This undertaking may be amended without the consent of the Bondholders, but only upon the delivery by the Issuer to EMMA of the proposed amendment and an opinion of nationally recognized bond counsel to the effect that such amendment, and giving effect thereto, will not adversely affect the compliance of this undertaking by the Issuer with the Rule.

6. Any failure by the Issuer to perform in accordance herewith shall not constitute an “Event of Default” under the Bonds and the Resolution, and the rights and remedies provided by the Resolution upon the occurrence of an “Event of Default” shall not apply to any such failure; however, Bondholders may sue to enforce performance of the undertakings set forth herein.

APPENDIX C

AREA ECONOMIC INFORMATION

The statistics and other information set forth below have been obtained from the referenced sources. The County has assumed that the information obtained from sources other than the County is accurate without independently verifying it. Historical figures provided under this caption have not been adjusted to reflect economic trends such as inflation. The following information, to the extent obtained from sources other than the County, is not to be relied upon as a representation or guarantee of the County.

Population

The Albuquerque Metropolitan Statistical Area (“MSA”) includes Bernalillo, Sandoval, Torrance and Valencia Counties. The Census added Torrance County to the MSA in the 2000 Census.

POPULATION

Year	Bernalillo County	Albuquerque MSA	State
1960	262,199	292,500 ⁽¹⁾	951,023
1970	315,774	373,812 ⁽¹⁾	1,017,055
1980	419,700	515,776 ⁽¹⁾	1,303,303
1990	480,577	589,131	1,515,069
2000 ⁽²⁾	555,949	729,648	1,819,046
2010 ⁽³⁾	662,564	887,077	2,059,179
2018 ⁽⁴⁾	682,330	914,476	2,081,363
2023 ⁽⁴⁾	691,883	928,921	2,101,278

⁽¹⁾ Because Valencia County was split into two counties in 1981, official data is not available prior to that year for the Albuquerque MSA. Figures shown represent estimates by the University of New Mexico Bureau of Business and Economic Research.

⁽²⁾ 2000 decennial census U.S. Dept. of Commerce, Bureau of the Census. The Census in 2000 expanded the Albuquerque MSA to include Torrance County, population of 16,911.

⁽³⁾ 2010 decennial census U.S. Dept. of Commerce, Bureau of the Census.

⁽⁴⁾ Estimates, Source: Spotlight, 2018

Source: U.S. Dept. of Commerce, Bureau of the Census, except as indicated in footnotes.

Age Distribution

The following table sets forth a comparative age distribution profile for the County, the State and the United States.

POPULATION BY AGE GROUP

Age	Albuquerque MSA	State	U.S.
0-17	22.70%	23.90%	22.80%
18-24	9.06%	9.80%	9.80%
25-34	13.93%	13.30%	13.40%
35-44	12.75%	11.87%	12.60%
45-54	12.30%	11.90%	13.10%
55 and Older	29.26%	29.23%	28.30%

Source: Spotlight, 2018

Per Capita Personal Income

The following table sets forth annual per capita personal income levels for the Albuquerque MSA, the State and the United States. The Bureau of Economic Analysis defines “earnings” to include wages and salaries, proprietor’s income and other labor income (such as bonuses).

PER CAPITA PERSONAL INCOME

Calendar Year	Albuquerque MSA	New Mexico	United States
2007	\$33,717	\$31,703	\$39,821
2008	35,195	33,447	41,082
2009	34,218	32,523	39,376
2010	34,097	33,109	40,277
2011	35,547	34,729	42,453
2012	35,678	35,410	44,267
2013	35,006	34,724	44,462
2014	36,944	36,656	46,414
2015	38,563	37,938	48,112
2016	n/a	38,796	49,681

Source: Bureau of Economic Analysis, U.S. Department of Commerce.

Employment

The following table, derived from information supplied by the New Mexico Department of Workforce Solutions, presents information on employment within the Albuquerque MSA, the State and the United States, for the periods indicated. The annual employment figures indicate average rates for the entire year and do not reflect monthly or seasonal trends.

Fiscal Year	Albuquerque MSA Civilian Labor Force	Unemployment Rates		
		Albuquerque MSA	New Mexico	United States
2009	404,223	7.8%	7.5%	9.3%
2010	424,972	8.0%	8.1%	9.6%
2011	421,377	7.5%	7.6%	8.9%
2012	418,195	7.1%	7.1%	8.1%
2013	415,874	6.8%	6.9%	7.4%
2014	414,571	6.6%	6.5%	6.2%
2015	413,906	6.2%	6.6%	5.3%
2016	422,320	6.2%	6.7%	4.9%
2017	425,588	5.7%	6.2%	4.4%
2018*	432,506	5.0%	5.8%	4.4%

Sources: United States Bureau of Labor Statistics, April 2018.

* Average through February 2018.

The following table lists the major employers in the Albuquerque area and their estimated number of full-time and part-time employees for 2017. Albuquerque Public Schools, Sandia National Laboratories, Kirtland Air Force Base, Presbyterian Healthcare Services and the City were the largest employers in the Albuquerque area.

**Major Employers in the Albuquerque Area
Number of Employees – 2017**

Organization	Employees	Description
Albuquerque Public Schools	14,810	Educational
Kirtland Air Force Base (Civilian)	10,125	Air Force Material Command
Sandia National Labs	9,852	Research Development
Presbyterian	7,310	Healthcare
UNM Hospital	6,021	Healthcare
City of Albuquerque	5,500	Government
State of New Mexico	4,950	Government
University of New Mexico	4,210	Education
Lovelace Health Systems	4,000	Healthcare
Bernalillo County	2,648	Government
Rio Rancho Public Schools	2,000	Education
Sandia Resort and Casino	2,000	Resort and Casino
Central NM Community College	1,840	Education
T-Mobile	1,750	Telecommunications
PNM Electric Services	1,500	Utilities

Source: Albuquerque Economic Development, Data as of January 1, 2018.

The following table reflects the Percent of Households by Effective Buying Income Groups (“EBI”). EBI is defined as money income less personal tax and non-tax payments described below. Money income is the aggregate of wages and salaries, net farm and nonfarm self-employment income, interest, dividends, net rental and royalty income, Social Security and railroad retirement income, other retirement and disability income, public assistance income, unemployment compensation, Veterans Administration payments, alimony and child support, military family allotments, net winnings from gambling, and other periodic income. Deducted from this total money income are personal income taxes, personal contributions to social insurance (Social Security and federal retirement payroll deductions), and taxes on owner-occupied non-business real estate. Receipts from the following sources are not included as money income: money received from the sale of property; the value of “in kind” income such as food stamps, public housing subsidies, and employer contributions for persons; withdrawal of bank deposits; money borrowed; tax refunds; exchange of money between relatives living in the same household; gifts and lump-sum inheritances, insurance payments, and other types of lump-sum receipts.

**PERCENT OF HOUSEHOLDS BY
EFFECTIVE BUYING INCOME GROUPS**

Effective Buying Income Group	Albuquerque MSA	New Mexico	United States
Under \$25,000	24.89%	27.27%	20.37%
\$25,000 - \$34,999	10.07%	10.65%	9.21%
\$35,000 - \$49,999	13.28%	13.71%	12.87%
\$50,000 - \$74,999	17.71%	16.84%	17.09%
Over \$75,000	34.05%	31.51%	40.46%
2014 Est. Median Household Income	\$44,391	\$44,292	\$51,579
2015 Est. Median Household Income	\$48,234	\$45,633	\$53,706
2016 Est. Median Household Income	\$48,792	\$45,455	\$55,551
2017 Est. Median Household Income	\$50,160	\$47,043	\$57,462
2018 Est. Median Household Income	\$52,172	\$48,044	\$60,133

Source: Spotlight, 2018

**ESTIMATED NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT FOR THE ALBUQUERQUE MSA
FISCAL YEARS 2007-2016**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2015 to 2016</u>	<u>Annual Average Growth 2007-2016</u>	<u>Sector Share 2016</u>	
													<u>ABQ</u>	<u>U.S.</u>
Total Nonagricultural	396,508	397,933	388,950	375,650	373,233	370,167	373,183	375,417	380,250	375,342	378,533	383,008	1.2%	-0.4%
Natural Resources/Mining/Constr.	31,375	29,808	26,050	22,592	21,075	19,467	19,525	20,000	20,642	20,017	20,467	20,417	-0.2	-4.7
Manufacturing	24,133	22,883	20,250	17,517	17,650	17,775	17,617	16,917	16,467	16,925	16,433	16,175	-1.6	-4.3
Trade Transportation and Utilities	68,675	69,550	66,017	62,792	62,292	61,883	62,250	63,058	63,258	63,083	63,600	63,883	0.4	-0.8
• Wholesale Trade	13,692	13,692	12,700	12,217	11,817	11,717	11,783	11,767	11,883	11,775	11,892	11,767	-1.1	-1.7
• Retail Trade	44,167	44,825	43,025	41,125	40,942	40,650	40,775	41,558	41,592	41,567	41,767	42,342	1.4	-0.5
• Transportation, Warehousing and Utilities	10,817	11,033	10,292	9,450	9,533	9,517	9,692	9,733	9,783	9,742	9,942	9,775	-1.7	-1.1
Information	9,617	9,333	9,308	9,158	8,808	8,208	8,417	7,833	7,850	7,833	7,983	8,417	5.4	-1.5
Financial Activities	19,367	19,092	18,500	18,292	17,642	17,658	17,775	17,942	17,900	17,892	17,917	18,058	0.8	-0.8
Professional and Business Services	64,367	65,275	63,658	59,008	58,308	56,800	56,875	57,225	58,483	57,225	57,017	57,733	1.3	-1.2
Educational and Health Services	48,642	49,942	52,725	54,175	55,192	56,033	57,308	58,408	60,483	58,417	60,592	63,050	4.1	2.9
Leisure and Hospitality	39,158	39,408	37,950	37,200	37,225	38,000	39,258	40,233	41,442	40,217	41,583	41,850	0.6	0.7
Other Services	12,183	12,308	12,292	11,817	11,842	11,817	11,775	11,692	11,867	11,692	11,667	11,725	0.5	-0.4
Government	78,992	80,333	82,200	83,100	83,200	82,525	82,383	82,108	81,858	82,042	81,275	81,700	0.5	0.4
LOCAL GOVERNMENT	39,067	40,225	41,625	41,617	41,342	40,708	40,683	40,467	39,925	40,475	40,092	39,983	-0.3	0.3
STATE GOVERNMENT	25,375	25,625	25,658	25,850	26,083	26,342	26,800	27,308	27,708	27,233	26,967	27,533	2.1	0.9
FEDERAL GOVERNMENT	14,550	14,483	14,917	15,633	15,775	15,475	14,900	14,333	14,225	14,333	14,217	14,183	-0.2	-0.3

Source: Data provided by the New Mexico Department of Labor.

APPENDIX D

**STATE OF NEW MEXICO
COUNTY OF BERNALILLO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2017**

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2017

Bernalillo County
New Mexico

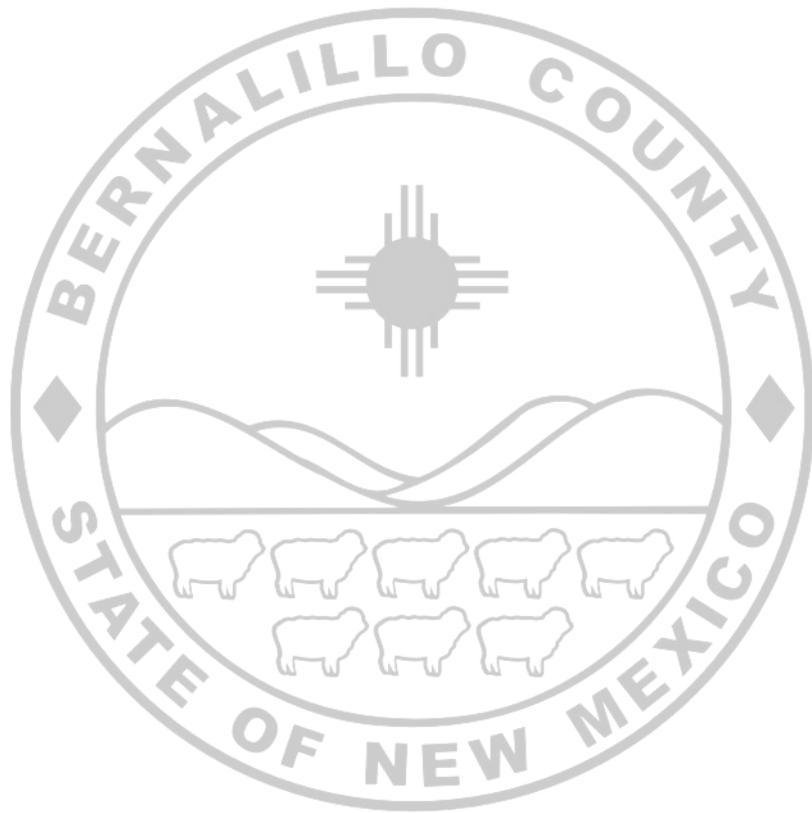


**STATE OF NEW MEXICO
COUNTY OF BERNALILLO**

**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT
Fiscal Year Ended June 30, 2017**

**COUNTY OF BERNALILLO GOVERNMENT
Board of County Commissioners
Julie M. Baca, County Manager
Shirley Ragin, Deputy County Manager for Finance**

**Prepared by:
The Accounting Department**



COUNTY OF BERNALILLO, NEW MEXICO

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COUNTY OF BERNALILLO, NEW MEXICO

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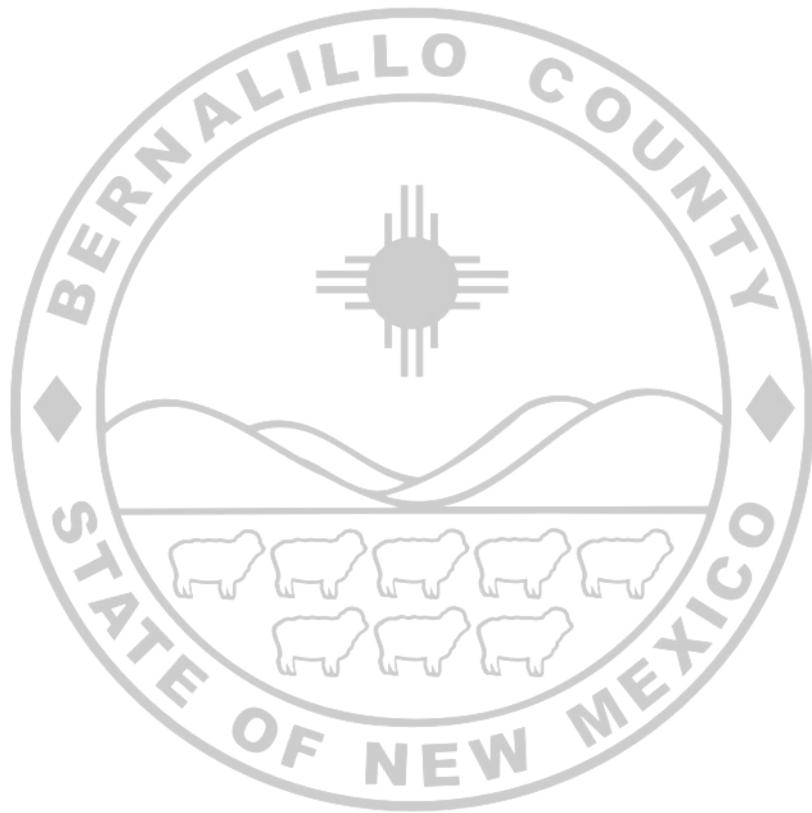
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INTRODUCTORY SECTION







County of Bernalillo

State of New Mexico

Finance Division

Accounting & Budget Department

Accounting Office

415 Tijeras Ave. NW (Basement),

Albuquerque, New Mexico 87102

Office: (505) 468-1694 Fax: (505) 468-1411

www.bernco.gov

November 9, 2017

Board of County Commissioners

Debbie O'Malley, Chair, District 1

Steven Michael Quezada, Vice Chair, District 2

Maggie Hart Stebbins, Member, District 3

Lonnie C. Talbert, Member, District 4

Wayne A. Johnson, Member, District 5

One Civic Plaza, 10th Floor

Albuquerque, New Mexico 87102

Dear Commissioners:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the County of Bernalillo (the county), New Mexico, for fiscal year ending June 30, 2017. The purpose of the CAFR is to provide accurate and meaningful information concerning the county's financial condition and performance. In addition, independent auditors have opined that the county has fairly presented its financial position, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

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 by CliftonLarsonAllen, LLP. Federal law also requires that a single audit be performed for federal grant funds in conformance with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. 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.

COMMISSIONERS

Debbie O'Malley, Chair, District 1 *Steven Michael Quezada, Vice Chair, District 2*
Maggie Hart Stebbins, Member, District 3 *Lonnie C. Talbert, Member, District 4* *Wayne A. Johnson, Member, District 5*

ELECTED OFFICIALS

Tanya R. Giddings, Assessor *Linda Stover, Clerk* *Willow Misty Parks, Probate Judge* *Manuel Gonzales III, Sheriff* *Nancy M. Bearce, Treasurer*

COUNTY MANAGER

Julie Morgas Baca

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 county's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

CliftonLarsonAllen, LLP, Certified Public Accountants, has issued the highest possible opinion, an unmodified opinion, on the county's CAFR for the fiscal year ending June 30, 2017. The independent auditor's report is located at the front of the financial section of this report. The independent audit provides reasonable assurance that the financial statements are free of material misstatement. The independent audit involved: 1) examining evidence of a test basis that supports the amounts and disclosures in the financial statements, 2) assessing the accounting principles used and significant estimates made by management, and 3) evaluating the overall financial statement presentation.

The independent accountants have concluded that the county's financial statements are in conformity with generally accepted accounting principles, are fairly presented, and there is a reasonable basis for providing an unmodified opinion.

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 Bernalillo County

The 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. The county has an estimated population of 676,753 on July 1, 2016. It comprises 32.5% of New Mexico's population and is part of the Albuquerque Metropolitan Statistical Area (MSA).¹

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 1,950 inmates, with an average utilized bed count of 1,100.² 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: 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. Appropriations within a fund may be adjusted under the authority of Department Directors and the Accounting and Budget

¹ "Annual Estimates of the Resident Population 2016", United States Census Bureau | American Fact Finder, accessed October 2, 2017, <http://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF>

² "Average Daily Population for August 2017, Monthly Report Institute for Social Research

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 No. 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 82.8% of its population³, serves as a hub for commerce and industry in the Southwest. It accounts for approximately 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.

Film is a growing industry in New Mexico and Bernalillo County's film business flourishes. Movie Maker Magazine ranked Albuquerque No. 5 on its list of Best Places to Live and Work as a Moviemaker 2016: Top 10 Big Cities. The economic impact from the film industry is significant. Since 2002, close to \$1 billion of direct spending has come to Albuquerque as a result of the film industry's work locally. In the past year, the direct spending to the greater Albuquerque area was over \$100 million. Entrepreneurs and artists and artisans are nurtured in Bernalillo County and this was recognized when Albuquerque was ranked first of the Best American Cities for Creatives in 2016 by Thrillist. In addition, Albuquerque was cited as one of the top 50 best cities in which to live by U.S. News & World Report. From an academic perspective, some Albuquerque high schools ranked nationally as some of the best in the United States. In 2017, the University of New Mexico School of Law was ranked 77 nationwide by US News & World Report.

Forecasts by the University of New Mexico's Bureau of Business and Economic Research suggest the Albuquerque Metropolitan Statistical Area (MSA) will experience slow growth in the reported job numbers in 2017⁴. For 2017, forecasts indicate that total employment will grow by 1.1% and the MSA is expected to add 4,257 jobs. The economy is expected to add 4,178 jobs (1.4 percent) in the private sector; whereas, government will add 79 jobs (0.1%)⁴. In the longer term, the Albuquerque MSA economy is forecast to add a total of nearly 20,890 jobs (1.4% average annual growth) by 2022⁵. Growth will be concentrated in the private sector. The (non-seasonally adjusted) unemployment rate in June 2017 was 6.1%³—higher than the (seasonally adjusted) national rate of 4.5% but .1% lower than the (seasonally adjusted) statewide rate of 6.4%⁶.

³ Census.gov, <http://www.census.gov/quickfacts/table/PST045215/3502000,35>

⁴ FOR-UNM, "A Quarterly Economic Forecast of the New Mexico Economy | July 2017 through 2022:4" (forecast presented at the University of New Mexico's (UNM) Bureau of Business and Economic Research quarterly forecast narrative and meeting, Albuquerque, New Mexico, July, 2017), p. 28-29.

⁵ FOR-UNM, "A Quarterly Economic Forecast of the New Mexico Economy", p. 17

⁶ FOR-UNM, "A Quarterly Economic Forecast of the New Mexico Economy", p. 45

The FY18 general fund budgeted appropriations of \$283,435,282.⁷ represents a 10.4% increase over the FY17 budget. Property taxes are anticipated to make up 45.0% and gross receipts taxes should make up 48.3% of the general fund revenue. 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.

Long-Term Financial Planning

The financial condition of the county is strong as reflected by the county's current bond ratings. The county's 2017 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 three-twelfths reserve requirement, required by the State of New Mexico, of \$77,907,509, 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 Fund Balance Policy consisting of an unassigned amount of \$15,681,645, referred to as the Revenue Stabilization/Operating Reserve. Industry best practices indicates that counties the size of Bernalillo County should maintain a reserve of 28% to 30% of their operating expenditures in the General Fund. The combination of both reserves equates to 30% of the FY16 General Fund operating adjusted expenditure budget.

Relevant Financial Policies

Bernalillo County is currently in its eighth 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. FY17 represented the first year of the biennial cycle and FY18 represents the second year of the current biennial cycle.

Major Initiatives

In February 2015, the Board of County Commissioners approved the enactment of a one-eighth Hold Harmless Gross Receipts Tax (GRT) to design and implement a comprehensive system of behavioral health care to benefit the residents of Albuquerque and surrounding areas. The tax started on July 1, 2015 and received \$19.9 million and \$20.5 million in FY16 and FY17, respectively. Bernalillo County Government, the City of Albuquerque and the Albuquerque Bernalillo County Government Commission (ABCGC) review and evaluate which behavioral health initiatives to fund. In FY17 the Bernalillo County Board of Commissioners awarded several contracts to address adverse childhood experiences, youth transitional living, mobile crisis team, and community engagement team. There will be many other initiatives that are started in FY 2018.

Effective July 1, 2017, the county enacted the last one-eighth increment of the Hold Harmless Gross Receipts Tax (GRT) for general operations and a one-sixteenth Operating GRT dedicated to public safety operations. The additional funding should generate approximately \$20.0 million

⁷ Bernalillo County Government, Bernalillo County Financial Resolution Nos. 2017-32.

and \$10.0 million, respectively, and will address staffing, fleet replacement, building maintenance, and other operational needs.

In May 2017 the county purchased Alvarado Square building, which will be renovated and remodeled. This will be a new county administrative facility that will consolidate many departments at various locations into one centralized location. The location should provide enhanced citizen service for those doing business in Bernalillo County. The estimated cost of the land, building, and estimated renovations is expected to be \$37.5 million. Eventually as the county vacates existing buildings, the county plans to sell these properties. Gross Receipts Tax Revenue Bonds will be issued to pay for the building and improvements.

In September 2017 the county approved to undertake energy efficient capital improvements at the Metropolitan Detention Center using a guaranteed energy savings project with a contractor that will guarantee utility, operational, and maintenance savings over the life of the project. The project will include replacement of all rooftop cooling units, new heating and cooling controls, replacement of existing fluorescent and metal halide lighting with LED lighting, installation of solar on several pods, and one pod roof replacement and one pod roof coating. Gross Receipts Tax Revenue Bonds will be issued to pay for the MDC energy improvements and will be paid with operational savings.

The Public Works Division has several large projects in process. The county continues work on the Bridge Corridor. The next phase will reconstruct Bridge Blvd from Coors to Isleta Blvd. Design is complete and right-of-way for the project is being acquired. Construction is expected to begin in early 2018 once all the right of way is in place. The county and Albuquerque Water Utility Authority will start on the South Valley Drinking Project, Phase 7B, with the installation of water distribution lines and service connections in the Los Padillas area of the South Valley. The 2nd Street Reconstruction Project will reconstruct 2nd Street and build new multiuse trails from Valle del Oro Wildlife Refuge to Desert Road. The Hooper Road Storm Drain Improvement Project will construct 300 feet of storm drain within Hopper Road, and will tie into the 5 Points Road Storm Drain project, which was completed last year. An ongoing fiber optic installation project will continue with fiber installations on Rio Bravo from Poco Loco to Isleta. This will start on Prince Street at Fire Station No. 38 and continue on Prince Street to Prosperity Avenue, connecting to the Mountain View Community Center and Fire Training Academy.

On July 27, 2017, the county held a groundbreaking ceremony on an Animal Care and Resource Center. Currently the county shares services with City of Albuquerque, but in the future the county will house animals. New programs and services will include: educational and volunteer opportunities; spay and neutering; microchipping; and foster care and adoption.

In June 2016, a federal judge approved a major settlement agreement which would help resolve the 21-year-old class action lawsuit against the county over living conditions at the Metropolitan Detention Center (MDC). Bernalillo County's efforts to improve living conditions and provide better services at the jail were cited through the newly-approved agreement. Bernalillo County will continue to provide experts to monitor population, mental health, and medical services at the MDC. The jail population is approximately 1,400, down from a high of more than 3,000 several years ago. The current cap on the jail population is 1,950 inmates, according to the agreement. Bernalillo County's team pushed for significant changes intended to reduce the jail population, including the creation of a new prosecutor position to negotiate plea agreements, a judge to preside over preliminary hearings and the creation of a new case management system designed to move criminal cases through the courts at a faster pace and to address the backlog of cases. Bernalillo County is in the process of developing policies and providing training to corrections

officers. Budget and purchasing staff are working hand-in-hand with MDC management to improve budgeting and accounting, and reviewing contracts at the MDC. The county also has plans for several technology projects at the MDC including: Kronos workforce central software; security system update including cameras; and a jail management system.

The Economic Development Department's directive is to enhance the quality of life for county residents through the 1) retention and expansion of businesses, 2) job creation and 3) prudent use of taxpayer dollars. In FY17 \$134.5 million was invested in eight projects that created 885 new jobs in Bernalillo County. These projects included companies specializing in manufacturing, work-force housing, hotel management, and food and beverage. This undertaking is in direct support of the Economic Vitality goal in the county's Strategic Plan.

On June 16, 2015, the Bernalillo County Commission passed the Santolina Master Plan and Western Albuquerque Land Holdings received approval of a Planned Communities Level A Master Plan and Planned Communities Zoning for 13,851 acres of undeveloped land in the southwestern area of Bernalillo County. On June 24, 2015, the Bernalillo County Commission approved the development agreement between Western Albuquerque Land Holdings and the county which impacts the Santolina Master Plan. While the master plan provides a general framework for development, the development agreement provides details on the responsibilities of both the county and the developer. The Santolina Master Plan, which is contingent upon future demand and market conditions, provides a general framework for development over the next 40 to 50 years, to include residential villages and village commercial uses, two business parks, a town center, an industrial/business park, and an urban center, along with parks, trails, public open space, educational facilities, roads and utilities. Over time, the applicant proposes that the project will be developed with approximately 38,000 households and provide approximately 75,000 jobs.

On August 30, 2017, Bernalillo Board of Commission approved Level B Master Plan for Santolina Development, which covers about 4,000 acres and provides more detail about where housing, businesses, and community services would be located within the development. The 4,000 acres is only part of the larger planned development. Now developers may begin negotiations with the Albuquerque/Bernalillo County Water Authority over water. The next step is for the county and the developer to begin negotiations over a development agreement. After Level B process is finished, the developer will submit Level C development plans, which will include actual building plans for any subdivision and commercial development.

The Bernalillo County Website (BernCo View) Transparency Portal now contains 270 performance measure/objective dashboards across 30 county departments. The county plans to continue making enhancements to transparency, including operational and financial reports.

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 Bernalillo County for its comprehensive annual financial report for the fiscal year ended June 30, 2016. This was the thirteenth 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 only. The county believes that its current comprehensive annual financial report continues to meet the Certificate of Achievement

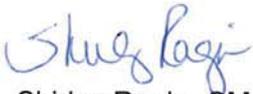
Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

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.

Sincerely,



Julie M. Baca
County Manager



Shirley Ragin, CMA
Deputy County Manager for Finance



Pamela Moon, CPA
Director of Accounting and Budget



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, 2016

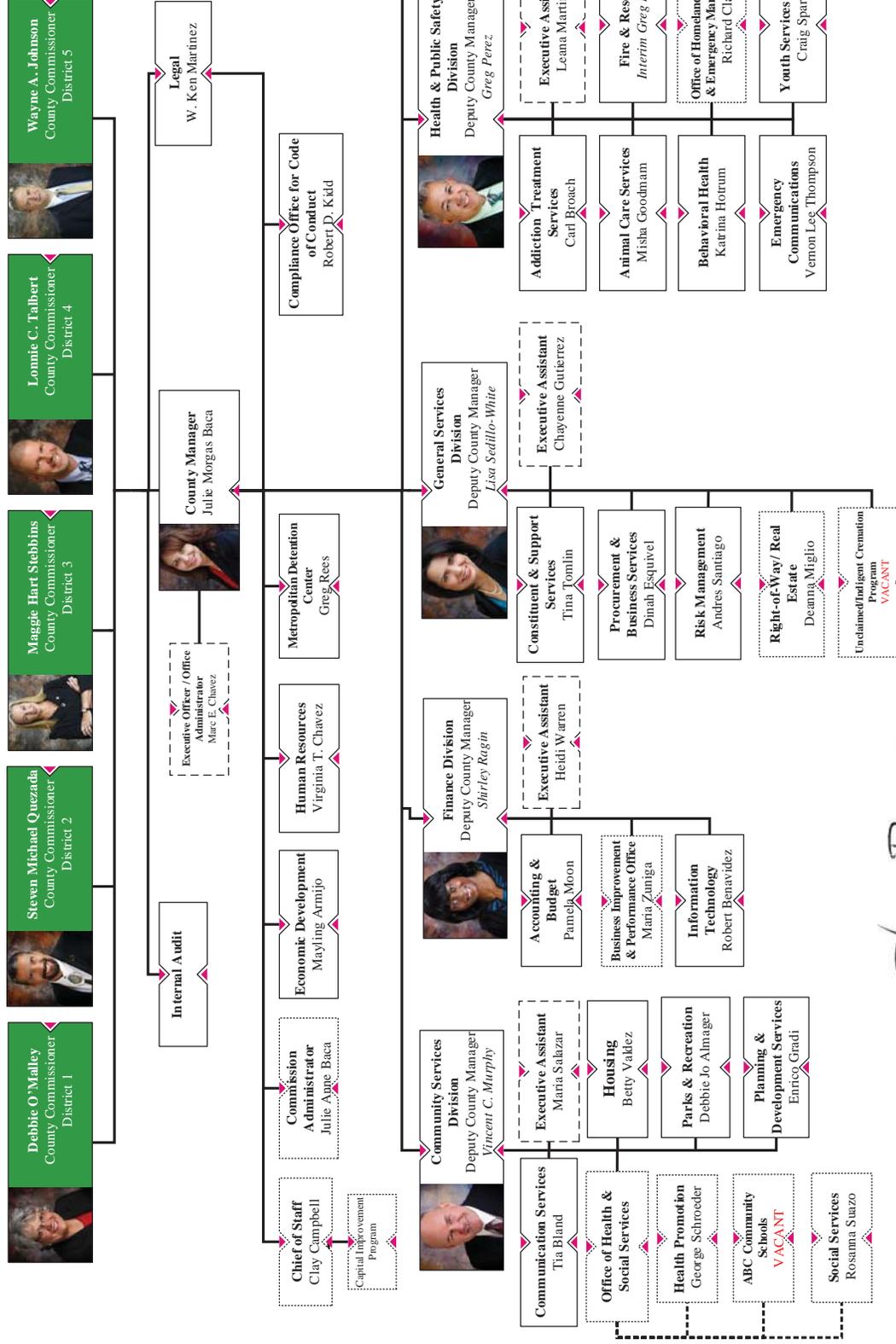
Executive Director/CEO

BERNALILLO COUNTY ORGANIZATIONAL CHART



Elected Officials

	Assessor Tanya Giddings
	Clerk Linda Stover
	Probate Judge Willow Misty Parks
	Sheriff Mannel Gonzales III
	Treasurer Nancy M. Beare



Approved: 
Julie Morgas Baca 9/20/17

*** Created by Marc E. Chavez 5/17/17

COUNTY OF BERNALILLO

PRINCIPAL OFFICIALS

June 30, 2017

COUNTY COMMISSIONERS

Debbie O'Malley, Chair	District 1
Steven Michael Quezada, 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
Linda Stover	Clerk
Willow Misty Parks	Probate Judge
Manuel Gonzalez III	Sheriff
Nancy M. Bearce	Treasurer

COUNTY MANAGER

Julie Morgas Baca

DEPUTY COUNTY MANAGERS

Shirley Ragin, Deputy County Manager for Finance
Vince Murphy, Deputy County Manager for Community Services
Lisa Sedillo-White, Deputy County Manager for General Services
Greg Perez, Interim Deputy County Manager for Health and Public Safety
Roger Paul, Deputy County Manager for Public Works

COUNTY OF BERNALILLO, NEW MEXICO
CONTRIBUTORS
June 30, 2017

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Deputy County Manager for Finance Division

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Principal Accountant

Trudy McGregor, CPA
Principal Accountant

Nataliya Rubinchik, MSA
Senior Financial Accountant

Ryan Travelstead
Senior Financial Accountant

Jennifer Urioste
Financial Accountant

David Trujillo
Financial Accountant

Leticia Carreon
Financial Accountant

Cindy Torres
Financial Accountant

Paul Herrera
Grant Administrator

Treasurer's Office

Treasury Staff

Fixed Assets Section

Fixed Asset Staff

Payroll Department

Payroll Staff

Budget Office

Budget Staff

Housing Department

Housing Financial Staff

Cover photo:

Marble Street Studios, Inc.



FINANCIAL SECTION





INDEPENDENT AUDITORS' REPORT

Commission Chairman
Members of the County Commission
Bernalillo County and
Mr. Tim Keller, State Auditor
Albuquerque, New Mexico

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information and the budgetary comparisons for the general fund and major special revenue fund of the Bernalillo County, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Commission Chairman
Members of the County Commission
Bernalillo County and
Mr. Tim Keller, State Auditor

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Bernalillo County as of June 30, 2017, and the respective changes in financial position, the respective budgetary comparison for the general fund and major special revenue funds and, where applicable, cash flows thereof 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 on pages 18-39 and the schedule of the County's proportionate share of the net pension liability and the schedule of the County's contributions on pages 123 and 124 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 financial statements that collectively comprise the Bernalillo County's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory and statistical sections, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and other schedules required by 2.2.2 NMAC is also presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the schedule of expenditures of federal awards, financial data schedule, and other schedules required by 2.2.2 NMAC listed under Other Supplementary Information in the Table of Contents and 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Commission Chairman
Members of the County Commission
Bernalillo County and
Mr. Tim Keller, State Auditor

The introductory and statistical sections per the Table of Contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2017, on our consideration of the Bernalillo 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Bernalillo County's 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 Bernalillo County's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Albuquerque, New Mexico
November 9, 2017

COUNTY OF BERNALILLO NEW MEXICO
Management's Discussion and Analysis
June 30, 2017

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, 2017. 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-vii of this report.

Financial Highlights

Government-Wide Financial Statements (GWFS) (Statement of Net Position and Statement of Activities)

- The county's total government-wide assets and deferred outflows of resources exceed the county liabilities and deferred inflows of resources as of June 30, 2017 by \$393,291,044 (*net position*).
- The county's net position increased by \$12,827,731 or a 3.4% increase.
- As of June 30, 2017, the county's governmental activities and business type activities have a net position of \$385,987,638 and \$7,303,406 respectively.

Individual Fund Financial Statements

- As of June 30, 2017, the county's governmental funds reported combined fund balances of \$304,500,869. This reflects an increase of \$42,501,120 or a 16.2% increase from the previous fiscal year.
- As of June 30, 2017, the county's General Fund reported a fund balance of \$142,332,751, an increase of \$11,467,438 or an 8.8% increase from the previous fiscal year.
- As of June 30, 2017, the county's enterprise funds reported combined net position of \$7,303,406 an increase of \$491,762 or a 7.2% from the previous fiscal year.

Debt Issues

- During FY17, the county issued \$18,285,000 million in general obligation debt, which will be used for capital projects.

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 (GWFS), 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 GWFS 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 deferred outflows of resources, liabilities, and deferred inflows of resources, 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 changed during the most recent fiscal year. All changes in net position are 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.

The GWFS differentiates 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, Regional Juvenile Detention Center, Bernalillo County Housing Authority, Seybold Village Handicapped Project, and El Centro Familiar. The GWFS can be found on pages 40-41 of this report.

Fund Financial Statements. 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 GWFS. However, unlike the GWFS, 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 GWFS, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the GWFS. 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 fourteen are classified as Special Revenue Funds, thirteen are classified as Debt Service funds, and three are classified as Capital Projects Funds. Information for the General Fund, the Grants Fund, Behavioral Health 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 and Behavioral Health Fund. Budgetary comparison statements for these funds are presented on pages 46-48. In addition, the county adopts an annual budget for other non-major funds. A budgetary statement is presented individually for the general fund, certain special revenue funds, and debt service funds that have an adopted budget.

The basic governmental fund financial statements can be found on pages 42-45 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 GWFS. The county uses Enterprise Funds to account for Solid Waste, Regional Juvenile Detention Center, Bernalillo County Housing Authority, Seybold Village Handicapped Project, and El Centro Familiar. *Internal Service Funds* are 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 Funds include Risk Management and Health Self Insurance Funds, which are used to account for its risk management and employee self-insurance health programs. Because the services provided by the Risk Management and the Health Self Insurance Funds predominantly benefit governmental rather than business-type functions, these funds are included within *governmental activities* in the GWFS. The basic proprietary fund financial statements can be found on pages 49-51 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 GWFS 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 52 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 GWFS and the fund financial statements. The notes to the financial statements can be found on pages 53-121 of this report.

Required Supplementary Information. In addition to the basic financial statements and accompanying notes, this report also presents required supplement information concerning Bernalillo County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 123-124 of this report.

Other information. The combining statements referred to earlier in connection with non-major governmental funds, non-major enterprise, and internal service funds are presented immediately following the Required Supplementary Information. Combining and individual fund statements and schedules can be found on pages 126-170 of this report. Many of the additional schedules in other required supplementary section are required by the New Mexico Office of the State Auditor.

Long-Term Debt

- During the year, the county sold \$18,285,000 of General Obligation Bonds, Series 2017. The capital project proceeds, including premiums and a good faith deposit, net of issuance

costs, funded \$19,255,000 in capital projects. Projects included: \$4,277,000 for roads, \$2,632,000 for storm drains, \$750,000 for libraries, \$2,475,000 for facility improvements, \$3,618,450 for parks, \$2,475,000 for public safety, \$2,475,000 for public housing, \$367,500 for trails, and \$185,050 for art in public places.

- The county has \$495,956,542 in available bonding capacity or 79.52% of allowable bonding capacity per the New Mexico State Constitution (see page 215).

Government-wide Financial Analysis

County of Bernalillo Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Assets:						
Current and other assets	\$364,684,490	\$321,099,854	\$9,217,056	\$8,407,117	\$373,901,546	\$329,506,971
Capital assets	538,299,785	553,734,827	2,597,124	2,701,800	540,896,909	556,436,627
Total assets	902,984,275	874,834,681	11,814,180	11,108,917	914,798,455	885,943,598
Deferred outflows of resources:						
Deferred charge on refunding	1,429,759	1,550,472	-	-	1,429,759	1,550,472
Deferred outflow of pensions	96,749,073	22,629,215	1,068,697	254,546	97,817,770	22,883,761
Total deferred outflows of resources	98,178,832	24,179,687	1,068,697	254,546	99,247,529	24,434,233
Liabilities:						
Noncurrent liabilities	566,075,391	483,577,951	3,576,036	1,909,223	569,651,427	485,487,174
Other liabilities	37,342,792	34,160,404	1,898,498	2,583,056	39,241,290	36,743,460
Total liabilities	603,418,183	517,738,355	5,474,534	4,492,279	608,892,717	522,230,634
Deferred inflows of resources:						
Deferred inflow of pensions	11,757,286	7,624,344	104,937	59,540	11,862,223	7,683,884
Total deferred inflows of resources	11,757,286	7,624,344	104,937	59,540	11,862,223	7,683,884
Net Position:						
Net investment in capital assets	349,079,770	343,340,556	2,597,124	2,701,800	351,676,894	346,042,356
Restricted	240,075,626	196,844,218	-	-	240,075,626	196,844,218
Unrestricted (deficit)	(203,167,758)	(166,533,105)	4,706,282	4,109,844	(198,461,476)	(162,423,261)
Total net position	\$385,987,638	\$373,651,669	\$7,303,406	\$6,811,644	\$393,291,044	\$380,463,313

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The county's governmental activities assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$385,987,638 for the fiscal year ending June 30, 2017.

By far the largest portion of the county's net position 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. The county uses the \$351,676,894 in capital assets as of June 30, 2017 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.

Restricted net position in the amount of \$240,075,626 as of June 30, 2017 represents resources that are subject to external restrictions on how they may be used.

The unrestricted net position is the amount that may be used to meet the government's ongoing obligations to citizens and creditors. The adoption of GASB Statement No. 68 in FY15 resulted in the county's reporting of net pension liabilities and deferred inflows of resources and deferred outflows of resources for the pension plan and the recognition of pension expense. This had a significant negative effect on the county's net position, and consequently unrestricted net position as of June 30, 2015. GASB Statement No. 82 amended GASB Statement No. 68 and again caused further restatements.

Governmental activities. Governmental activities during the year increased the county's net position by \$12,335,969 in FY17 compared to an increase of \$31,892,831 in FY16.

Governmental Activities revenues increased by \$3.7 million, from \$372.1 million in FY16 to \$375.8 million in FY17, an increase of 1.0%. Key elements in the increase of governmental activities revenues are as follows:

- Most of the increase in governmental activities revenues was in property taxes, which increased \$3.6 million, from \$146.1 million in FY16 to \$149.7 million in FY17, a 2.5% increase. Assessed taxable valuation increased in the county, from \$15.1 billion in FY16 to \$15.6 billion in FY17. The General Fund tax rate went down slightly due to a yield control formula as shown following:

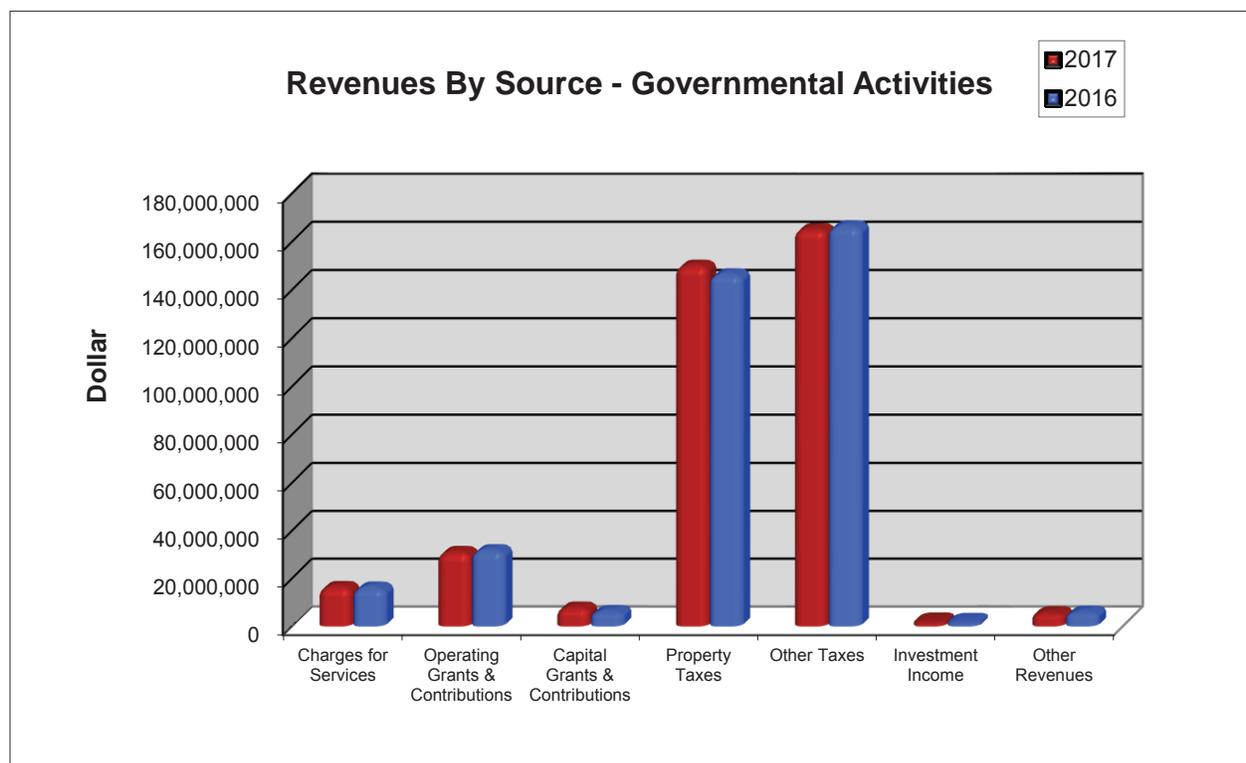
	Tax Rates Per \$1,000 Assessed Values			
	FY17		FY16	
	<u>Residential</u>	<u>Non-Residential</u>	<u>Residential</u>	<u>Non-Residential</u>
Operating	\$7.090	\$10.750	\$7.254	\$10.750
Debt service	1.265	1.265	1.265	1.265
Open space	0.196	0.200	0.200	0.200
Judgment	0.010	0.010	0.011	0.011
Total	<u>\$8.561</u>	<u>\$12.225</u>	<u>\$8.730</u>	<u>\$12.226</u>

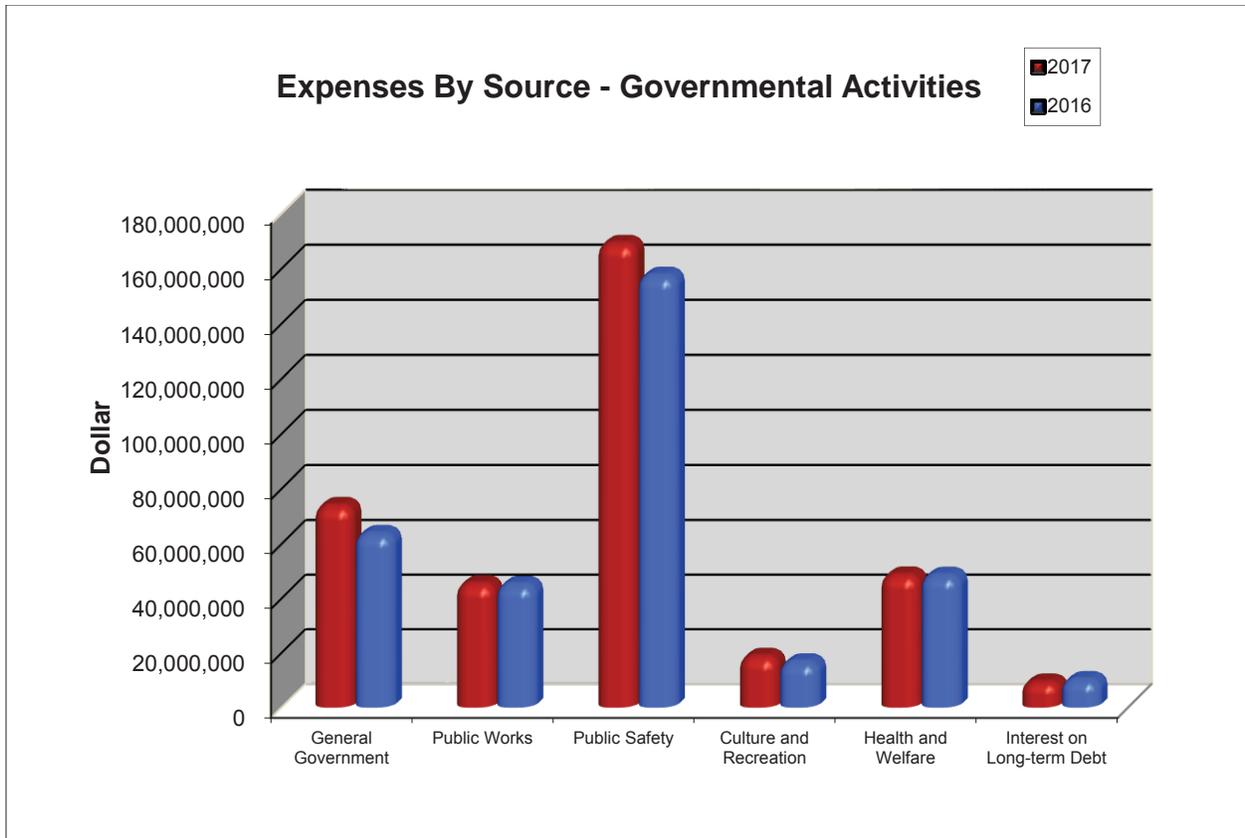
County of Bernalillo's Changes in Net Position

	Governmental		Business-type		Total	
	Activities		Activities			
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenues:						
Program revenues:						
Charges for services	\$16,075,426	\$15,799,311	\$7,651,250	\$7,169,665	\$23,726,676	\$22,968,976
Operating grants and contributions	30,717,046	31,454,282	626,849	685,110	31,343,895	32,139,392
Capital grants and contributions	7,413,323	5,738,398	8,282	49,423	7,421,605	5,787,821
General revenues:						
Property taxes	149,700,594	146,095,633	-	-	149,700,594	146,095,633
Other taxes	164,888,788	166,025,134	-	-	164,888,788	166,025,134
Investment income	1,839,080	1,561,700	12,960	872	1,852,040	1,562,572
Miscellaneous	5,192,736	5,408,501	190,941	180,512	5,383,677	5,589,013
Total revenues	<u>375,826,993</u>	<u>372,082,959</u>	<u>8,490,282</u>	<u>8,085,582</u>	<u>384,317,275</u>	<u>380,168,541</u>
Program expenses:						
General government	73,665,312	63,472,339	-	-	73,665,312	63,472,339
Public works	45,147,762	44,872,112	-	-	45,147,762	44,872,112
Public safety	168,871,434	157,302,159	-	-	168,871,434	157,302,159
Health and welfare	48,332,386	48,205,435	-	-	48,332,386	48,205,435
Culture and recreation	18,438,731	16,407,646	-	-	18,438,731	16,407,646
Interest on long-term debt	8,965,408	9,865,437	-	-	8,965,408	9,865,437
Solid Waste	-	-	5,111,740	5,069,782	5,111,740	5,069,782
Housing Authority	-	-	1,291,112	1,075,557	1,291,112	1,075,557
Seybold Village	-	-	142,427	125,003	142,427	125,003
Juvenile Detention Center	-	-	1,253,744	1,011,633	1,253,744	1,011,633
El Centro Familiar	-	-	269,488	263,626	269,488	263,626
Total expenses	<u>363,421,033</u>	<u>340,125,128</u>	<u>8,068,511</u>	<u>7,545,601</u>	<u>371,489,544</u>	<u>347,670,729</u>
Increase (decrease) in net position before transfers	12,405,960	31,957,831	421,771	539,981	12,827,731	32,497,812
Transfers in (out)	(69,991)	(65,000)	69,991	65,000	-	-
Increase (decrease) in net position	<u>12,335,969</u>	<u>31,892,831</u>	<u>491,762</u>	<u>604,981</u>	<u>12,827,731</u>	<u>32,497,812</u>
Net position - beginning	373,651,669	352,501,884	6,811,644	6,323,485	380,463,313	358,825,369
Prior period restatement (a)	-	(10,743,046)	-	(116,822)	-	(10,859,868)
Net position - beginning as restated	<u>373,651,669</u>	<u>341,758,838</u>	<u>6,811,644</u>	<u>6,206,663</u>	<u>380,463,313</u>	<u>347,965,501</u>
Net position - ending	<u>\$385,987,638</u>	<u>\$373,651,669</u>	<u>\$7,303,406</u>	<u>\$6,811,644</u>	<u>\$393,291,044</u>	<u>\$380,463,313</u>

(a) The restatement of the beginning net position in FY16 is the result of the county implementing GASB Statement No. 82, restating the workers' compensation liability, and restating the unearned revenue in FY16.

- Program revenues increased \$1.2 million, from \$53.0 million in FY16 to \$54.2 million in FY17, a 2.3% increase. The main increase was in capital grants due to the county receiving a grant for constructing the ball fields and facilities for the North Valley Little League.
- Other taxes decreased \$1.1 million, from \$166.0 in FY16 to \$164.9 in FY17. This is mainly due to a decrease in due to the State of New Mexico decreasing the gross receipts tax (GRT) equalization from \$3.6 million in FY16 to \$2.2 million in FY17.
- Investment income increased slightly, from \$1.6 million in FY16 to \$1.8 million in FY17. Interest rates and cash balance improved during FY17 earning the county \$2.4 million in interest, but this was netted against a large mark to market loss of \$0.6 million. The county's investment priority is to protect and preserve the principal of the funds invested, with secondary priorities to maintain liquidity needs and return on investments.
- Miscellaneous revenues decreased slightly, from \$5.4 million in FY16 to \$5.2 million in FY17.





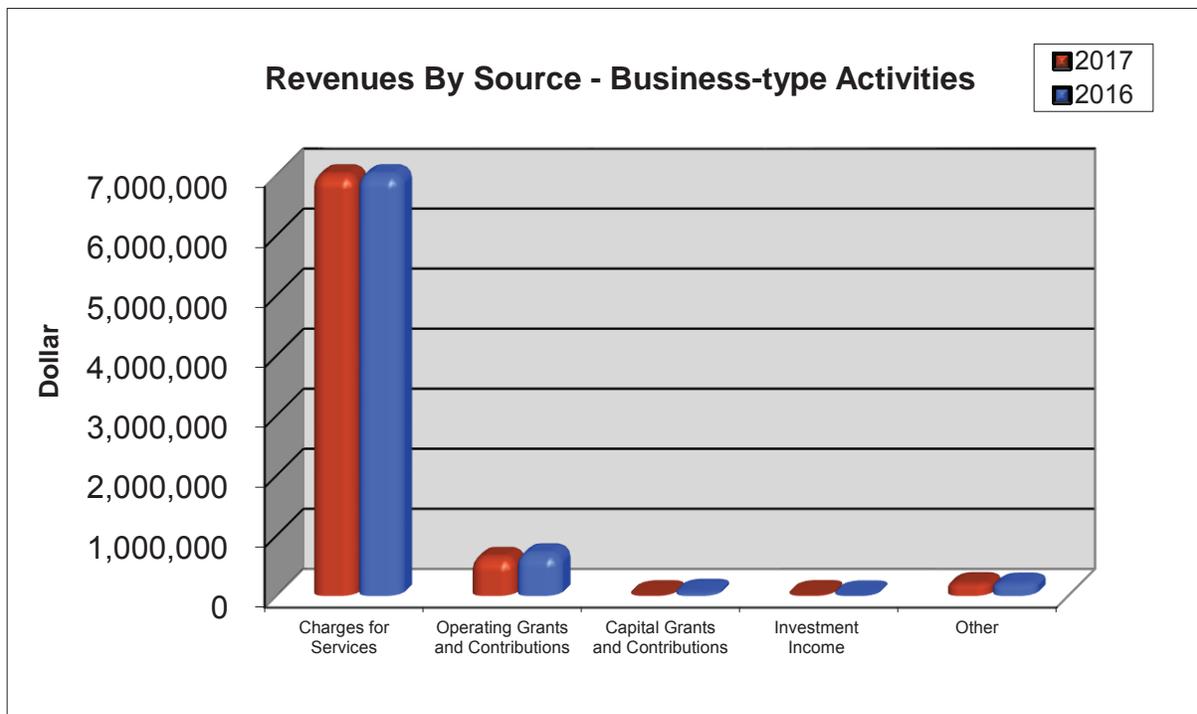
Governmental activities expenses increased by \$23.3 million, from \$340.1 million in FY16 to \$363.4 million in FY17, an increase of 6.9%. The increase in governmental activities expenses are as follows:

- General government expenses increased by \$10.2 million, from \$63.5 million in FY16 to \$73.7 million in FY17, a 16.1% increase. \$3.8 million of the increase is due to year end pension adjustments. Other reasons for the increase include reorganizations from public works planning, geo resources, and information technology support to general government. Also there were additional expenses for the 2016 national election, paratransit service, and legal services.
- Public works expenses increased by \$0.2 million, from \$44.9 million in FY16 to \$45.1 million in FY17, a 0.4% increase.
- Public safety expenses increased by \$11.6 million, from \$157.3 million in FY16 to \$168.9 million in FY17, a 7.4% increase. The increase is attributed to the year-end adjustments related to pension obligations.
- Health and welfare expenses increased slightly by \$0.1 million, from \$48.2 million in FY16 to \$48.3 million in FY17, a 0.2% increase. The increase is attributed to the year-end adjustments related to pension obligations.

- Culture and recreation expenses increased by \$2.0 million, from \$16.4 million in FY16 to \$18.4 million in FY17, a 12.2% increase. The increase was due to book purchases for others in the Capital Construction Fund in FY17.
- Interest expense decreased \$0.9 million, from \$9.9 million to \$9.0 million, a 9.1% decrease in accordance with debt schedule.

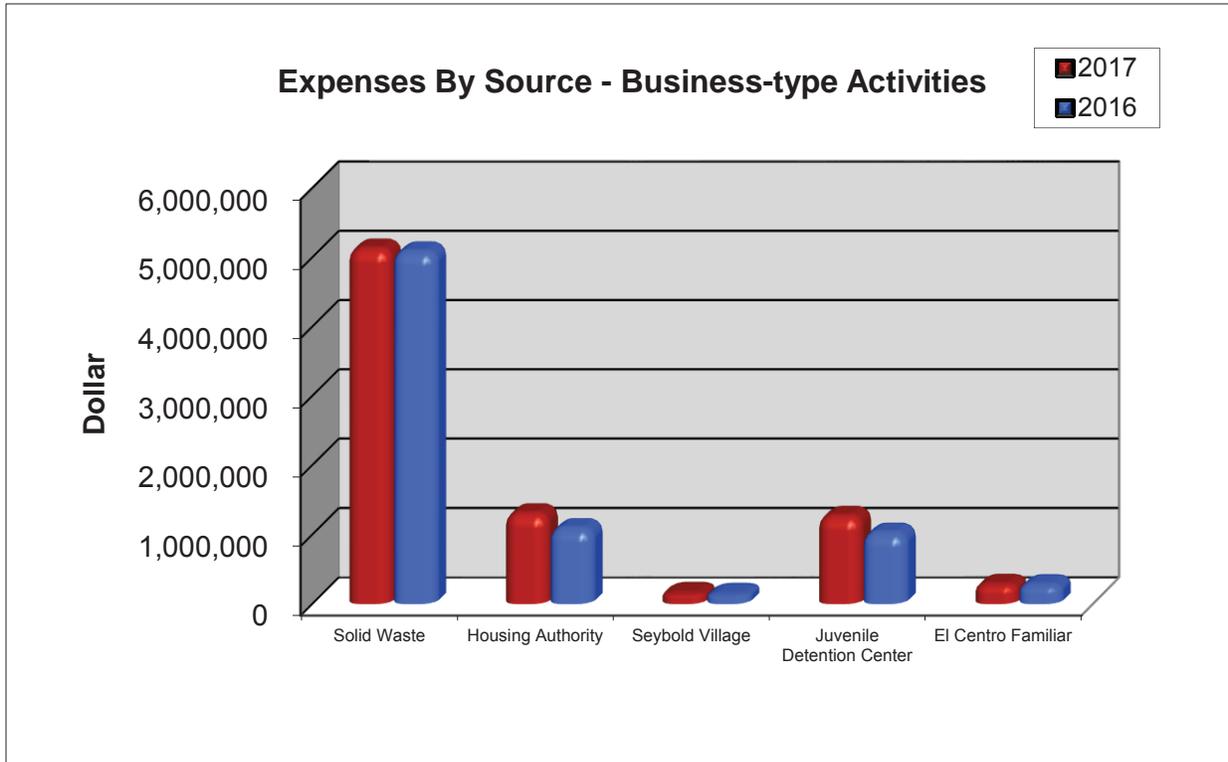
Business-type activities. Business-type activities net position increased by \$491,762 during the current fiscal year.

During the year, the Solid Waste Fund and El Centro Familiar had more total program revenues than total program expenses resulting in income before general revenues and transfers in. The Housing Authority, Seybold Village, and the Regional Juvenile Detention Center had less total program revenues than total program expenses resulting in a loss before general revenues and transfers in.



Business-type activities revenue increased slightly from \$8.1 million in FY16 to \$8.5 million in FY17. Key elements of the decrease in business-type activities revenue are as follows:

- Charges for services increased \$0.5 million, from \$7.2 million in FY16 to \$7.7 in FY17. The small increase was in the Solid Waste Fund, who increased rates to cover the contracted waste pickup rate increase. Grants in the three housing funds were up slightly and other changes were insignificant.



Business-type activities expenses increased \$0.6 million, from \$7.5 million in FY16 to \$8.1 million in FY17. Key elements of expenses are as follows:

- Solid Waste expenses remained steady at \$5.1 million in FY16 and FY17.
- Housing Authority, Seybold Village, and El Centro Familiar are funded by United States Department of Housing and Urban Development (HUD). Overall the three HUD funds had a slight increase going from \$1.5 million in FY16 to \$1.7 million in FY17.
- Juvenile Detention Center expenses increased from \$1.0 million in FY16 to \$1.3 million in FY17, a 30.0% increase. The increase is due to the University of New Mexico psychiatric contract being paid for out of the Juvenile Detention Center.

Financial Analysis of the County's Funds

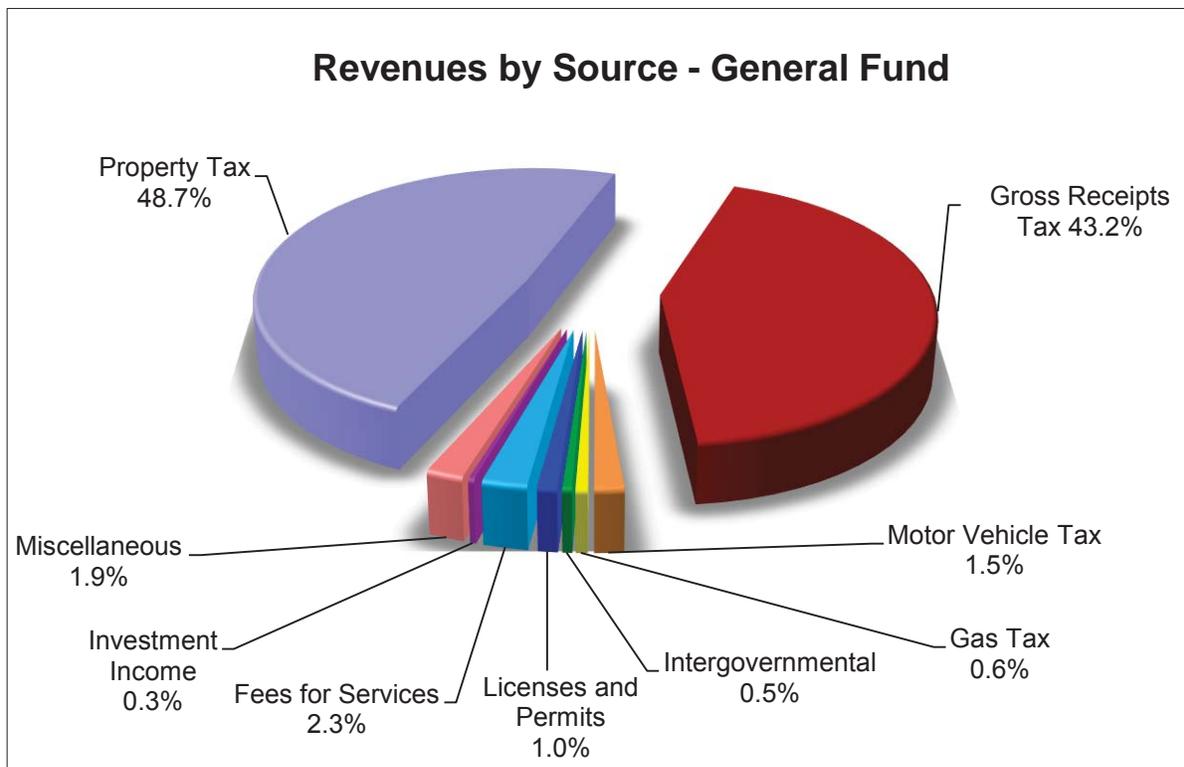
Governmental Funds. The focus of the county's governmental funds is to provide information on near-term inflows, and balances of spendable resources. Such information is useful in assessing the county's financing requirements. In particular, assigned and unassigned fund balance may serve as a useful 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 \$304,500,869, an increase of \$42,501,120. Approximately 20.8% of this total, \$63,476,814 constitutes assigned \$47,795,169 and unassigned \$15,681,645, 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 \$2,504,910,

restricted amounts of \$236,441,717, and committed amounts of \$2,077,428 which are detailed in the notes to the financial statements.

General Fund. The county’s General Fund fund balance increased from \$130,865,313 in FY16 to \$142,332,751 in FY17, an increase of \$11,467,438 or an 8.8% increase.

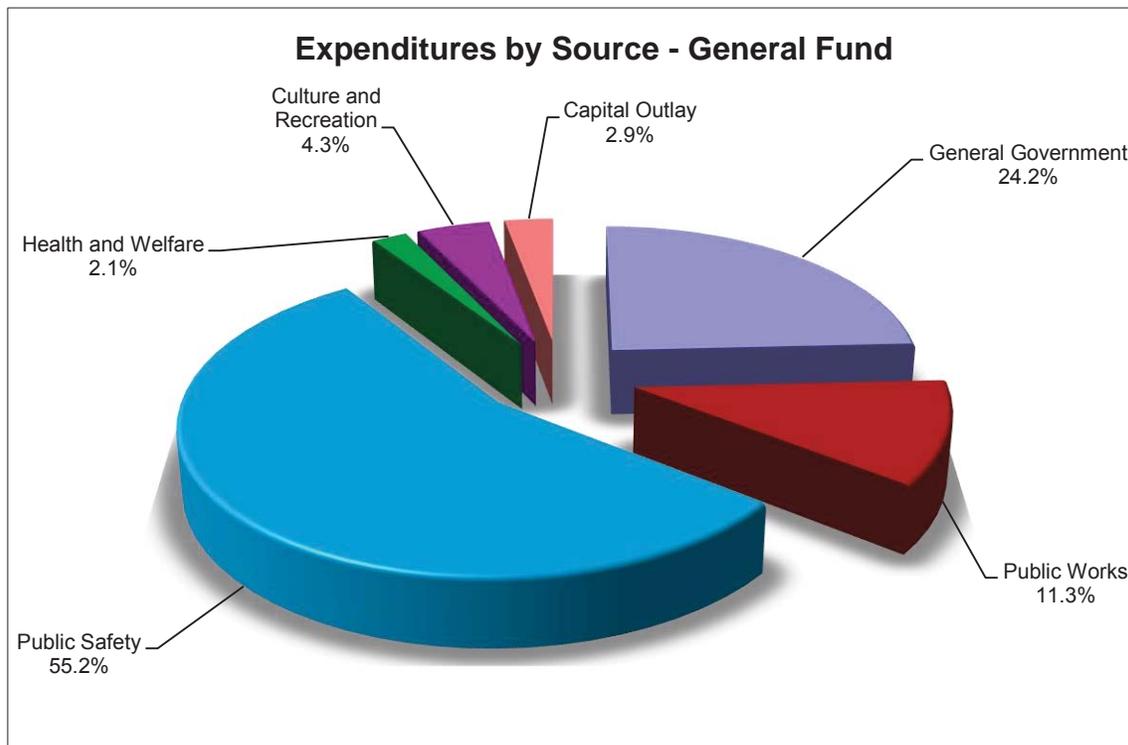
- Of the FY17 fund balance amount, \$77,907,508, or 54.8% of the General Fund is restricted fund balance, required by State of New Mexico Department of Finance and Administration (DFA). The DFA requires that 3/12 of the FY18 General Fund budgeted expenditures be restricted to provide adequate cash reserves. The General Fund also has \$154,362 in restricted grant funds.
- At the end of the fiscal year, the nonspendable fund balance of the county’s General Fund was \$2,497,899 for notes receivable and inventory.
- The General Fund has assigned \$30,783,597 for subsequent years’ expenditures, \$3,277,521 for information technology projects, \$1,000,000 for MDC energy efficiency project, \$7,118,962 in operational reserves and projects, and \$1,833,829 in public safety maintenance projects and equipment.
- At the end of the fiscal year, the unassigned fund balance of the county’s General Fund was \$15,681,645, which is set aside for unforeseen emergency contingencies and cash flow needs. This complies with the county’s revenue stabilization and operating reserve minimum fund balance policy of keeping 3% to 5% of the next year General Fund budgeted operating expenditures.



General Fund revenues increased by \$3.4 million, from \$258.5 million in FY16 to \$261.9 million in FY17, an increase of 1.3%. Key elements in the increase of General Fund revenues are as follows:

- Property tax revenue increased by \$2.5 million from \$125.1 million in FY16 to \$127.6 million in FY17, a 2.0% increase. Assessed taxable valuation increased in the county, from \$15.1 billion in FY16 to \$15.6 billion in FY17. This was offset by a decrease in the residential tax rate, going from \$7.254 to \$7.090 per \$1,000 of assessed taxable value. The decrease in the tax rate is due to New Mexico legislation imposing a yield control formula for the tax rate, when applied against reassessed property.
- GRT increased by \$0.7 million, from \$112.5 million in FY16 to \$113.2 million in FY17, an 0.6 % increase. The county experienced minimal growth in the tax base.
- There were slight changes in motor vehicle tax, gas tax, intergovernmental revenues, fees for services, licenses and permits, fees for services, investment income, and miscellaneous revenues when comparing FY16 to FY17. Fees for services went up slightly due to some small rate increases in public works permitting. Investment income increased, but was offset by a large mark to market adjustment, causing the years to be comparable.

General Fund expenditures decreased \$1.3 million, from \$241.0 million in FY16 to \$239.7 million in FY17, a decrease of 0.5%. For the last three years the county has frozen positions, delayed in filling vacant positions, and cut back of various contractual services when possible. Key elements in the decrease in General Fund expenditures are as follows:



- General government expenditures increased by \$4.8 million, from \$53.3 million in FY16 to \$58.1 million in FY17, a 9.0% increase. Part of the increase was due to planning, geo resources, and information technology staff reorganizations from public works to general government. There were also additional expenses for the 2016 primaries and national elections, legal services, and additional paratransit contract with City of Albuquerque.
- Public works expenditures decreased by \$1.5 million, from \$28.5 million in FY16 to \$27.0 million in FY17, a 5.3% decrease. This was primarily due to reorganizations of staff to general government.
- Public safety expenditures decreased by \$4.4 million, from \$136.7 million in FY16 to \$132.3 million in FY17, a 3.2% decrease. The largest decreases happened at the Metropolitan Detention Center (MDC) with several renegotiated contracts due to the dropping population at the jail. Also MDC was able to decrease monitoring costs as a result of a long-term legal settlement in 2016. Fire prevention also decreased some of their programs in FY17.
- Health and welfare expenditures decreased by \$2.7 million, from \$7.6 million in FY16 to \$4.9 million in FY17, a 35.5% decrease. In FY17 a larger portion of the health care costs at the MDC were recorded the Health Care GRT Fund.
- Culture and recreation expenditures decreased by \$0.2 million, from \$10.6 million in FY16 to \$10.4 million in FY17, a 1.9% decrease.
- Capital outlay expenditures increased by \$3.0 million, from \$3.9 million in FY16 to 6.9 million in FY17, a 137.9% increase. The increase is due to the county purchasing the Alvarado Square building in FY17. The building was purchased for \$2.8 million

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 enterprise funds and a special revenue fund.

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

Grants Fund revenues decreased by \$0.8 million, from \$17.4 million in FY16 to \$16.6 million in FY17, a decrease of 4.6%. Key elements in the decrease of the Grants Fund revenues are as follows:

- Intergovernmental federal revenues increased by \$0.9 million, from \$2.6 million in FY16 to \$3.5 million in FY17. Intergovernmental state revenues decreased by \$0.2 million, from \$11.4 million in FY16 to \$11.2 million in FY17.
- Intergovernmental other revenues decreased by \$1.4 million, from \$3.1 million in FY16 to \$1.7 million in FY17, a 45.2% decrease. The decrease is due to the near completion of the reimbursable contracts for the Vista Del Rio drainage and the Arenal storm drainage projects.

Grants Fund expenditures decreased by \$0.8 million, from \$17.4 million in FY16 to \$16.6 million in FY17, a decrease of 4.6%. Key elements in the decrease of the Grants Fund expenditures are as follows:

- Health and welfare expenditures decreased from \$1.1 million in FY16 to \$0.6 million in FY17, an 45.5% decrease. The decrease was attributed mainly to the timing of the summer lunch grant expenditures.
- Capital outlay and intergovernmental capital outlay expenditures increased from \$6.2 million in FY16 to \$7.7 million in FY17, a 24.2% increase. The increase was attributed to several new grants starting for the North Valley Little League, the improvements to MDC, the purchase of Sheriff's vehicles, and the Rio Grande bike lane.
- Expenditures in public safety decreased from \$9.6 million in FY16 to \$7.2 million in FY17, a 25.0% decrease. The decrease was primarily due to a decline in funding for the 911 Communications grant and the timing of expenditures in the Liquor excise and detox distributions grants.

Behavioral Health Fund. The Behavioral Health Fund accounts for one-eighth of one percent hold harmless gross receipts tax to be used for behavioral health in accordance with State Statute (7-20E-28, NMSA 1978 Compilation).

The Behavioral Health Fund had a fund balance of \$39.3 million as of the end of FY17, an increase of \$19.3 million. The tax was enacted on July 1, 2015 and the county collected \$19.9 million and \$20.5 million in FY16 and FY17, respectively. The county spent \$1.3 million on behavioral health in FY17. Since this is a startup fund, there has been many meetings about the best use of the funds. Bernalillo County Government, the City of Albuquerque, and the Albuquerque Bernalillo County Government Commission (ABCGC) review and evaluate which behavioral health initiatives to fund. In FY 2017 the Bernalillo County Board of Commissioners awarded several contracts to address adverse childhood experiences, youth transitional living, mobile crisis team, and community engagement team. There will be many other initiatives that are started in FY 2018 with the intention to fully utilize the revenues to address the many behavioral health issues in the county.

Construction Fund. The Construction Fund accounts for various construction projects related to road projects, storm sewer systems, acquisition of library books and library resources, acquisition and improvement 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, GRT revenue bonds and earnings from the investment of those monies.

The Construction Fund fund balance increased by \$11.7 million, from \$30.5 million in FY16 to \$42.2 million in FY17, a 38.4% increase. The county issued \$18.3 million in General Obligation bonds compared to \$9.9 million in FY16. Construction Fund expenditures decreased by \$10.2 million, from \$18.1 million in FY16 to \$7.9 million in FY17, a 56.4% decrease. Key elements in the decrease in Construction Fund expenditures are as follows:

- Capital outlay decreased by \$8.3 million, from \$12.6 in FY16 to \$4.3 million in FY17, a decrease of 65.9%.

- Capital outlay for others decreased by \$0.9 million from \$2.6 million in FY16, to \$1.7 million in FY17, a decrease of 34.6%.
- Non-capital expenditures decreased by \$1.0 million, from \$2.9 in FY16 to \$1.9 in FY17, a decrease of 34.5%.

The decrease is primarily attributed to a number of projects being completed in late FY16 early FY17 where the majority of expenses occurred in FY16. Similarly, a higher than normal number of projects began late in FY17 where the bulk of the expenses will occur in FY18. In FY17 two large scale projects were delayed: Bridge Boulevard and Sunport Boulevard. Bridge Boulevard was delayed due to Right of Way acquisition and is expected to be in construction in late January 2018. Sunport Boulevard is beginning the final design phase in December 2017.

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.

Non-Major Governmental Funds. As of the end of fiscal year 2017, the county's Non-major Governmental Funds reported combined ending fund balances of \$80,668,209, a decrease of \$19,942,677. Of the fund balance, \$7,011 is nonspendable in form and the remainder is restricted for specific purposes. Key elements in the decline of the total non-major governmental funds fund balance are as follows:

- Property tax revenue increased by \$0.6 million, from \$22.0 million in FY16 to \$22.6 million in FY17. This was due to an increase in assessments. Property tax is allocated to the general obligation bond debt service fund and the open space capital project fund.
- GRT decreased \$20.7 million, from \$47.6 million in FY16 to \$26.9 million in FY17. This was primarily due to moving the Behavioral Health Fund, which generated \$19.9 million in tax revenue in FY16, from a non-major fund to a major fund. The other decrease was related to the State of New Mexico releasing 6% less on food and medical purchases as a planned phase out of the hold harmless agreement.
- Intergovernmental revenue increased from \$17.3 million in FY16 to \$20.5 million in FY17. The increase was in the Housing Voucher Fund, going from \$14.7 million in FY16 to \$18.1 million in FY17. The increase is attributed to additional HUD funding awarded for voucher lease up. Expenditures for housing assistance payments have also increased due to the lease up.
- Fees for services increased from \$7.6 million in FY16 to \$7.8 million in FY17.

Non-Major Proprietary Funds. The county proprietary funds provide the same type of information found in the GWFS, 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 and other Financing Sources.

General Fund. General Fund total original budgeted revenues and other financing sources increased from \$257,750,721 to \$258,159,818. The budgeted use of excess cash reserves increased from \$28,876,143 to \$40,661,973. General Fund total original budgeted expenditures

and transfers out increased from \$286,626,864 to \$298,821,791. Significant changes between the original budget and the final amended budget are summarized as follows:

- The slight increase in budgeted revenues and other financing sources was primarily for grants received during the year.
- The budgeted use of excess cash reserves primarily carried forward prior year purchase orders, general fund capital projects, and internal orders to FY17. The use of cash balance budgeted went from \$28.9 million to \$40.7 million. The additional cash was budgeted from assigned fund balance and was used to fund one time needs, such as the MDC security project, jail management system, information technology hardware, facilities improvements, and fleet purchases.

Budgetary Highlights – Budget to Actual

General Fund. General Fund revenues were more than budgetary estimates by \$2,986,909 or by 1.2%. General Fund expenditures were less than budgetary estimates by \$49,458,304, or by 16.6%. During the year the county incurred a surplus of revenues and other financing sources over expenditures and other financing uses in the amount of \$11,783,240. Individual significant differences between the General Fund final budget and actual amounts are summarized as follows:

- Property tax revenue had a slight negative variance but was on target with budgeted amounts.
- GRT revenue had a positive variance of \$0.4 million and was on target with budgeted amounts.
- Intergovernmental other revenue had a positive variance of \$0.9 million, due to higher billing of custodial supplies for One Civic Plaza and information technologies contractual work.
- Investment income had a positive variance of \$0.5 million. The positive variance was attributed to an increase in interest rates, changes in investment strategy, increase cash balances.
- Miscellaneous revenue had a positive variance of \$0.9 million. The positive variance was primarily due to an increase in payment in lieu of taxes from newly issued Industrial Revenue Bonds.
- All other revenues were close to the budgeted amounts.
- General government expenditures had a positive variance of \$28.6 million. Most of the departments came in under budget, but the General County Department had a positive variance of \$22.5 million. During FY17 the county continued with its cost savings initiatives and maximized efficiencies through conservative management of operating costs.
- Public works had a positive variance of \$5.4 million. The positive variance was primarily attributed to \$2.8 million lower expenditures for fleet and facilities management due to

savings on the drop in fuel prices, and utilities. Additionally, department reorganizations transferred operating cost to general government.

- Public safety had a positive variance of \$1.5 million. Fire and Rescue had a positive variance of \$1.2 million due to a reduction in overtime.
- Health and welfare had a positive variance of \$2.5 million. 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.
- Cultural and recreation had a positive variance of \$0.5 million.
- Capital outlay expenditures had a positive variance of \$10.7 million. Some of the projects were delayed and were not completed in FY17.

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, 2017 amounts to \$540,672,834 (*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 Improvement 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 is to be funded by general obligation bonds. The general obligation bond schedule is based on a two-year cycle and issuance is currently limited to \$36,255,000, which was approved by the Board of County Commissioners on August 23, 2016. 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 purchased the Alvarado Square building, located at 415 Silver Avenue SW, for approximately \$2.8 million. The building will be used as Bernalillo County's headquarters, will consolidate various departments, and reduce the county's environmental footprint. The building will undergo extensive renovations, which are expected to begin in Spring 2018.
- Additions and replacements to the county's fleet of vehicles totaled \$2.6 million. Fiscal year 2017 fleet replacement and additions include thirty-two Sheriff vehicles, one fire engine, one

inmate transport bus, three animal care vehicles, and several pieces of equipment for the road, parks, and open space departments.

- The county purchased land adjacent to the existing Arenal Open Space property and approximately 60 acre feet of consumptive water rights to be used at the Arenal Open Space property.
- Construction for phase two of the North Valley Little League began in fiscal year 2017. Phase two includes a concession stand, shade structure, field lighting, and landscaping. Fiscal year 2017 expenditures totaled \$1 million.

County of Bernalillo's Capital Assets

(net of accumulated depreciation)

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 145,000,914	\$ 143,244,394	\$ 435,352	\$ 435,352	\$ 145,436,266	\$ 143,679,746
Buildings	165,319,463	171,917,584	1,849,514	2,062,251	167,168,977	173,979,835
Machinery and equipment	19,949,906	21,471,237	212,518	85,871	20,162,424	21,557,108
Land improvements	20,029,426	22,390,615	99,740	118,326	20,129,166	22,508,941
Infrastructure	159,214,549	169,373,059	-	-	159,214,549	169,373,059
Leasehold improvements	1,244,366	1,372,902	-	-	1,244,366	1,372,902
Construction in progress	24,413,816	20,994,442	-	-	24,413,816	20,994,442
Art	3,127,345	2,970,594	-	-	3,127,345	2,970,594
Total	\$ 538,299,785	\$ 553,734,827	\$ 2,597,124	\$ 2,701,800	\$ 540,896,909	\$ 556,436,627

Additional information on the county's capital assets can be found in note IV-C on pages 72-73 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 bonds outstanding of \$122,700,000. 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 2017, this tax is approximately \$1.265 per \$1,000 of assessed taxable value. These bonds have retirement dates ranging from August 15, 2017 through August 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 all direct and overlapping debt in the county is less than one percent (0.8%) of the \$15.6 billion taxable value of property within Bernalillo county, as of June 30, 2017. The county may currently issue up to an additional \$495.9 million of general obligation bonds. The net general bonded debt per capita is \$169.21. The lowest per capita amount in the last ten fiscal years was \$146.47 in fiscal year ended June 30, 2011.

The county's ratings on uninsured general obligation bonds as of June 30, 2017 were:

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

Revenue Bonds. At the end of the current fiscal year, the county had total revenue bond debt outstanding of \$102,135,000. 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 as of June 30, 2017 was \$153.79, which is the lowest per capita amount in the last ten fiscal years. The pledged revenue coverage of GRT revenues to debt service requirements is 5.57. The lowest pledged revenue coverage in the last ten fiscal years was .63 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, 2017 were:

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

General Obligation and Revenue Bonds Outstanding

	Governmental Activities	
	2017	2016
General obligation bonds	\$ 122,700,000	\$ 122,721,000
Revenue bonds	102,135,000	111,300,000
Total	\$ 224,835,000	\$ 234,021,000

As presented above, the county's total outstanding bond debt decreased by \$9,186,000 during the current fiscal year. Additional information on the county's long-term debt can be found in note IV-F on pages 75-78 of this report and in the statistical section of this report.

Economic Factors

In the Albuquerque MSA employment had some growth:

- Nonfarm payroll grew by 1.1% over the year (August 2016 – August 2017), adding 4,200 jobs.
- Education and health services increased by 2,100 jobs, or 3.3%, representing the largest numeric gain in the MSA.
- Manufacturing, information, and leisure and hospitality all showed declines over the year.
- The seasonally adjusted unemployment rate for the Albuquerque MSA was 5.8% in August 2017, unchanged from July and down from 6.2% in August 2016.

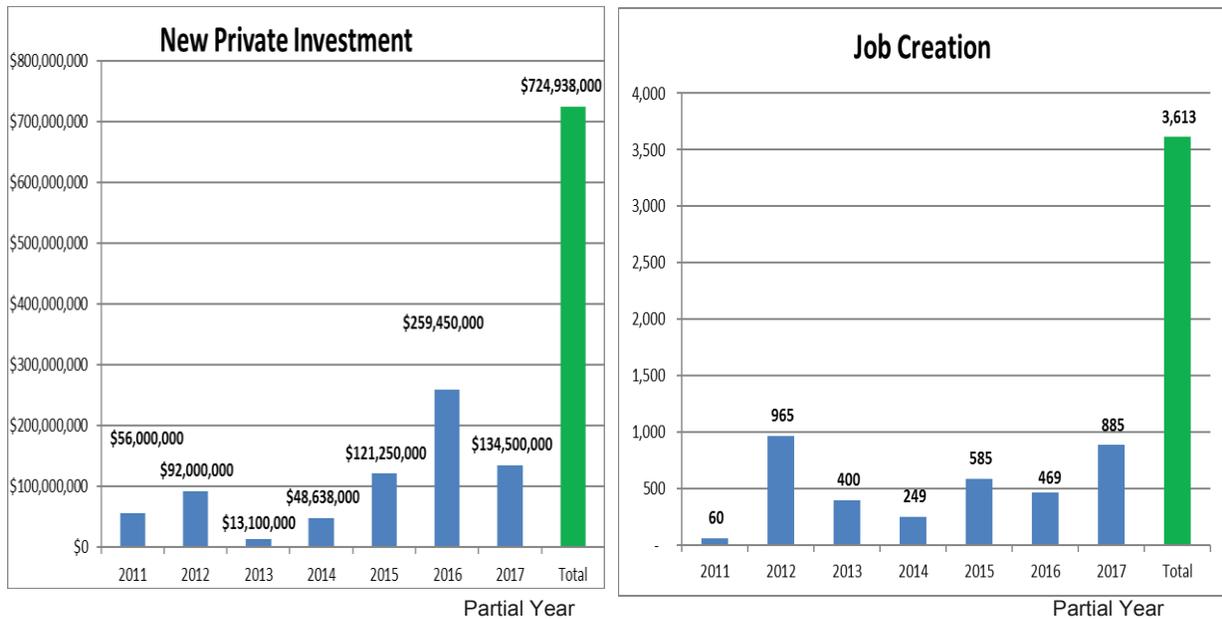
The average prices for single family homes has steadily grown over the last six years, now at over \$237,532 in August 2017, which is 5.0% higher compared to August 2016. Closed home sales for year to date were 6.6% higher compared to year to date 2016.

The City is working with a number of stakeholders in the community on key initiatives aimed to address diversifying the economy, stimulating science and tech private sector jobs, strengthening our existing workforce, and fostering an entrepreneurial culture.

- EagleForce Security, an Arizona-based firm that primarily serves the Phoenix and Tucson areas and surrounding communities, announced it plans to enter the New Mexico market, ultimately employing 40 people by the end of 2017. The company will fill positions in surveillance, armed guarding, and vehicle patrolling and will initially use a virtual office until a physical office is opened, likely within the next three months.
- Nob Hill restaurant Matanza opened a second location, situated on the corner of Alameda Boulevard and Ellison Street, and hired 60 people to staff the new eatery.
- Breve Crepes and Coffee's third location is going in next to the new Matanza. Each location employs five to nine people.
- Groundstone, specializing in pizza, burgers, salads, desserts, and local beer, opened at San Mateo Boulevard and McLeod Road. The opening of the new 6,700-square-foot spot brought with it 60 jobs.
- The flurry of new west side restaurants includes a second location for the ever-popular Village Pizza. The Corrales-based restaurant opened at 3200 La Orilla, next to Flix Brewhouse, in August. Specializing in pizza and salad, the new location will offer a pizza buffet, craft beers, and a drive-through. Village Pizza planned to hire 40 people upon opening.
- The northeast heights will be the home of a new comfort vegetarian food, farm-to-table concept restaurant. The Acre, to be located on Wyoming Boulevard, between Comanche Road and Montgomery Boulevard, will take over the old Indian Palace space. The restaurant will employ 12 people.

Since fiscal year 2012, the Economic Development Department presented 45 projects to the Bernalillo County Commission for approval and all were approved. In total when completed, these 45 projects will invest \$724,938,000 into our local economy, expecting to create 3,613 new

permanent jobs and 4,484 construction jobs. FY16 and FY17 accounted for 38% of the total jobs created, 54% of the private investment, and 77% of the projects. These projects will bring jobs of varying responsibility and wages across several industries.



The economic impact from the film industry is significant. In 2017 the direct spend to the greater Albuquerque area was over \$100 million. Recent productions in Bernalillo County include: The Night Shift, Better Call Saul, Midnight Texas, Get Shorty, The Girlfriend Experience, Soldado, Fatal Mistake, Fast Color, The Long Dum Road, and Graves.

Next Year's Budgets and Rates

The total budget for all funds in FY18 is \$446.3 million, not including \$144.5 million of prior year carryover revenue designated in life-to-date projects (capital projects and grants). The general fund operating budget for FY18 is \$283.4 million. The non-general fund budget for FY18 is \$162.9 million.

The budget represents a balanced and comprehensive view of the funding requirements for the county and maintains the New Mexico Department of Finance 25% reserve requirement and the county revenue and stabilization reserve. County-wide revenues are relatively flat, with the exception of gross receipts tax. On March 28, 2017, the Commission approved the enactment of a 1/8th Hold Harmless (HH) Gross Receipts Tax (GRT). This one-eighth enactment is to be dedicated to general operations closing the recurring gap of \$10 million that remained despite the reductions made by both the departments and the BCC in 2017. In addition, on March 28, 2017, the Commission also enacted the 1/16th Operating GRT which is to be dedicated to Public Safety initiatives and operations. The increase in expenditures will address some the critical needs of the county, but the country still has many unmet needs and will continue to implement cost containment efforts.

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, 2017

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 283,247,161	\$ 8,136,517	\$ 291,383,678
Receivables, net	49,852,571	1,731,364	51,583,935
Accrued interest receivable	555,891	3,551	559,442
Note receivable	1,940,716	-	1,940,716
Due from grantor	7,268,051	-	7,268,051
Internal balances	654,376	(654,376)	-
Inventory	564,194	-	564,194
Prepaid assets	2,860,832	-	2,860,832
Cash-restricted	17,740,698	-	17,740,698
Capital assets not being depreciated:			
Land	145,000,914	435,352	145,436,266
Art	3,127,345	-	3,127,345
Construction in progress	24,413,816	-	24,413,816
Capital assets (net of accumulated depreciation):			
Building	165,319,463	1,849,514	167,168,977
Land improvements	20,029,426	99,740	20,129,166
Machinery and equipment	19,949,906	212,518	20,162,424
Infrastructure	159,214,549	-	159,214,549
Leasehold improvements	1,244,366	-	1,244,366
Total capital assets	<u>538,299,785</u>	<u>2,597,124</u>	<u>540,896,909</u>
Total assets	<u>902,984,275</u>	<u>11,814,180</u>	<u>914,798,455</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	1,429,759	-	1,429,759
Deferred outflow of pensions	96,749,073	1,068,697	97,817,770
Total deferred outflows of resources	<u>98,178,832</u>	<u>1,068,697</u>	<u>99,247,529</u>
LIABILITIES			
Accounts payable	25,315,024	540,066	25,855,090
Interest payable	2,542,665	-	2,542,665
Accrued payroll	3,564,436	44,492	3,608,928
Unearned revenue	5,920,667	1,298,682	7,219,349
Deposits held in trust for others	-	15,258	15,258
Noncurrent liabilities:			
Due within one year	29,353,193	36,255	29,389,448
Due in more than one year	235,430,030	366,587	235,796,617
Net pension liability	301,292,168	3,173,194	304,465,362
Total liabilities	<u>603,418,183</u>	<u>5,474,534</u>	<u>608,892,717</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflow of pensions	11,757,286	104,937	11,862,223
Total deferred inflows of resources	<u>11,757,286</u>	<u>104,937</u>	<u>11,862,223</u>
NET POSITION			
Net investment in capital assets	349,079,770	2,597,124	351,676,894
Restricted for:			
Public safety	43,139,811	-	43,139,811
Health and welfare	14,405,333	-	14,405,333
Debt service	32,673,899	-	32,673,899
Capital projects	50,393,588	-	50,393,588
General government	21,555,487	-	21,555,487
Reserve requirement	77,907,508	-	77,907,508
Unrestricted	<u>(203,167,758)</u>	<u>4,706,282</u>	<u>(198,461,476)</u>
Total net position	<u>\$ 385,987,638</u>	<u>\$ 7,303,406</u>	<u>\$ 393,291,044</u>

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

**BERNALILLO COUNTY, NEW MEXICO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

Functions/Programs Primary government:	Program Revenues				Net (Expenses) Revenues and Changes in Net Position			
	Expenses	Charges for Services	Operating		Governmental Activities	Business-type Activities		Total
			Grants and Contributions	Capital Grants and Contributions		Primary Government	Business-type Activities	
Governmental activities:								
General government	\$ 73,665,312	\$ 11,064,914	\$ 1,356,170	\$ 294,780	\$ (60,949,448)	\$	\$ (60,949,448)	
Public works	45,147,762	1,514,715	4,665	3,468,732	(40,159,650)		(40,159,650)	
Public safety	168,871,434	1,994,758	10,448,273	1,370,623	(155,057,780)		(155,057,780)	
Culture and recreation	18,438,731	1,227,446	262,505	1,502,139	(15,446,641)		(15,446,641)	
Health and welfare	48,332,386	273,593	18,645,433	777,049	(28,636,311)		(28,636,311)	
Interest on long-term debt	8,965,408	-	-	-	(8,965,408)		(8,965,408)	
Total governmental activities	363,421,033	16,075,426	30,717,046	7,413,323	(309,215,238)		(309,215,238)	
Business-type activities:								
Solid waste	5,111,740	5,436,666	-	-	-	\$ 324,926	324,926	
Housing Authority	1,291,112	660,016	626,849	-	-	(4,247)	(4,247)	
Seybold Village Handicapped Project	142,427	53,249	-	8,282	-	(80,896)	(80,896)	
Regional Juvenile Detention Center	1,253,744	1,062,224	-	-	-	(191,520)	(191,520)	
El Centro Familiar	289,488	439,095	-	-	-	169,607	169,607	
Total business-type activities	8,068,511	7,651,250	626,849	8,282	-	217,870	217,870	
Total primary government	\$ 371,489,544	\$ 23,726,676	\$ 31,343,895	\$ 7,421,605	\$ (309,215,238)	\$ 217,870	\$ (308,997,368)	
General revenues:								
Property taxes					149,700,594	-	149,700,594	
Gross receipts taxes					159,416,140	-	159,416,140	
Motor vehicle taxes					3,858,012	-	3,858,012	
Gas taxes					1,614,636	-	1,614,636	
Investment income:								
Interest income					2,444,696	12,960	2,457,656	
Investment unrealized loss					(605,616)	-	(605,616)	
Miscellaneous					5,192,736	190,941	5,383,677	
Transfers					(69,991)	69,991	-	
Total general revenue and transfers					321,551,207	273,892	321,825,099	
Change in net position					12,335,969	491,762	12,827,731	
Net position - beginning					373,651,669	6,811,644	380,463,313	
Net position - ending					\$ 385,987,638	\$ 7,303,406	\$ 393,291,044	

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

**COUNTY OF BERNALILLO, NEW MEXICO
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017**

	<u>General Fund</u>	<u>Grants Fund</u>	<u>Construction Fund</u>	<u>Behavioral Health Fund</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and investments	\$ 136,599,194	\$ 492,521	\$ 39,938,239	\$ 35,692,255	\$ 60,304,362	\$ 273,026,571
Receivables, net	35,297,622	-	3,525,000	3,694,283	6,857,357	49,374,262
Accrued interest receivable	246,632	-	69,199	28,335	206,098	550,264
Note receivable	1,940,716	-	-	-	-	1,940,716
Due from other funds	30,827	-	-	-	-	30,827
Due from grantor	-	7,268,051	-	-	-	7,268,051
Cash - restricted	-	-	-	-	17,740,698	17,740,698
Inventory	557,183	-	-	-	7,011	564,194
Advances to other funds	-	-	-	-	1,205,000	1,205,000
Total assets	<u>\$ 174,672,174</u>	<u>\$ 7,760,572</u>	<u>\$ 43,532,438</u>	<u>\$ 39,414,873</u>	<u>\$ 86,320,526</u>	<u>\$ 351,700,583</u>
LIABILITIES						
Accounts payable	\$ 10,926,054	\$ 1,838,987	\$ 1,299,171	\$ 141,872	\$ 3,404,478	\$ 17,610,562
Accrued payroll	3,393,598	71,110	-	6,359	93,369	3,564,436
Unearned revenue	70,192	5,850,475	-	-	-	5,920,667
Due to other funds	3,121,736	-	-	-	581,451	3,703,187
Total liabilities	<u>17,511,580</u>	<u>7,760,572</u>	<u>1,299,171</u>	<u>148,231</u>	<u>4,079,298</u>	<u>30,798,852</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	14,827,843	-	-	-	1,573,019	16,400,862
Total deferred inflows of resources	<u>14,827,843</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,573,019</u>	<u>16,400,862</u>
FUND BALANCES						
Nonspendable	2,497,899	-	-	-	7,011	2,504,910
Restricted	78,061,870	-	38,452,007	39,266,642	80,661,198	236,441,717
Committed	2,077,428	-	-	-	-	2,077,428
Assigned	44,013,909	-	3,781,260	-	-	47,795,169
Unassigned	15,681,645	-	-	-	-	15,681,645
Total fund balances	<u>142,332,751</u>	<u>-</u>	<u>42,233,267</u>	<u>39,266,642</u>	<u>80,668,209</u>	<u>304,500,869</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 174,672,174</u>	<u>\$ 7,760,572</u>	<u>\$ 43,532,438</u>	<u>\$ 39,414,873</u>	<u>\$ 86,320,526</u>	<u>\$ 351,700,583</u>

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, 2017**

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

Total fund balance governmental funds	\$ 304,500,869
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	538,299,785
Investments in joint ventures are not reported in the Governmental funds.	-
Deferred charge on refunding	1,429,759
Deferred outflows of pensions recorded	96,749,073
Unavailable revenue is recognized as revenue on GWFS	16,400,862
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.	7,828,606
Bonds payable and related premiums and discounts are not due and payable in the current period, and therefore are not reported in the funds.	(231,825,561)
Compensated absences	(32,957,662)
Accrued interest payable	(2,542,665)
Net pension liability	(301,292,168)
Deferred inflows of pensions	(11,757,286)
Pension contribution payable	1,154,026
Net position governmental activities.	<u>\$ 385,987,638</u>

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, 2017

	<u>General</u>	<u>Grants Fund</u>	<u>Construction Fund</u>	<u>Behavioral Health Fund</u>	<u>Total Nonmajor Funds</u>	<u>Total Governmental Funds</u>
REVENUES						
Taxes:						
Property	\$ 127,607,585	\$ -	\$ -	\$ -	\$ 22,580,198	\$ 150,187,783
Sales	113,155,232	-	-	20,530,858	26,945,131	160,631,221
Motor vehicle	3,858,012	-	-	-	-	3,858,012
Gas	1,614,636	-	-	-	-	1,614,636
Intergovernmental:						
Federal	310,192	3,459,065	-	-	17,286,965	21,056,222
State	-	11,246,194	-	-	1,843,725	13,089,919
Other	973,426	1,689,483	-	-	1,321,318	3,984,227
Licenses and permits	2,579,502	-	-	-	-	2,579,502
Fees for services	6,069,738	-	-	-	7,824,940	13,894,678
Investment income:						
Interest income	1,206,451	-	273,135	89,042	841,418	2,410,046
Investment loss	(548,700)	-	(56,916)	-	-	(605,616)
Miscellaneous	5,102,064	185,163	-	-	307,394	5,594,621
Total revenues	<u>261,928,138</u>	<u>16,579,905</u>	<u>216,219</u>	<u>20,619,900</u>	<u>78,951,089</u>	<u>378,295,251</u>
EXPENDITURES						
Current:						
General government	58,096,082	754,875	288,487	-	5,873,814	65,013,258
Public works	26,989,025	69,018	411,073	-	1,790,730	29,259,846
Public safety	132,342,828	7,199,447	-	1,283,204	1,667,988	142,493,467
Health and welfare	4,949,424	631,000	-	-	40,370,270	45,950,694
Culture and recreation	10,404,130	200,053	1,003,517	-	699,917	12,307,617
Capital outlay	6,935,118	7,028,144	4,275,733	-	2,717,517	20,956,512
Intergovernmental - capital outlay	20,808	697,368	1,742,637	-	-	2,460,813
Debt service:						
Principal	-	-	-	-	27,471,000	27,471,000
Interest	-	-	-	-	9,387,619	9,387,619
Bond issuance cost	-	-	186,557	-	-	186,557
Total expenditures	<u>239,737,415</u>	<u>16,579,905</u>	<u>7,908,004</u>	<u>1,283,204</u>	<u>89,978,855</u>	<u>355,487,383</u>
Excess (deficiency) of revenues over (under) expenditures	<u>22,190,723</u>	<u>-</u>	<u>(7,691,785)</u>	<u>19,336,696</u>	<u>(11,027,766)</u>	<u>22,807,868</u>
Other financing sources (uses)						
Transfers in	-	-	-	-	14,223,109	14,223,109
Transfers out	(10,863,742)	-	(61,530)	-	(3,367,828)	(14,293,100)
Sale of capital assets	140,457	-	-	-	159,754	300,211
Bonds issued	-	-	18,285,000	-	-	18,285,000
Premium	-	-	1,178,032	-	-	1,178,032
Total other financing sources (uses)	<u>(10,723,285)</u>	<u>-</u>	<u>19,401,502</u>	<u>-</u>	<u>11,015,035</u>	<u>19,693,252</u>
Net changes in fund balances	<u>11,467,438</u>	<u>-</u>	<u>11,709,717</u>	<u>19,336,696</u>	<u>(12,731)</u>	<u>42,501,120</u>
Fund balance - beginning	130,865,313	-	30,523,550	19,929,946	80,680,940	261,999,749
Fund balance - ending	<u>\$ 142,332,751</u>	<u>\$ -</u>	<u>\$ 42,233,267</u>	<u>\$ 39,266,642</u>	<u>\$ 80,668,209</u>	<u>\$ 304,500,869</u>

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, 2017**

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

Net changes in fund balances total governmental funds	\$ 42,501,120
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 depreciation exceeded capital outlay in the current period.	(14,867,049)
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.	(567,993)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(1,836,374)
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.	8,007,968
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.	608,769
The internal service fund net income is reported with governmental activities.	422,409
Net change in compensated absences	(482,160)
Net effect of pension liability entries on statement of activities	(20,817,721)
Investment in Joint Venture: Torrance Couty Land-fill settlement	(633,000)
Change in net position of governmental acitivities	<u>\$ 12,335,969</u>

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, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Positive (Negative)</u>
REVENUES				
Taxes:				
Property	\$ 127,609,579	\$ 127,609,579	\$ 127,562,559	\$ (47,020)
Sales	111,505,753	111,505,753	111,887,319	381,566
Motor vehicle	3,790,897	3,790,897	3,837,899	47,002
Gas	1,745,802	1,745,802	1,616,636	(129,166)
Intergovernmental - federal	-	-	276,113	276,113
Intergovernmental - other	100,000	102,652	973,426	870,774
Licenses and permits	2,660,239	2,660,239	2,579,502	(80,737)
Fees for services	5,987,496	5,809,562	6,042,668	233,106
Investment income	600,000	600,000	1,128,083	528,083
Miscellaneous	3,690,955	4,193,334	5,102,065	908,731
Total revenues	<u>257,690,721</u>	<u>258,017,818</u>	<u>261,006,270</u>	<u>2,988,452</u>
Other Financing Sources:				
Transfer in	-	-	-	-
Sale of assets	60,000	142,000	140,457	(1,543)
Total other financing sources	<u>60,000</u>	<u>142,000</u>	<u>140,457</u>	<u>(1,543)</u>
Total revenues and other financing sources	<u>257,750,721</u>	<u>258,159,818</u>	<u>261,146,727</u>	<u>2,986,909</u>
Prior year cash balance budgeted	<u>28,876,143</u>	<u>40,661,973</u>		
Total budget	<u>286,626,864</u>	<u>298,821,791</u>		
EXPENDITURES				
Current:				
General government:				
County commission	967,858	883,273	719,621	163,652
County manager	1,817,068	1,768,296	1,454,702	313,594
Deputy county manager	1,329,392	1,254,943	1,211,746	43,197
Legal	4,711,481	4,371,924	2,921,252	1,450,672
Public information	773,192	697,489	647,166	50,323
Assessor	3,125,723	2,763,455	2,687,142	76,313
Treasurer	2,946,883	2,521,466	2,324,327	197,139
Accounting	4,289,753	3,986,689	2,615,877	1,370,812
Risk management	4,768,007	5,341,551	5,197,231	144,320
Human resources	5,855,455	5,371,331	5,655,157	(283,826)
Information technology	14,153,827	12,213,825	10,713,328	1,500,497
Purchasing	1,998,306	1,613,487	1,556,549	56,938
General county	5,383,811	27,818,687	5,319,066	22,499,621
Operations and maintenance	141,183	87,082	81,491	5,591
Planning and geo resources	3,149,984	3,366,874	3,003,964	362,910
Economic development	1,633,133	1,737,209	1,533,541	203,668
Zoning, building and environmental health	4,243,791	3,695,619	3,559,913	135,706
Clerk	5,787,885	5,386,093	5,138,412	247,681
Probate	341,692	244,055	222,307	21,748
Total general government	<u>67,418,424</u>	<u>85,123,348</u>	<u>56,562,792</u>	<u>28,560,556</u>

COUNTY OF BERNALILLO, NEW MEXICO
STATEMENT OF REVENUES, EXPENDITURES - BUDGET AND ACTUAL (Cash Budgetary Basis)
GENERAL FUND
For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		<u>Positive</u> <u>(Negative)</u>
Public works:				
Division support	729,895	656,453	620,838	35,615
Fleet-facilities management	23,819,578	20,731,808	17,070,272	3,661,536
Operations and maintenance	5,495,482	4,699,238	4,499,041	200,197
Technical services	3,358,696	2,679,303	1,719,695	959,608
Planning and geo resources	3,283,000	2,502,266	2,014,619	487,647
Communications department	150,439	150,439	118,170	32,269
Capital Improvements	1,021,674	895,405	890,106	5,299
Parks and recreation	8,965	7,218	3,728	3,490
Total public works	<u>37,867,729</u>	<u>32,322,130</u>	<u>26,936,469</u>	<u>5,385,661</u>
Public safety:				
Deputy county manager	596,672	517,970	455,192	62,778
Accounting	3,105,333	460,066	87,030	373,036
Information technology	-	200,000	13,723	186,277
Fire and rescue	25,727,509	24,531,167	23,324,389	1,206,778
Office of emergency management		251,728	266,700	(14,972)
Metropolitan detention center	60,355,368	54,522,743	54,720,457	(197,714)
Animal care	2,248,885	2,150,005	1,562,426	587,579
Communications department	4,365,560	3,027,730	3,696,895	(669,165)
Sheriff	42,595,330	41,445,218	41,551,154	(105,936)
Youth services center	7,307,053	6,165,488	6,072,518	92,970
Total public safety	<u>146,301,710</u>	<u>133,272,115</u>	<u>131,750,484</u>	<u>1,521,631</u>
Health and welfare:				
Accounting	486,133	486,133	382,566	103,567
Operations and maintenance	108,000	108,000	81,000	27,000
Metropolitan detention center	4,462,278	3,865,004	2,945,916	919,088
Social services	3,241,268	3,005,968	1,677,471	1,328,497
Zoning, building and environmental health	691,730	674,933	530,305	144,628
Parks and recreation	15,000	15,000	15,000	-
Housing	437,890	374,223	351,197	23,026
Total health and welfare	<u>9,442,299</u>	<u>8,529,261</u>	<u>5,983,455</u>	<u>2,545,806</u>
Culture and recreation:				
Deputy county manager	395,505	349,477	385,304	(35,827)
Accounting	14,129	14,129	14,127	2
Social services	333,741	348,005	399,968	(51,963)
Zoning, building and environmental health	50,000	50,000	24,505	25,495
Parks and recreation	10,197,812	9,815,789	9,207,224	608,565
Total culture and recreation	<u>10,991,187</u>	<u>10,577,400</u>	<u>10,031,128</u>	<u>546,272</u>
Capital outlay	3,741,773	17,884,891	7,214,609	10,670,282
Intergovernmental capital outlay	-	-	20,808	(20,808)
Total expenditures	<u>275,763,122</u>	<u>287,709,145</u>	<u>238,499,745</u>	<u>49,209,400</u>
Other financing uses				
Transfers out	10,863,742	11,112,646	10,863,742	248,904
Total expenditures and other financing uses	<u>\$ 286,626,864</u>	<u>\$ 298,821,791</u>	<u>\$ 249,363,487</u>	<u>\$ 49,458,304</u>
Deficiency of revenues and other financing sources over expenditures and other financing uses			<u>\$ 11,783,240</u>	

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

COUNTY OF BERNALILLO, NEW MEXICO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES - BUDGET AND ACTUAL (Cash Budgetary Basis)
BEHAVIORAL HEALTH FUND
Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Taxes	\$ 20,146,080	\$ 20,146,080	\$ 20,233,491	<u>\$ 87,411</u>
Investment Income	-	-	60,707	
Prior year cash balance budget	<u>16,298,273</u>	<u>16,298,273</u>	<u>-</u>	
Total budget	<u>36,444,353</u>	<u>36,444,353</u>	<u>20,294,198</u>	
Expenditures:				
Public safety				
Operating expenditures	<u>36,444,353</u>	<u>36,444,353</u>	<u>1,153,471</u>	<u>35,290,882</u>
Capital outlay	-	-	-	-
Principal	-	-	-	-
Total expenditures	<u>36,444,353</u>	<u>36,444,353</u>	<u>1,153,471</u>	<u>35,290,882</u>
Excess of revenues over expenditures			<u><u>\$ 19,140,727</u></u>	
Budgetary compliance - non GAAP financial statement reconciliation:				
Net changes in fund balance - budget to actual			\$ 19,140,727	
Increase (decrease) in assets:				
Accounts receivable			325,702	
(Increase) decrease in liabilities:				
Accounts payable			(123,374)	
Accrued payroll			<u>(6,359)</u>	
Net changes in fund balance - GAAP basis			19,336,696	
Beginning fund balance			<u>19,929,946</u>	
Ending fund balance - GAAP basis			<u><u>\$ 39,266,642</u></u>	

COUNTY OF BERNALILLO, NEW MEXICO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2017

	Business-type Activities	Governmental
	Enterprise Funds	Activities-
	Total	Internal
	Nonmajor	Service Funds
ASSETS		
Current assets:		
Cash and investments	\$ 8,136,517	\$ 10,220,590
Accounts receivable, net	1,731,364	478,309
Accrued interest receivable	3,551	5,627
Due from other funds	638,611	3,121,736
Prepaid assets	-	2,860,832
	<u>10,510,043</u>	<u>16,687,094</u>
Total current assets		
Noncurrent assets:		
Capital assets:		
Land	435,352	-
Land improvements	185,860	-
Buildings	6,560,200	-
Equipment, machinery, and furniture	1,587,218	-
Less accumulated depreciation	(6,171,506)	-
	<u>2,597,124</u>	<u>-</u>
Total noncurrent assets	<u>2,597,124</u>	<u>-</u>
Total assets	<u>13,107,167</u>	<u>16,687,094</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of pensions	1,068,697	-
Total deferred outflows of resources	<u>1,068,697</u>	<u>-</u>
LIABILITIES		
Current liabilities:		
Accounts payable and other current liabilities	540,066	8,858,488
Compensated absences	36,255	-
Accrued payroll	44,492	-
Due to other funds	87,987	-
Unearned revenue	1,298,682	-
	<u>2,007,482</u>	<u>8,858,488</u>
Total current liabilities	<u>2,007,482</u>	<u>8,858,488</u>
Noncurrent liabilities:		
Compensated absences	366,587	-
Deposits held in trust for others	15,258	-
Net pension liability	3,173,194	-
Advance from other funds	1,205,000	-
	<u>4,760,039</u>	<u>-</u>
Total noncurrent liabilities	<u>4,760,039</u>	<u>-</u>
Total liabilities	<u>6,767,521</u>	<u>8,858,488</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows-pensions	104,937	-
Total deferred inflows of resources	<u>104,937</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	2,597,124	-
Unrestricted	4,706,282	7,828,606
Total net position	<u>\$ 7,303,406</u>	<u>\$ 7,828,606</u>

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, 2017

	Business-type Activities	Governmental
	Enterprise Funds	Activities-
	Total	Internal
	Nonmajor	Service Funds
Operating revenues:		
Administrative and service fees	\$ 7,122,906	\$ 36,358,293
Rental income	528,344	-
Other income	190,540	422,796
Total operating revenues	<u>7,841,790</u>	<u>36,781,089</u>
Operating expenses:		
Salaries and wages	2,430,334	-
Contractual services	4,453,119	13,159,772
Materials and supplies	287,383	-
Other services and charges	631,349	23,233,558
Landfill expenses	492	-
Miscellaneous expense	8	-
Depreciation	265,826	-
Total operating expenses	<u>8,068,511</u>	<u>36,393,330</u>
Operating income	<u>(226,721)</u>	<u>387,759</u>
Non-operating revenues:		
Interest income	12,960	34,650
Interest expense	-	-
Loss on sale of capital assets	-	-
Gain on sale of capital assets	401	-
Grants - subsidies	626,849	-
Total nonoperating revenue	<u>640,210</u>	<u>34,650</u>
Income before contributions and transfers	413,489	422,409
Capital - grant subsidies	8,282	-
Transfers in	1,629,072	-
Transfers out	<u>(1,559,081)</u>	<u>-</u>
Change in net position	<u>491,762</u>	<u>422,409</u>
Total net position - beginning	6,811,644	7,406,197
Total net position - ending	<u>\$ 7,303,406</u>	<u>\$ 7,828,606</u>

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, 2017

	Business-type Activities	Governmental
	Enterprise Funds	Activities-
	Total	Internal
	Nonmajor	Service Funds
Cash flows from operating activities:		
Receipts from administration and service fees	\$ 7,001,812	\$ 37,733,418
Receipts from rents	563,126	-
Receipts from other funds for goods and services	101,831	-
Payments to employees for services	(1,765,581)	-
Payments to vendors for goods and services	(5,882,655)	(35,582,203)
Payments to other funds for goods and services	(193,731)	-
Miscellaneous cash received	295,298	422,796
Net cash provided by operating activities	<u>120,100</u>	<u>2,574,011</u>
Cash flows from noncapital financing activities:		
Operating grants/subsidies received	626,849	-
Contributions to other funds	(70,000)	-
Transfers out to other funds	(1,559,081)	-
Transfers in from other funds	1,629,073	-
Net cash provided by noncapital financing activities	<u>626,841</u>	<u>-</u>
Cash flows from capital and related financing activities:		
Proceeds from sale of capital assets	401	-
Acquisition of capital assets	(161,150)	-
Capital grants received	8,282	-
Net cash used by capital and related financing activities	<u>(152,467)</u>	<u>-</u>
Cash flows from investing activities:		
Interest received on investments	9,482	31,065
Net cash provided by investing activities	<u>9,482</u>	<u>31,065</u>
Net increase in cash and cash equivalents	603,956	2,605,076
Cash and cash equivalents, beginning of year	<u>7,532,562</u>	<u>7,615,514</u>
Cash and cash equivalents, end of year	<u>\$ 8,136,518</u>	<u>\$ 10,220,590</u>
Reconciliation of operating loss to net cash flows provided (used) by operating activities:		
Operating income (loss)	\$ (226,721)	\$ 387,759
Adjustments to reconcile operating income to net cash used by operating activities:		
Depreciation expense	265,826	-
Increase (decrease) in:		
Accounts receivable	163,672	(92,567)
Allowance for uncollectable accounts	(178,224)	-
Due from other funds	(49,435)	1,467,690
Prepaid expenses	-	(192,254)
Unearned revenue	32,783	-
Accounts payable	(44,453)	1,003,383
Due to other funds	(68,521)	-
Tenants payable	216	-
Accrued compensated absences	(3,712)	-
Net pension liability, deferred inflows and outflows	228,669	-
Net cash flows provided by operating activities	<u>\$ 120,100</u>	<u>\$ 2,574,011</u>

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

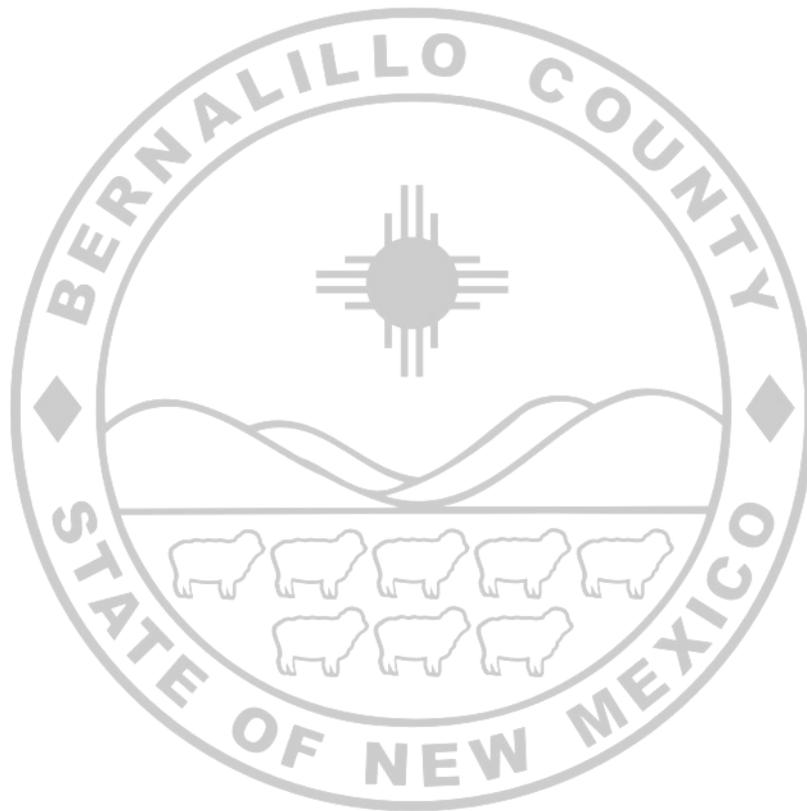
COUNTY OF BERNALILLO, NEW MEXICO
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2017

	<u>Agency Funds</u>
ASSETS	
Cash and investments	\$ 15,360,630
Receivables, net:	
Property taxes	28,560,841
Gross receipts tax	4,568,181
Other	<u>821,898</u>
Total assets	<u>\$ 49,311,550</u>
 LIABILITIES	
Deposits held in trust for others	\$ 15,384,423
Other	798,105
Future collectable taxes	<u>33,129,022</u>
Total liabilities	<u>\$ 49,311,550</u>

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

**COUNTY OF BERNALILLO, NEW MEXICO
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**COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017**

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.

On November 8, 2016 the voters of Bernalillo County approved the adoption of an Urban Charter. The Bernalillo County Charter took effect on January 1, 2017. The new charter permits Home Rule by transferring power from the state to the local government for the purpose of implementing local self-government as permitted by state statute or a constitution which however, may be limited by the state legislature.

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.

COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017

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.

The county does not have any component units for fiscal year ended June 30, 2017.

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. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues and other non-exchange 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. Agency fund financial statements are reported using the accrual basis of accounting and have no measurements 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. Referencing the Governmental Accounting Standards Board (GASB), under GASB Statement No. 33, the county defines "available" to 60 days after the fiscal year end. Expenditures, generally are recorded when a liability is incurred, as under accrual accounting. However, debt

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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, 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* is a special revenue fund that 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* is a capital projects fund that accounts for financial resources to be used for the acquisition or construction of major capital facilities.

The *Behavioral Health Gross Receipts Tax Fund* is a special revenue fund that accounts for the enactment of the one-eighth of one percent hold harmless gross receipts tax dedicated to behavioral health in accordance with State Statute (7-20-E-28, NMSA 1978 Compliance)

Additionally, the government reports the following fund types:

Proprietary funds are used when the county charges customers a fee. These funds, like the government-wide statements, provide both long and short-term financial information. The county's *Enterprise Funds* are its business-type activities, but the fund financial statements provide more detail and additional information, such as cash flow. The county maintains five individual enterprise funds which include: Solid Waste, Bernalillo County Housing Authority, Seybold Village Handicapped Project, Regional Juvenile Detention Center, and El Centro Familiar. *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 Funds are the Risk Management Fund and the Health Self-Insurance Fund.

Fiduciary funds are used to account for resources held for the benefit of parties other than the county. The county has *Agency Funds* that reports resources held by the county in a custodial capacity for other governments. Fiduciary funds are not reported in

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the government-wide financial statements because the resources of those funds are not available to support the county's own programs.

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, health self-insurance, 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.

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. The operating revenues of the county's five proprietary funds consist mainly 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.

Unearned Revenue. The county reports unearned revenue on its financial statements. When resources are received in advance of charges for services being earned are in advance of any eligibility requirement other than a time requirement being met for government-mandated or voluntary nonexchange transactions (i.e. for intergovernmental revenues), a liability is reported for the unearned revenue.

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.

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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 chapter 6, article 10, NMSA 1978, as amended, authorizes 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. Bernalillo County contracts with a third party to perform the functions of an investment advisor and investment officer on behalf of the treasurer. The County Treasurer and investment officer shall perform their investment duties following a prudent person rule and in a manner consistent with the county's investment policy and applicable professional standards. The county's investment policy sets investment priorities of safety of principal, liquidity, and yield, in that order. In addition, the policy places limits on investment diversification, maturity, and credit quality.

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 as restricted 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 uncollectable taxes.

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

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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 consumption method which records and reports the original purchase of materials or supplies as an asset, and an expense is reported when the supplies are actually used or consumed.

4. Capital assets

Capital assets includes: property, plant, equipment, software, and infrastructure assets (e.g., roads, bridges, and similar items), and 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 more than \$5,000. Purchased or constructed assets are recorded at historical cost or estimated cost. Donated capital assets are recorded at acquisition 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:

<u>Assets</u>	<u>Years</u>
Infrastructure	10-80
Buildings and other improvements	15-40
Machinery and equipment	5-10

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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 all amounts earned is reported in the government-wide financial statements. For the government wide and proprietary funds, vacation costs are recognized as a liability when earned.

County employees may accumulate sick leave. For governmental funds, expenditures are recognized during the period in which sick leave costs become payable from available, expendable resources. For the government wide and proprietary funds, sick leave costs are recognized as a liability when earned.

7. *Deferred outflows/inflows of resources*

In addition to assets, the statement of net position may report separate sections for deferred outflows/inflows of resources. These separate financial statement elements, *deferred outflows/inflows of resources*, represent a decrease/increase of net position that applies to a future period(s) and will not be recognized as an outflow/inflow of resources (expense/expenditure or revenue/income) 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 straight-line 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.

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8. Pensions

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

9. 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 its use.

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

10. 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.

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

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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.

11. Cash flows

For purposes of the Statement of Cash Flows, the various enterprise funds consider all cash and investments to be cash equivalents.

12. Presentation

Certain reclassifications of prior year information may 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.

E. New Pronouncements

In FY17 the county implemented GASB Statement No. 77, *Tax Abatement Disclosures*, which establishes guidance requiring state and local governments to disclose key information about tax abatement agreements. The implementation did not have a financial impact on the county’s financial statements, but the note disclosure did add transparency to tax abatement transactions.

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In FY18 the county will implement GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement addresses accounting and financial reporting by governments that provide other postemployment benefits (OPEB), such as retiree health insurance. The effects of these standards on the county’s financial statements is expected to be significant, but have not been determined.

In FY18 the county will also implement GASB Statement No. Statement No. 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14*. In the Subsequent Event Note, the county did have a new non-profit that will be evaluated under GASB No. 80. The effects of this standard on the county’s financial statement have not yet been determined.

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 a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. Noncurrent 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	\$ (122,700,000)
Revenue Bonds	(102,135,000)
Bond premiums	(7,231,461)
Bond discounts	<u>240,900</u>
Net adjustment to reduce fund balance – total governmental funds	
To arrive at net position – governmental activities	<u>\$ (231,825,561)</u>

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. 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:

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Capital outlay	\$ 20,956,512
Capital outlay – internal labor included in operating expenses	1,360,346
Donated assets	(398,754)
Depreciation expense	<u>(36,785,153)</u>
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net position in governmental activities	<u>\$ (14,867,049)</u>

The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to increase net position.

Sale of assets	\$ (331,311)
Loss on Disposal	(323,837)
Gain on sale of assets	<u>87,155</u>
Net adjustment to decrease total governmental funds to arrive at changes in net position in governmental activities	<u>\$ (567,993)</u>

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	\$ 7,907,863
Property taxes receivable – prior year	(7,420,674)
Sales tax receivable – current year	8,309,159
Sales tax receivable – prior year	(7,094,078)
Miscellaneous revenue receivable – prior year	(1,886,110)
Miscellaneous revenue receivable – current year	<u>2,020,214</u>
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net position in governmental activities	<u>\$ (1,836,374)</u>

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	\$ (18,285,000)
Premium of general obligation bonds	(1,178,032)
Principal repayments:	
General obligation bonds	18,306,000
Revenue bonds	<u>9,165,000</u>
Net adjustment to decrease net changes in fund balances – Total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 8,007,968</u>

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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:

Amortization of premium	\$ 751,420
Amortization of deferred charge on refunding	(120,713)
Amortization of bond discounts	(36,348)
Accrued interest payable	<u>14,410</u>
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net position in governmental activities	<u>\$ 608,769</u>

Pension expense is recorded as a function of the change in net pension liability, based on information provided by PERA (see note G. GASB Statement No. 68 for additional information).

Net effect of net pension liability entries on the statement of activities	\$ (20,817,721)
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Termination of joint powers agreement between Bernalillo County and Torrance County:

Investment in Joint Venture: Torrance County Land-fill settlement	\$ (633,000)
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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:	All Capital Projects Funds
Grants	Proprietary Funds:
Housing – Vouchers	Bernalillo County Housing Authority
Sheriff’s Investigative Fund	Seybold Village Handicapped Project
Debt Service:	El Centro Familiar
Series 1996B Reserve	
Series 1997 Reserve	
Refunding Series 1998 Reserve	
Refunding Series 2005 Reserve	
Refunding Series 2010A Reserve	
Refunding Series 2010B Reserve	

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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. All outstanding encumbrances must be re-budgeted 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	\$ 11,467,438
(Increase) decrease in assets:	
Accounts receivable	(1,392,200)
Accrued interest	(78,368)
Fair market value of investments	548,700

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Increase (decrease) in liabilities:	
Accounts payable	709,162
Accrued payroll	528,508
Net changes in fund balance	<u>\$ 11,783,240</u>

B. Deficit fund equity

The Regional Juvenile Detention Center and El Centro Familiar, both in the non-major enterprise funds, reflected net position deficit balances \$493,288 and \$77,172, respectively.

IV. Detailed notes on all funds

A. Cash and investments

As of June 30, 2017, the county had the following investments.

Investment Type	Fair Value	Weighted Average Maturity (Months)	Percent of Total
US Treasury	\$ 137,098,867	15.63	74.7%
Federal Home Loan Bank	24,747,107	9.72	13.5%
Federal Home Loan Mortgage Corp.	4,949,307	5.60	2.7%
Federal National Mortgage Assoc.	4,996,200	19.23	2.7%
Bayern LB Repurchase Agreement	1,693,500	2.57	0.9%
Portigon Repurchase Agreements	10,054,030	118.70	5.5%
Total fair value	<u>\$ 183,539,011</u>		<u>100%</u>
Portfolio weighted average maturity		20.18	

Interest Rate Risk. Interest rate risk is the risk that an investment's value will change due to a change in market interest rates. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. The county's investment policy limits investment maturities as a way of managing its exposure to fair value losses arising from changing market 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. This table shows the distribution of the county's investments by weighted average maturity as of June 30, 2017.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the holder of the investment. As of June 30, 2017 the county's investment in US treasury bonds and agency securities were rated Aaa by Moody's Investment Services and AA+ by Standard and Poor's. The county's investment portfolio is largely credit risk adverse due to the types of bonds held.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The county's investment policy

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places limit on the amount the county may invest in any one issuer. The table above shows the county's investment holdings by issuer and the percentage each issuer makes up of the total investments held at June 30, 2017.

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.

Bernalillo County's deposits with financial institutions were held in collateralized accounts. As of June 30, 2017 collateral held in the county's name exceeded the State of New Mexico's collateralization requirement, which varies by institution from 50% to 100%, for deposits. However, \$5,070,835 of the county's deposits at Wells Fargo Bank are uninsured and uncollateralized. All other balances are not exposed to any custodial risk. Additionally, as of June 30, 2017 the county's investments were held by the safekeeping department of the Wells Fargo Trust.

On September 30, 2016, 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	\$ 140,944,005
Petty cash on hand	1,990
Carrying amount of investments	183,539,011
Total cash and investments	<u>\$ 324,485,006</u>

Statement of Net Position:

Primary Government	
Cash and investments	\$ 291,383,678
Cash-restricted	17,740,698
Statement of Fiduciary Assets and Liabilities	15,360,630
Total cash, investment	<u>\$ 324,485,006</u>

The county is required to obtain pledged collateral from each bank that is a depository for public funds, 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, 2017.

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Investments Measured at Fair Value. GASB Statement No. 72 requires disclosures to be made about fair value measurements, level of fair value hierarchy, and valuation techniques.

Fair Market Measurements Using:
 Quoted Prices in
 Active Markets for
 Identical Assets

Investments by fair value level (Level 1)

Debt securities	
U.S. Treasury securities	\$ 137,098,867
U.S agency securities	<u>34,692,614</u>
Total investments	<u>\$ 171,791,481</u>

Debt securities classified in Level 1 of the fair value hierarchy are valued using prices in active markets for those securities.

Investment income. The county's governmental funds reported investment income of \$1,804,430 which consists of the following components:

	General Fund	Construction Fund	Behavioral Health Fund	Non major Governmental Funds	Total Government Funds
Realized investment:					
Income	\$ 1,161,010	\$ 228,998	\$ 62,269	\$ 825,644	\$ 2,277,921
Unrealized:					
Discount	40,289	23,651	7,232	8,110	79,282
Premium	(73,216)	(3,346)	(8,794)	(12,068)	(97,424)
Interest accrual:					
Current year	202,371	52,297	28,335	206,100	489,103
Prior year-reversed	(124,003)	(28,465)	-	(186,368)	(338,836)
Gain mark to market valuation:					
Current year	(510,310)	(56,916)	-	-	(567,226)
Prior year-reversed	(38,390)	-	-	-	(38,390)
Net investment income					
Gain (loss)	<u>\$ 657,751</u>	<u>\$ 216,219</u>	<u>\$ 89,042</u>	<u>\$ 841,418</u>	<u>\$ 1,804,430</u>

The proprietary funds earned \$47,610 in investment income.

**COUNTY OF BERNALILLO, NEW MEXICO
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JUNE 30, 2017**

B. Receivables

	General Fund	Construction Fund	Behavioral Health Fund	Nonmajor Funds	Total Gov. Funds
Property Taxes	\$ 8,538,455	\$ -	\$ -	\$ 1,325,680	\$ 9,864,135
Gross Receipts Taxes	26,147,452	-	3,694,283	5,332,174	35,173,909
Gasoline Taxes	268,940	-	-	-	268,940
Motor Vehicle Taxes	239,090	-	-	-	239,090
Transportation Fees	113,992	-	-	-	113,992
Special Assessments	81,860	-	-	-	81,860
Intergovernmental	277,661	-	-	-	277,661
Due from other gov.	336,702	3,525,000	-	379,852	4,241,554
Other	315,652	-	-	33,310	348,962
Gross Receivables	36,319,804	3,525,000	3,694,283	7,071,016	50,610,103
Less:					
Allowance for uncollectib	(1,022,182)	-	-	(213,659)	(1,235,841)
Total Net Receivables	\$ 35,297,622	\$ 3,525,000	\$ 3,694,283	\$ 6,857,357	\$ 49,374,262

	Non-major Enterprise Funds	Internal Service Funds	Agency Funds
Property Taxes	\$ -	\$ -	\$ 31,860,806
Gross Receipts Taxes	-	-	4,568,181
Solid Waste Fees	3,766,147	-	-
Due from other governments	275,512	-	-
Other	8,616	478,309	821,898
Gross Receivables	4,050,275	478,309	37,250,885
Less:			
Allowance for uncollectibles	(2,318,911)	-	(3,299,965)
Total Net Receivables	\$1,731,364	\$478,309	\$33,950,920

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 Mid-Regional Council of Governments (MRCOG) signed a lease purchase agreement for leasing and conveying 809 Copper

COUNTY OF BERNALILLO, NEW MEXICO
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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 \$1,886,110.39 at June 30, 2017. The second note balance for \$54,605.11 with a third party is due in 30 years, with an interest rate of 6.5%. The total note receivable for June 30, 2017 is \$1,940,715.50.

C. Capital assets

Capital asset activity for the year was as follows:

	June 30, 2016	Increases	Decreases	June 30, 2017
Governmental activities				
Capital assets, not being depreciated:				
Land	\$ 143,244,394	\$ 1,887,676	\$ (131,156)	\$ 145,000,914
Construction in progress	20,994,442	19,046,099	(15,626,725)	24,413,816
Art	2,970,594	156,751	-	3,127,345
Total capital assets, not being depreciated	167,209,430	21,090,526	(15,757,881)	172,542,075
Capital assets, being depreciated:				
Buildings	356,220,091	8,106,262	(498,681)	363,827,672
Land improvements	31,695,351	843,610	-	32,538,961
Machinery and equipment	98,897,711	6,248,726	(1,238,260)	103,908,177
Infrastructure	338,962,301	1,255,705	-	340,218,006
Leasehold improvements	3,213,396	-	-	3,213,396
Total capital assets being depreciated	828,988,850	16,454,303	(1,736,941)	843,706,212
Less Accumulated depreciation for:				
Buildings	(184,302,507)	(14,299,466)	93,764	(198,508,209)
Land improvements	(9,304,736)	(3,204,799)	-	(12,509,535)
Machinery and equipment	(77,426,474)	(7,738,137)	1,206,340	(83,958,271)
Infrastructure	(169,589,242)	(11,414,215)	-	(181,003,457)
Leasehold improvements	(1,840,494)	(128,536)	-	(1,969,030)
Total accumulated depreciation	(442,463,453)	(36,785,153)	1,300,104	(477,948,502)
Total capital assets, being depreciated, net	386,525,397	(20,330,850)	(436,837)	365,757,710
Governmental activities capital assets, net	\$ 553,734,827	\$ 759,676	\$ (16,194,718)	\$ 538,299,785

COUNTY OF BERNALILLO, NEW MEXICO
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	June 30, 2016	Increases	Decreases	June 30, 2017
Business type activities				
Capital assets, not being depreciated:				
Land	\$ 435,352	\$ -	\$ -	\$ 435,352
Total capital assets, not being depreciated	435,352	-	-	435,352
Capital assets, being depreciated:				
Land improvements	185,860	-	-	185,860
Buildings	6,560,200	-	-	6,560,200
Machinery and equipment	1,434,634	161,150	(8,566)	1,587,218
Total capital assets being depreciated	8,180,694	161,150	(8,566)	8,333,278
Less Accumulated depreciation for:				
Land improvements	(67,534)	(18,586)	-	(86,120)
Buildings	(4,497,949)	(212,737)	-	(4,710,686)
Machinery and equipment	(1,348,763)	(34,503)	8,566	(1,374,700)
Total accumulated depreciation	(5,914,246)	(265,826)	8,566	(6,171,506)
Total capital assets, being depreciated, net	2,266,448	(104,676)	-	2,161,772
Business activities capital assets, net	\$ 2,701,800	\$ (104,676)	\$ -	\$ 2,597,124

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

Governmental activities:	
General government	\$ 4,563,353
Public safety	11,970,017
Culture and recreation	4,490,601
Public works	13,426,453
Health and welfare	2,334,729
Total depreciation expense-governmental activities	<u>\$ 36,785,153</u>
Business-type activities:	
Solid waste	\$ 54,543
Housing Authority	50,180
Seybold Village	55,926
El Centro Familiar	105,177
Total depreciation expense-business-type activities	<u>\$ 265,826</u>

**COUNTY OF BERNALILLO, NEW MEXICO
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D. Interfund receivables, payables, and transfers

The composition of interfund balances as of June 30, 2017, is as follows:

Due From:	Due To:			Total
	General Fund	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	
General Fund	\$ -	\$ 30,827	\$ -	\$ 30,827
Internal Service Funds	3,121,736	-	-	3,121,736
Nonmajor Enterprise Funds	-	550,624	87,987	638,611
Total	\$ 3,121,736	\$ 581,451	\$ 87,987	\$ 3,791,174

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 years.

Advances. The 2010B Debt Service Fund advanced the Housing Authority \$1,650,000 in FV10, which has an outstanding balance of \$1,205,000 on June 30, 2017.

During the year, the county makes various transfers of monies to fund debt service payments, capital projects, and to reimburse the General Fund for costs incurred on behalf of other funds. Interfund transfers for the year ended June 30, 2017 were as follows:

Transfer In:	Transfer Out:				Total
	General Fund	Capital Construction	Nonmajor Governmental Funds	Nonmajor Enterprise	
Nonmajor Govt Funds	\$ 10,793,742	\$ 61,530	\$ 3,367,828	\$ 9	\$ 14,223,109
Nonmajor Enterprise	70,000	-	-	1,559,072	1,629,072
	\$ 10,863,742	\$ 61,530	\$ 3,367,828	\$ 1,559,081	\$ 15,852,181

E. Leases

Operating Leases

During the fiscal year ended June 30, 2017, the county leased equipment, and office space under operating leases. The county's expenditures on those leases for the fiscal year ended June 30, 2017, were \$1,238,884. 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 are \$1,226,464 for fiscal year 2018.

**COUNTY OF BERNALILLO, NEW MEXICO
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During the year, the county, as lessor, leased various office spaces at a cost of approximately \$3,623,495 and a carrying amount of \$1,674,702 under operating leases. Rental revenue was \$1,176,552 and depreciation expense on those assets were \$132,235.

F. Long-term debt

Changes in long-term liabilities

Long-term liability activity for the year ended June 30, 2017, was as follows:

	Balance			Balance	Amounts Due
	June 30,2016	Additions	Deletions	June 30,2017	Within
					One Year
Governmental Activities:					
Bonds:					
G.O. bonds	\$122,721,000	\$18,285,000	\$ (18,306,000)	\$ 122,700,000	\$ 16,875,000
Revenue bonds	111,300,000	-	(9,165,000)	102,135,000	9,515,000
Bond premiums	6,804,849	1,178,032	(751,420)	7,231,461	-
Bond discounts	(277,248)	-	36,348	(240,900)	-
Total bonds	<u>240,548,601</u>	<u>19,463,032</u>	<u>(28,186,072)</u>	<u>231,825,561</u>	<u>26,390,000</u>
Other Liabilities:					
Compensated absences	32,475,502	15,743,121	(15,260,961)	32,957,662	2,963,193
Governmental activity					
Long-term liabilities	<u>\$273,024,103</u>	<u>\$35,206,153</u>	<u>\$ (43,447,033)</u>	<u>\$ 264,783,223</u>	<u>\$ 29,353,193</u>

	Balance			Balance	Amounts Due
	June 30,2016	Additions	Deletions	June 30,2017	Within
					One Year
Business-type Activities:					
Compensated absences	\$ 406,556	\$ 219,399	\$ (223,113)	\$ 402,842	\$ 36,255

Accrued compensated absences for governmental activities are generally liquidated by the general fund.

Payments on bonds payable for governmental activities are made in the Debt Service Fund. Bonded debt is subject to the applicability of federal arbitrage regulations. In fiscal year 2017 Bernalillo County did not have any outstanding federal arbitrage.

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. The GO bonds outstanding as of June 30, 2017 are comprised of the following issues:

**COUNTY OF BERNALILLO, NEW MEXICO
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Issue	Maturity Date	Interest Rate	Amount Issued	Outstanding 6/30/2017
Series 1997	12/1/2017	4.50%-6.50%	\$ 11,170,000	\$ 905,000
Series 1999	8/1/2019	4.50%-6.50%	18,676,000	4,080,000
Refunding series 2007	8/1/2027	5.00%	10,400,000	600,000
Advance refunding series 2007A	8/1/2027	4.00%-4.35%	8,400,000	475,000
Series 2009	6/1/2019	2.50%-4.50%	10,000,000	2,300,000
Series 2009A	12/1/2020	.80%-3.60%	10,750,000	5,600,000
Refunding series 2010	2/1/2022	2.00%-4.00%	15,105,000	7,560,000
Series 2011	2/1/2019	2.25%-4.00%	4,200,000	1,275,000
Series 2012	6/15/2023	2.00%-4.00%	6,535,000	3,780,000
Advance refunding series 2012A	6/15/2032	3.00%-4.00%	14,400,000	14,400,000
Series 2013	8/15/2028	2.00%-4.00%	17,800,000	14,700,000
Series 2014	8/15/2029	2.10%-4.00%	8,700,000	915,000
Advance refunding series 2014A	8/15/2021	2.00%-4.00%	2,995,000	2,995,000
Series 2015	8/15/2030	2.00%-4.00%	17,281,000	16,430,000
Advance refunding series 2015A	8/15/2027	2.00%-4.00%	14,010,000	12,610,000
Series 2016	8/15/2030	1.50%-4.00%	9,860,000	6,260,000
Advance refunding series 2016A	8/15/2027	1.00%-3.00%	14,380,000	9,530,000
Series 2017	8/15/2032	3.00%-5.00%	18,285,000	18,285,000
Total			\$ 212,947,000	\$ 122,700,000

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

Fiscal Year	Government Activities	
	Principal	Interest
Ending		
2018	\$ 16,875,000	\$ 3,816,168
2019	17,135,000	3,232,160
2020	10,125,000	2,646,848
2021	11,615,000	2,313,735
2022	9,765,000	1,986,444
2023-2027	34,270,000	6,088,094
2028-2032	22,395,000	1,520,051
2033	520,000	7,800
Total	\$ 122,700,000	\$ 21,611,299

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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, 2017 are comprised of the following issues:

Issue	Maturity Date	Interest Rate	Amount Issued	Outstanding 6/30/2017
Series 1996B	4/1/2027	4.20%-5.70%	\$ 61,260,000	\$ 35,525,000
Series1997	10/1/2017	4.30%-5.75%	17,925,000	1,410,000
Refunding Series 1998	4/1/2027	3.55%-5.25%	53,450,000	30,235,000
Refunding Series 2005	10/1/2026	3.50%-5.25%	43,690,000	31,780,000
Series 2010A	6/15/2019	2.00%-4.00%	9,000,000	1,980,000
Refunding Series 2010B	6/15/2029	2.00%-4.50%	1,650,000	1,205,000
Total			<u>\$ 186,975,000</u>	<u>\$ 102,135,000</u>

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

Fiscal Year Ending	Government Activities	
	Principal	Interest
2018	\$ 9,515,000	\$ 5,308,079
2019	9,295,000	4,834,865
2020	8,415,000	4,375,555
2021	8,880,000	3,939,348
2022	9,310,000	3,480,546
2023-2027	56,335,000	9,203,499
2028-2029	385,000	27,844
Total	<u>\$ 102,135,000</u>	<u>\$ 31,169,735</u>

New Bond Issuance. On March 28, 2017, Bernalillo County issued \$18,285,000 General Obligation Bonds, Series 2017 with interest rates ranging from 3.00% to 5.00%. The bonds were issued at a premium of \$1,178,032 and incurred underwriting discounts and issuance costs of \$186,557. The bonds achieved a true interest cost interest rate of 2.32%. The purpose of the bonds is to fund certain projects, including roads, storm sewer and wastewater systems, libraries, public safety, parks and recreation, and county buildings and facilities.

Advance Refunding. On March 22, 2016 the county issued \$14,380,000 of General Obligation Bonds, Series 2016A with interest rates ranging from 1.00% to 3.00%. The bonds were issued at a premium of \$550,222 and incurred underwriting discounts and issuance costs of \$177,314. The \$14,882,426 bond proceeds were used to advance refund of \$13,875,000; for the series of 2007 and 2007A bonds for the purpose of achieving debt service savings. The bonds achieved a true interest cost interest rate of 1.49%.

**COUNTY OF BERNALILLO, NEW MEXICO
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The net bond proceeds were deposited with the Escrow Agent in an amount necessary to accomplish on their scheduled redemption dates (August 1, 2016, February 1, 2017 and August 1, 2017), the discharge and final payment of the refunded bonds. The reacquisition price including premiums, exceeded the net carrying amount of the old debt by \$621,959. This amount is presented as a deferred outflow of resources and is amortized over the life of the refunded debt, which is the same life as the original debt. The refunding was undertaken to reduce total debt service payments of \$2,144,660 over the next 7.23 years and resulted in an economic gain (present value savings) of \$2,950,368.

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. 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, 2017:

Improvement Bonds	Interest Rate	Date Issued	Date Series Matures	Amount of Original Issue	Bonds Outstanding June 30, 2017
Comanche Griegos BC-83-1B	6.25%	12/03	12/15/23	\$2,085,000	\$ 735,000

On June 30, 2017, 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
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Accounts receivable:

Billed, but uncollected	\$ 1,804	\$ 10,120	\$ 13,502	\$ 55,475	\$ 959
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COUNTY OF BERNALILLO, NEW MEXICO
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In accordance with State Statute Section 4-55A-28, NMSA, 1978 Compilation, the Bernalillo County Board of 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. The county, 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 FY17, the county issued six new Industrial Revenue Bonds. As of June 30, 2017, there were thirty series of Industrial Revenue Bonds outstanding with an original issue amount of \$575,071,000. The remaining principal balance outstanding as of June 30, 2017 is \$358,260,385.

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 facility transfers to the private-sector entity served by the bond issuance. The county, 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, 2017, there were nine series of project revenue bonds with an original issue amount of \$63,825,000. The remaining outstanding principal balance as of June 30, 2017 is \$48,095,093.

**COUNTY OF BERNALILLO, NEW MEXICO
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New Mexico Non-profit Corporation Project Revenue Bond

In FY17, 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, 2017 is \$3,998,847.

I. Fund balance requirements

The New Mexico Department of Finance and Administration (DFA) requires that 3/12 of the FY18 budgeted expenditures in the general fund be restricted as subsequent-year expenditures to provide adequate cash reserves. The subsequent year DFA required reserve is \$77,907,508. The county has additional minimum fund balance goals. In June 2015 the Bernalillo County Board of Commissioners adopted an Administrative Resolution to set unassigned portions of fund balance from three to five percent of the upcoming general fund budgeted operating expenditures. The DFA required fund balance, along with the county unassigned fund balance (Revenue Stabilization and Operating Reserve), will provide an emergency reserve to address one-time emergencies, provide for unanticipated expenditure requirements, insulate against slower revenue growth than anticipated, and address other unforeseen events. The unassigned fund balance of \$15,681,645 is within the estimated policy of three to five percent of the next fiscal year's budget.

COUNTY OF BERNALILLO, NEW MEXICO
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J. Fund balance purpose

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

	General	Construction Fund	Behavioral Health Fund	Non major Governmental Funds	Total Funds
Nonspendable					
Notes receivable	\$ 1,940,716	\$ -	\$ -	\$ -	\$ 1,940,716
Inventory	557,183	-	-	7,011	564,194
Total Nonspendable	2,497,899	-	-	7,011	2,504,910
Restricted					
Reserve requirement	77,907,508	-	-	-	77,907,508
Grant match funds	154,362	-	-	-	154,362
Debt service	-	-	-	32,673,899	32,673,899
Road bonds	-	13,031,824	-	-	13,031,824
Public Safety:					
Bonds	-	7,464,677	-	-	7,464,677
Fire protection	-	-	-	1,362,677	1,362,677
Sheriffs	-	-	-	71,418	71,418
DSAP	-	-	-	2,155,682	2,155,682
Law enforcement	-	-	-	276,381	276,381
Healthcare	-	-	39,266,642	8,348,873	47,615,515
Environmental services	-	-	-	3,312,713	3,312,713
Storm drain bonds	-	5,466,145	-	-	5,466,145
Infrastructure	-	2,524,168	-	5,270,040	7,794,208
Open space	-	-	-	2,890,281	2,890,281
Valuation	-	-	-	20,194,737	20,194,737
Housing services	-	-	-	2,743,747	2,743,747
Library bonds	-	1,424,952	-	-	1,424,952
Parks bonds	-	4,257,323	-	-	4,257,323
Public housing bonds	-	2,475,000	-	-	2,475,000
Clerks - recording and filing	-	-	-	1,359,590	1,359,590
Other purposes	-	1,807,918	-	1,160	1,809,078
Total Restricted	78,061,870	38,452,007	39,266,642	80,661,198	236,441,717
Committed					
Regional detention center	528,454	-	-	-	528,454
Community services	122,223	-	-	-	122,223
PILT	1,426,751	-	-	-	1,426,751
Total Committed	2,077,428	-	-	-	2,077,428
Assigned					
Subsequent years' expenditures	30,789,396	-	-	-	30,789,396
County building IT one time expenses	3,277,521	-	-	-	3,277,521
MDC energy efficiency one time expenses	1,000,000	-	-	-	1,000,000
Operational reserves and projects	7,113,163	-	-	-	7,113,163
Public safety one time maintenance projects and equipment	1,833,829	-	-	-	1,833,829
Storm drain	-	1,452,175	-	-	1,452,175
Warer, wastewater projects	-	1,638,604	-	-	1,638,604
Other purposes	-	690,481	-	-	690,481
Total Assigned	44,013,909	3,781,260	-	-	47,795,169
Unassigned					
Revenue Stabilization/Operating Reserve	15,681,645	-	-	-	15,681,645
	\$ 142,332,751	\$ 42,233,267	\$ 39,266,642	\$ 80,668,209	\$ 304,500,869

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K. Net position restricted by enabling legislation

The government-wide statement of net position reports \$240,075,626 of restricted net position, of which \$50,682,609 is restricted by enabling legislation. The county levies gross receipts tax in the Behavioral Health, Environmental, and Health Care funds under its authority for the purpose specified by legislation.

L. Financial data schedule reconciliation

The Housing-Voucher Special Revenue Fund was presented on 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 compensating absences that are not reflected in the governmental fund presentation as follows:

<u>Net Position</u>	<u>Amount</u>
Net Position - Housing Choice Vouchers	\$ 2,596,161
Net Position - Linkages	37,621
Compensated Absences	109,965
Fund balance - Housing - Vouchers	<u>\$ 2,743,747</u>

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 compensating absences that are reflected in the business-type activities enterprise fund presentation as follows:

<u>Net Position</u>	<u>Amount</u>
Net Position – Central Office	\$ 3,919,792
Net Position – Housing Initiatives	4,116
Net Position – Home Rehabilitation	213,434
Compensated Absences	(109,965)
Net Position – Housing Authority	<u>\$ 4,027,377</u>

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.

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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 on January 1989 and the Law Enforcement Pool in 2003, Sheriff Department only then MDC joined in 2006. These three 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 Deputy County Manager for General Services is a voting member on the Workers' Compensation Pool Board of Directors and the Deputy County Manager for Finance is a voting member of the Multi-Line Pool Board of Directors. The Multi-line Board oversees both the Multi-line and Law Enforcement pools.

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 the formation of the pools provide that the pools are self-sustaining through member premiums and insured through commercial companies for claims in excess of \$750,000 (workers' compensation), \$1,000,000 (multi-line), and \$1,000,000 (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 changes in the Risk Management Fund's liability amount in FY17 and FY16 are shown below.

	<u>FY17</u>	<u>FY16</u>
Claims Liability at Beginning of Fiscal Year	\$ 4,618,375	\$ 1,031,354
Current year claims	13,159,772	9,294,319
Prior year restatement Worker's Comp	-	2,690,874
Claims Payments	<u>(11,795,273)</u>	<u>(8,398,172)</u>
Claims Liability at End of Fiscal Year	<u>\$ 5,982,874</u>	<u>\$ 4,618,375</u>

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, 2017, 2016, and 2015 contributed a total of \$9,021,141, \$8,900,506, and \$8,493,022 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 \$500,000 (maximum amount paid for each insured event before using insurance) and \$2,000,000 annual aggregate limit, thus dramatically reducing Bernalillo County's annual pool contribution. For the fiscal years that ended June 30, 2017, 2016, and 2015, the county contributed \$949,631, \$851,941, and \$765,446 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

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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 29 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, land use, land use civil rights, and boiler and machine (equipment breakdown) coverage. Premiums for the Multi-line Pool are paid for the calendar year. For calendar years 2017, 2016, and 2015, participating counties contributed a total of \$10,510,654, \$9,937,944, and \$9,404,465 respectively. For calendar years 2017, 2016, and 2015, Bernalillo County contributed \$1,994,080, \$1,846,370 and \$1,784,624 respectively. For each calendar year, a reserve fund is kept to pay deductibles for open multi-line claims.

The self-insured retention level of this pool is \$250,000 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 one layer of reinsurance coverage of \$4,000,000 for losses above that amount for maximum coverage per claim of \$5,000,000.

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 29 members. For calendar years 2017, 2016, and 2015, participating counties contributed a total of \$14,254,607, \$13,223,654, and \$10,718,889, respectively. For calendar years 2017, 2016, and 2015 Bernalillo County contributed \$3,377,944, \$3,171,779, and \$3,003,079, 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 \$1,000,000. The pool has one layer of reinsurance coverage of \$4,000,000 for losses above that amount for maximum coverage per claim of \$5,000,000.

The pooling agreements require the pools 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, 2017, 2016, and 2015 there were no payments in excess of the annual premium contributions for self-sustainment of the insurance pools.

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, and a volunteer accident policy. These insurance policies are sourced through a broker working on a flat annual fee, not commissions. The coverages provided by the Multi-line Pool but purchased by the county voluntarily include land use coverage, land use civil rights coverage, boiler and machinery, pollution coverage for fuel storage tanks, and public officials' errors and omissions surety bonds as mandated by state statute.

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B. Health self-insurance

The Health Self-Insurance Fund establishes health claim liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported, but not settled, and of claims that have been incurred but not reported (IBNR). The length of time for which such costs must be estimated varies depending on the coverage involved. Actual claims costs depend on complex factors, such as inflation, medical costs, and claim history. Changes in processes used in computing claim liabilities does not necessarily result in an exact amount. Health claim liabilities are recomputed periodically using a variety of actuarial and statistical techniques to produce current estimates that reflect recent settlements, claim frequency, and other economic and social factors. Adjustments to claim liabilities are charged or credited to an expense account in the period in which they are incurred. The Health Insurance Fund was established in FY15. Changes in the balances of claims liabilities are compared between current and prior fiscal year.

	FY17	FY16
Unpaid claims beginning of year	\$ 3,236,733	\$ 3,282,105
Incurred claims and changes in estimate	23,233,558	23,436,135
Claims paid	(23,594,677)	(23,481,507)
Unpaid claims, end of fiscal year	<u>\$ 2,875,614</u>	<u>\$ 3,236,733</u>
Due in one year	<u>\$ 2,875,614</u>	

The county purchases stop loss coverage for Blue Cross Blue Shield and Presbyterian Health carriers per covered individual annually. The excess coverage per individual for Blue Cross Blue Shield is \$200,000 and \$150,000 for Presbyterian Health, per policy period. The insurance vendor, based on medical trend, claims history, and utilization assists in the determination of the individual deductible.

The IBNR is actuarially determined. The actuarial calculation of the claim liability for all health coverages, including medical and prescription drugs, was \$2,108,000 at June 30, 2017. This amount is included in the accounts payable balance.

C. Construction and other significant commitments

Construction commitments. On June 30, 2017 the county is committed to \$17,795,816 under construction contracts for capital assets.

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 statute, 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

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FY18 which will generate approximately \$11 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	\$3,348,250
Capital Construction	2,000,537
Grants Fund	2,415,971
Nonmajor governmental funds	361,223
	<u>\$8,125,981</u>

D. 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 is not presently determinable and the county is not able to make an estimate of possible losses at this time. Insurance deductibles related to outstanding claims are up to \$100,000 per claim.

Occasionally, the county or its elected officials are named as parties to suits that are either not covered by any insurance policy or those that would only be eligible for limited or partial coverage. In cases where there is no insurance coverage, the County Attorney's Office provides representation for such claims. The following cases fall into this category.

Three of the largest utility companies providing service in Bernalillo County are challenging the validity and constitutionality of the county's right-of-way ordinance (enacted in January of 2014). These entities are Public Service Company of New Mexico ("PNM" which provides electricity), New Mexico Gas Co. (Natural gas) and CenturyLink (cable and internet). This ordinance 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. The county ordinance has largely been upheld, though the case has not yet ended. Amounts of revenue the county may receive approximate \$5 to \$6 million. If they county does not receive these funds, it is a loss of revenue that they county is not currently recognizing, rather than a liability.

An Equal Pay Act case falls into the other category, one where the county would receive only partial coverage from the aforementioned insurance policy.¹ This case has sought certification as a class action in federal court and alleges that the county discriminates against women in its hiring and promotion practices. The court denied that certification, but the case is still pending. At this time, the total amount of potential liability cannot be

¹ Due to the nature of the claims in this type of case, the county would only receive partial coverage from its existing insurance policy in the event of a damages award to the Plaintiff(s). While litigation defense and a limited extent of damages would be covered by this policy, a majority of potential damages such as (but not limited to): salary or benefits related damages, punitive damages or individual claimed damages would be excluded from coverage.

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determined, though it is significantly less than it would have been if a class had been certified. It is possible there may still be several plaintiffs, but likely not the 250 that had been attempted.

The MDC Union (AFSCME Local 2499) has been engaged in attempting to force a pay raise since 2013. They initially lost in arbitration, and also lost in a subsequent appeal of that arbitration. In 2014 they filed a separate lawsuit on a grievance that was sustained by former Chief Rustin in 2012. The county initially won that case (case number CV 202-2014-04658) in district court, but the union appealed it and the Court of Appeals reversed on the ground that the district court did not consider the union's other common law claims. The parties have finished the briefing recently in the latest round of litigation and a decision is pending. It is unclear, moreover, precisely what the union is seeking because at various times they have sought a 27%, 12%, and 3% raise.

The county has defended primarily on the ground that the Bernalillo County Board of Commission never had the funds available, nor a specific appropriation to pay any such raises as is required by the State Public Employees Bargaining Act. Rulings should be forthcoming soon.

E. 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 operating costs of the RJDC. For FY17, Sandoval County paid \$1,062,224 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 FY17 was \$299,857 and \$292,984 of this amount has been received to date which includes \$816 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 an 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.

In 2016 Bernalillo County and Torrance County entered into negotiations to terminate the joint powers agreement. On May 5, 2017, Bernalillo County sent Torrance County one year's notice to of intent to terminate the joint powers agreement. The parties agreed that there would be no pro rata distribution of assets and funds in accordance with their existing ownership interests. Also Torrance County would accept full

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responsibility for the closure/post-closure costs of the landfill. Consequently, the investment in the joint venture has been written off.

F. 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 health care 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 health care 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 health care 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.

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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, 2017, 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, 2017, 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, 2017, 2016 and 2015 were \$2,382,154, \$2,411,649 and \$2,380,476, respectively, which equal the required contributions for each year.

G. Multiple-Employer Cost Sharing Pension Plans

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

Benefits Provided –Benefits are generally available at age 65 with five or more years of service or after 25 years of service regardless of age for TIER I members. Provisions also exist for retirement between ages 60 and 65, with varying amounts of service

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required. Certain police and fire members may retire at any age with 20 or more years of service for Tier I members. Generally, the amount of retirement pension is based on final average salary, which is defined under Tier I as the average of salary for the 36 consecutive months of credited service producing the largest average; credited service; and the pension factor of the applicable coverage plan. Monthly benefits vary depending upon the plan under which the member qualifies, ranging from 2% to 3.5% of the member's final average salary per year of service. The maximum benefit that can be paid to a retiree may not exceed a range of 60% to 90% of the final average salary, depending on the division. Benefits for duty and non-duty death and disability and for post-retirement survivor annuities are also available.

TIER II

The retirement age and service credit requirements for normal retirement for PERA state and municipal general members hired increased effective July 1, 2013 with the passage of Senate Bill 27 in the 2013 Legislative Session. Under the new requirements (Tier II), general members are eligible to retire at any age if the member has at least eight years of service credit and the sum of the member's age and service credit equals at least 85 or at age 67 with 8 or more years of service credit. General members hired after June 30, 2013 are eligible to retire at any age with 30 or more years of service credit. Under Tier II, police and firefighters in Plans 3, 4 and 5 are eligible to retire at any age with 25 or more years of service credit. State police and adult correctional officers, peace officers and municipal juvenile detention officers will remain in at the 25-year retirement plans, however, service credit will no longer be enhanced by 20%. All public safety members in Tier II may retire at age 60 with 6 or more years of service credit. Generally, under Tier II pension factors were reduced by .5%, employee Contribution increased 1.5 percent and effective July 1, 2014 employer contributions were raised .05 percent. The computation of final average salary increased as the average of salary for 60 consecutive months.

Funding Policy. Plan members are required to contribute 10.65-18.15% of their gross salary. The county is required to contribute 9.55%-21.65%, 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, 2017, 2016, and 2015 were \$14,848,547, \$14,680,080, and \$14,822,664, 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. Total pension expense for the year ended June 30, 2017 is \$20,979,343.

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Contributions – See PERA’s comprehensive annual financial report for contributions provided description.

PERA Contribution Rates and Pension Factors as of July 1, 2016						
Coverage Plan	Employee Contribution Percentage		Employer Contribution Percentage	Pension Factor per Year of Service		Pension Maximum as a Percentage of the Final Average Salary
	Annual Salary less than \$20,000	Annual Salary greater than \$20,000		TIER 1	TIER 2	
State Plan 3	7.42 %	8.92 %	16.99 %	3.0 %	2.5 %	90 %
Municipal Plan 1 (plan open to new employers)	7.0 %	8.5 %	7.4 %	2.0 %	2.0 %	90 %
Municipal Plan 2 (plan open to new employers)	9.15 %	10.65 %	9.55 %	2.5 %	2.0 %	90 %
Municipal Plan 3 (plan closed to new employers 6/95)	13.15 %	14.65 %	9.55 %	3.0 %	2.5 %	90 %
Municipal Plan 4 (plan closed to new employers 6/00)	15.65 %	17.15 %	12.05 %	3.0 %	2.5 %	90 %
Municipal Police Plan 1	7.0%	8.5%	10.40%	2.0%	2.0%	90%
Municipal Police Plan 2	7.0%	8.5%	15.40%	2.5%	2.0%	90%
Municipal Police Plan 3	7.0%	8.5%	18.90%	2.5%	2.0%	90%
Municipal Police Plan 4	12.35%	13.85%	18.90%	3.0%	2.5%	90%
Municipal Police Plan 5	16.3%	17.8%	18.90%	3.5%	3.0%	90%
Municipal Fire Plan 1	8.0%	9.5%	11.40%	2.0%	2.0%	90%
Municipal Fire Plan 2	8.0%	9.5%	17.90%	2.5%	2.0%	90%
Municipal Fire Plan 3	8.0%	9.5%	21.65%	2.5%	2.0%	90%
Municipal Fire Plan 4	12.8%	14.3%	21.65%	3.0%	2.5%	90%
Municipal Fire Plan 5	16.2%	17.7%	21.65%	3.5%	3.0%	90%
Municipal Detention Officer Plan 1	16.65%	18.15%	17.05%	3.0%	3.0%	90%
State Police and Adult Correctional Officer Plan 1	7.60%	9.10%	25.50%	3.0%	3.0%	90%
State Plan 3 - Peace Officer	7.42%	8.92%	16.99%	3.0%	3.0%	90%
Juvenile Correctional Officer Plan 2	4.78%	6.28%	26.12%	3.0%	3.0%	90%

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

Municipal General Plan

At June 30, 2017, Bernalillo County reported a liability of \$174,341,835 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30,

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2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2016 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2016. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2016. Bernalillo County's proportion of the net pension liability was based on a projection of the Bernalillo County's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. On June 30, 2016, for the Municipal General Plan, Bernalillo County's proportion was 10.9123%, which was a decrease of 0.3089% from its proportion measured as of June 30, 2015. For the year ended June 30, 2017, Bernalillo County recognized pension expense of \$10,585,974. On June 30, 2017, Bernalillo County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 10,223,104	\$ 28,991
Net differences between projected and actual earning on investments	32,078,566	-
Actual vs expected experience	8,710,838	1,701,474
Change of proportion	-	5,087,564
County's contributions subsequent to the measurement date	8,684,426	-
Total	\$ 59,696,934	\$ 6,818,029

\$8,684,426 reported as deferred outflows of resources related to pensions resulting from employer's name's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	\$ 8,769,082
2019	8,769,082
2020	18,610,668
2021	8,045,647
2022	-

Municipal Police Plan

At June 30, 2017, Bernalillo County reported a liability of \$63,495,415 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined

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by an actuarial valuation as of June 30, 2015. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2016 using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2016. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2016. Bernalillo County's proportion of the net pension liability was based on a projection of the Bernalillo County's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. On June 30, 2016, for the Municipal General Plan, Bernalillo County's proportion was 8.6057%, which was a decrease of 0.3066% from its proportion measured as of June 30, 2015. For the year ended June 30, 2017, Bernalillo County recognized pension expense of \$5,042,750. On June 30, 2017, Bernalillo County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 4,205,581	\$ 1,145,125
Net differences between projected and actual earning on investments	10,042,165	-
Actual vs expected experience	4,661,487	-
Change of proportion	170,311	1,085,180
County's contributions subsequent to the measurement date	3,439,020	-
Total	\$ 22,518,564	\$ 2,230,305

\$3,439,020 reported as deferred outflows of resources related to pensions resulting from employer's name's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	\$ 3,965,441
2019	3,965,441
2020	6,380,775
2021	2,537,582
2022	-

Municipal Fire Plan

At June 30, 2017, Bernalillo County reported a liability of \$66,628,114 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2016 using generally accepted

COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
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actuarial principles. Therefore, the employer's portion was established as of the measurement date of June 30, 2016. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2016. Bernalillo County's proportion of the net pension liability was based on a projection of the Bernalillo County's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. On June 30, 2016, for the Municipal General Plan, Bernalillo County's proportion was 9.9877%, which was a decrease of 0.7589% from its proportion measured as of June 30, 2015. For the year ended June 30, 2017, Bernalillo County recognized pension expense of \$5,350,619. On June 30, 2017, Bernalillo County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 3,524,366	\$ -
Net differences between projected and actual earning on investments	5,549,775	-
Actual vs expected experience	3,017,246	-
Change of proportion	755,620	2,783,773
County's contributions subsequent to the measurement date	2,725,101	-
Total	\$ 15,572,108	\$ 2,783,773

\$2,725,101 reported as deferred outflows of resources related to pensions resulting from employer's name's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	\$ 2,787,022
2019	2,787,022
2020	3,132,895
2021	1,356,295
2022	-

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Reconciliation of Net Pension Liability and Deferred Outflows/Inflows for Pensions from Notes to Statement of Net Position.

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Municipal General	\$ 174,341,835	\$ 59,696,934	\$ 6,818,029
Municipal Police	63,495,415	22,518,564	2,230,305
Municipal Fire	66,628,114	15,572,108	2,783,773
Totals	\$ 304,465,364	\$ 97,787,606	\$ 11,832,107
Rounding	(2)		
Correction of begin DI			(48)
Re-class of debit balances		30,164	30,164
Total	\$ 304,465,362	\$ 97,817,770	\$ 11,862,223

Actuarial assumptions. The total pension liability in the June 30, 2016 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

PERA	
Actuarial valuation date	June 30, 2015
Actuarial cost method	Entry Age Normal
Amortization method	Level Percentage of Pay, Open
Amortization period	Solved for based on statutory rates
Asset valuation method	Fair Value
Actuarial Assumptions:	
Investment rate of return	7.48% annual rate, net of investment expense
Projected benefit payment	100 years
Payroll Growth	2.75% for first 10 years, then 3.25% annual rate
Projected salary increases	2.75% to 14.00% annual rate
Includes inflation at	2.25% annual rate first 10 years
	2.75% all other years
Mortality Assumption	RP-2000 Mortality Tables (Combined table for healthy post-retirement, Employee table for active members, and Disabled table for disabled retirees before retirement age) with projection to 2018 using Scale AA.
Experience Study Dates	July 1, 2008 to June 30, 2013 (demographic) and July 1, 2010 through June 20, 2015 (economic)

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The total pension liability, net pension liability, and certain sensitive information are based on an actuarial valuation performed as of June 30, 2015. The total pension liability was rolled-forward from the valuation date to the plan year ended June 30, 2016. These assumptions were adopted by the Board use in the June 30, 2015 actuarial valuation.

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

All Funds -Asset Class	Target Allocations	Long-Term Expected Real Rate of Return
Global Equity	43.50%	7.39%
Risk Reduction of Mitigation	21.50%	1.79%
Credit Oriented Fixed Income	15.00%	5.77%
Real Assets	20.00%	7.35%
Total	100.00%	

Discount rate. A single discount rate of 7.48% was used to measure the total pension liability as of June 30, 2016. This single discount rate was based on a long-term expected rate of return on pension plan investments of 7.48%, compounded annually, net of expense. Based on the stated assumptions and the projection of cash flows, the plan’s fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The projections of cash flows used to determine this single discount rate assumed that plan member and employer contributions will be made at the current statutory levels.

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Sensitivity of the county’s proportionate share of the net pension liability to changes in the discount rate. The following presents the county proportionate share of the net pension liability calculated using the discount rate of 7.48 percent, as well as what the county’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.48 percent) or 1-percentage-point higher (8.48 percent) than the current rate:

PERA Division Municipal General	1% Decrease (6.48%)	Current Discount Rate (7.48%)	1% Increase (8.48%)
County’s proportionate share of the net pension liability	\$ 259,928,170	\$ 174,341,835	\$ 103,352,227
PERA Division Municipal Police	1% Decrease (6.48%)	Current Discount Rate (7.48%)	1% Increase (8.48%)
County’s proportionate share of the net pension liability	\$ 93,417,517	\$ 63,495,415	\$ 39,022,636
PERA Division Municipal Fire	1% Decrease (6.48%)	Current Discount Rate (7.48%)	1% Increase (8.48%)
County’s proportionate share of the net pension liability	\$ 87,149,231	\$ 66,628,114	\$ 49,772,160

Pension plan fiduciary net position. Detailed information about the pension plan’s fiduciary net position is available in separately issued PERA’S financial reports.

H. Tax Abatements

The county has entered into several agreements with entities pursuant to the NMSA 4-59 County Industrial Revenue Act for the purpose of promoting industry and trade by inducing manufacturing, industrial and commercial enterprises to locate or expand in the state. The county has abated certain taxes as terms of the agreements. As required by GASB statement No. 77 – Tax Abatement Disclosure, the county has provided the following disclosure of agreements and abated taxes as well as agreement entered into by other governments and entities who abated taxes that affected Bernalillo County. In addition, as required by the New Mexico Office of the State Auditor, Audit Rule NMAC 2.2.2.10 BB. (1), disclosure information for tax abatement shall be provided individually and may not be aggregated.

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Tax Abatement Disclosure - GASB 77 - Bernalillo County

Agency Number	5001	5001
Agency Name	Bernalillo County	Bernalillo County
Agency Type	County	County
Tax Abatement Agreement Name	Desert Willow Apartments Project	SBS Technologies, Inc. Corporate Headquarters Project
Recipient(s) of tax abatement	Desert Willow Limited Partnership	Brunacini Development LTD. CO.
Parent company(ies) of recipient(s) of tax abatement	GSL Investors Master LLC	N/A
Tax abatement program (name and brief description)	Multifamily Housing Refunding Revenue Bonds Series 2008), replacing Series 1998.	Taxable Industrial Revenue Bonds (Series 2004)
Specific Tax(es) Being Abated	Property tax	Property tax
Legal authority under which tax abatement agreement was entered into	NMSA §4-59 County Industrial Revenue Bond Act, NMSA §3-45 Municipal Housing Law and Ordinance No. 2008-06	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2004-12
Criteria that make a recipient eligible to receive a tax abatement	Construction of multi-family housing units at 8901 Jefferson St NE.	Acquisition and ownership of the Project property at 7401 Snaproll St NE, and construction and installation of the Project.
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	Real property taxable exemption	Real and personal property tax exemption
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	100% exempt	100% exempt
Are there provisions for recapturing abated taxes? (Yes or No)	No	Yes
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	N/A	If terminates within 5 years, payback abated less amount paid to County for the benefit of APS and UNMH.
List each specific commitment made by the recipient of the abatement.	Construction of multi-family housing units at 8901 Jefferson St NE.	Acquisition and construction of the Project property at 7401 Snaproll St NE
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	Real Property tax : \$26,879.71	Real Property tax : \$29,209.69 Personal Property tax : \$0
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County \$9,375 annually.	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County for the benefit of Albuquerque Public Schools and University of New Mexico Hospital.
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$9,375.00	\$32,045.00
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year	N/A	N/A
List each specific commitment made by your agency or any other government, other than the tax abatement.	\$7.5 Million maximum Industrial Revenue Bonds	\$7,321,000 maximum Industrial Revenue Bonds
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes The State of New Mexico, City of Albuquerque, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).	Yes The State of New Mexico, City of Albuquerque, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	N/A	N/A

5001	5001	5001
Bernalillo County	Bernalillo County	Bernalillo County
County	County	County
West Publishing Corporation Project	Sennheiser New Mexico LLC Project	Tempur Production USA, Inc. Project
West Publishing Corporation, Southwest Tiburon LLC	Sennheiser New Mexico LLC	Tempur Production USA, Inc.
N/A	N/A	Tempur-Pedic International, Inc.
Taxable Industrial Revenue Bonds (Series 2004A)	Taxable Industrial Revenue Bonds (Series 2004)	Taxable Industrial Revenue Bonds (Series 2005A and 2005B)
Property tax	Property tax	Property tax
NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2004-11	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2004-6	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2005-10
Acquisition and ownership of the Project property, construction and installation of the Project.	Acquisition of the Project property at 5321 Wilshire Ave NE, and installation of the Project.	Acquisition of the Project property at 601 Paseo del Volcan NW, and construction, installation and equipping of the Project.
Real and personal property tax exemption	Real and personal property tax exemption	Real and personal property tax exemption
100% exempt	100% exempt	100% exempt
Yes	Yes	Yes
If terminates within 5 years, payback abated less amount paid to County for the benefit of APS and UNMH.	If terminates within 5 years, the Company shall pay to the Issuer an amount equal to the abated real property taxes less all amounts paid in lieu of taxes, within 30 days.	If terminates within 10 years, the Company shall pay to the Issuer an amount equal to the abated real property taxes less all amounts paid in lieu of taxes, within 30 days.
Acquisition and ownership of the Project property, construction and installation of the Project.	Acquisition of the Project property at 5321 Wilshire Ave NE, and installation of the Project.	Acquisition of the Project property at 601 Paseo del Volcan NW, and construction, installation and equipping of the Project.
Real Property tax : \$26,032.98 Personal Property tax : \$0	Real Property tax : \$0 Personal Property tax : \$0	Real Property tax : \$145,786.89 Personal Property tax : \$16,902.99
NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County for the benefit of Albuquerque Public Schools and University of New Mexico Hospital.	N/A	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County for the benefit of Albuquerque Public Schools and University of New Mexico Hospital.
\$31,012.00	\$0.00	\$589,374.39
N/A	N/A	N/A
\$6 Million maximum Industrial Revenue Bonds	\$3.5 Million maximum Industrial Revenue Bonds	\$100 Million maximum Industrial Revenue Bonds
Yes The State of New Mexico, City of Albuquerque, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).	Yes The State of New Mexico, City of Albuquerque, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).	Yes The State of New Mexico, City of Albuquerque, Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).
N/A	N/A	N/A

COUNTY OF BERNALILLO, NEW MEXICO
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Tax Abatement Disclosure - GASB 77 - Bernalillo County

Agency Number	5001	5001
Agency Name	Bernalillo County	Bernalillo County
Agency Type	County	County
Tax Abatement Agreement Name	Verizon Wireless (VAW) LLC Facilities Project	Verizon Wireless (VAW) LLC Facilities Project
Recipient(s) of tax abatement	Verizon Wireless (VAW) LLC, Coors/Central Realty LLC	Verizon Wireless (VAW) LLC, Coors/Central Realty LLC
Parent company(ies) of recipient(s) of tax abatement	N/A	N/A
Tax abatement program (name and brief description)	Taxable Industrial Revenue Bonds (Series 2006A)	Taxable Industrial Revenue Bonds (Series 2006B)
Specific Tax(es) Being Abated	Property tax	Property tax
Legal authority under which tax abatement agreement was entered into	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2006-10	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2006-10
Criteria that make a recipient eligible to receive a tax abatement	Acquisition of the Project Property at 7000 Central Ave SW, and construction, installation and equipping of the Project.	Acquisition of the Project Property at 7000 Central Ave SW, and construction, installation and equipping of the Project.
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	Real and personal property tax exemption	Real property taxable value exemption
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	100% exempt	100% exempt
Are there provisions for recapturing abated taxes? (Yes or No)	Yes	Yes
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	If terminates within 10 years, pay abated real property taxes less all amounts paid in lieu of taxes, within 30 days.	If terminates within 10 years, pay abated real property taxes less all amounts paid in lieu of taxes, within 30 days.
List each specific commitment made by the recipient of the abatement.	Acquisition of the Project Property at 7000 Central Ave SW, and construction, installation and equipping of the Project.	Acquisition of the Project Property at 7000 Central Ave SW, and construction, installation and equipping of the Project.
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	Real Property tax : \$82,284.80 Personal Property tax : \$0	Real Property tax : \$0
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County for the benefit of Albuquerque Public Schools and University of New Mexico Hospital.	N/A
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$58,937.44	\$0.00
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year	N/A	N/A
List each specific commitment made by your agency or any other government, other than the tax abatement.	\$10 Million maximum Industrial Revenue Bonds	\$18 Million maximum Industrial Revenue Bonds
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes The State of New Mexico, City of Albuquerque, Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).	No
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	N/A	N/A

5001	5001	5001
Bernalillo County	Bernalillo County	Bernalillo County
County	County	County
NM Food Distributors Project (dated 10/01/2004)	NM Food Distributors Project (dated 12/29/2015)	CFV Solar Test Laboratory, Inc. Project
New Mexico Food Distributors, Inc.	New Mexico Food Distributors, Inc.	CFV Solar Test Laboratory, Inc.
N/A	Karsten Tortilla Factory	N/A
Taxable Variable Rate Revenue Bonds (Series 2004)	Taxable Industrial Revenue Bonds (Series 2015)	Taxable Industrial Revenue Bonds (Series 2010)
Property tax	Property tax	Property tax
NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2004-9	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2015-23	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2010-16
Constructing and equipping facility - 3041 University	Acquire food manufacturing plant and equip - 2810 Karsten Ct	Renovating and equipping of project at 5600 University Ave SE
Real and personal property tax exemption	Real and personal property tax exemption	Real and personal property tax exemption
100% exempt	100% exempt	100% exempt
Yes	Yes	Yes
If terminates within 5 years, payback abated less amount paid to County for the benefit of APS and UNMH.	If terminates within 10 years, payback abated less amount paid under 5.10A less \$135,390 x # of FTE created by Project on termination date	If terminates within 4 years, pay abated property taxes less PILOT payments, within 30 days
Constructing and equipping facility - 3041 University	Acquire food manufacturing plant and equip - 2810 Karsten Ct	Renovating and equipping of project at 5600 University Ave SE
Real Property tax : \$8,425.03 Personal Property tax : \$4,774.53	Real Property tax : \$10,870.60 Personal Property tax : \$0	Real Property tax : \$0 Personal Property tax : \$0
NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County for the benefit of Albuquerque Public Schools and University of New Mexico Hospital.	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 15% of the total mill levy.	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 15% of the total mill levy.
\$5,960.61	\$6,306.82	\$4,153.59
N/A	N/A	N/A
\$2,367,543.23 maximum Industrial Revenue Bonds	\$30 Million maximum Industrial Revenue Bonds	\$3 Million maximum Industrial Revenue Bonds
Yes The State of New Mexico, City of Albuquerque, Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).	Yes The State of New Mexico, City of Albuquerque, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).	Yes The State of New Mexico, City of Albuquerque, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).
N/A	N/A	N/A

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Tax Abatement Disclosure - GASB 77 - Bernalillo County

Agency Number	5001	5001
Agency Name	Bernalillo County	Bernalillo County
Agency Type	County	County
Tax Abatement Agreement Name	US Foodservice, Inc. Project	Vitality Works, Inc. Project
Recipient(s) of tax abatement	US Foodservice, Inc.	Vitality Works, Inc.
Parent company(ies) of recipient(s) of tax abatement	N/A	N/A
Tax abatement program (name and brief description)	Taxable Industrial Revenue Bonds (Series 2011)	Taxable Industrial Revenue Bonds (Series 2011)
Specific Tax(es) Being Abated	Property tax	Property tax
Legal authority under which tax abatement agreement was entered into	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. R-1	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2011-2
Criteria that make a recipient eligible to receive a tax abatement	Construction, acquisition, installing and equipping of project at 3700 Prince St SW	Construction, acquisition, installing and equipping of project at 8500 Bluewater Road NW.
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	Real and personal property tax exemption	Real and personal property tax exemption
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	100% exempt	100% exempt
Are there provisions for recapturing abated taxes? (Yes or No)	Yes	Yes
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	If terminates within 10 years, pay abated real property taxes less all amounts paid in lieu of taxes, within 30 days.	If terminates within 10 years, pay abated real property taxes less all amounts paid in lieu of taxes, within 30 days.
List each specific commitment made by the recipient of the abatement.	Construction, acquisition, installing and equipping of project at 3700 Prince St SW	Construction, acquisition, installing and equipping of project at 8500 Bluewater Road NW.
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	Real Property tax : \$50,623.15 Personal Property tax : \$0	Real Property tax : \$28,809.81 Personal Property tax : \$0
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 10% of the total mill levy.	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 5% of the total mill levy.
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$31,241.24	\$4,084.77
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year	N/A	N/A
List each specific commitment made by your agency or any other government, other than the tax abatement.	\$53 Million maximum Industrial Revenue Bonds	\$7 Million maximum Industrial Revenue Bonds
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes The State of New Mexico, City of Albuquerque, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).	Yes The State of New Mexico, City of Albuquerque, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	N/A	N/A

5001	5001	5001
Bernalillo County	Bernalillo County	Bernalillo County
County	County	County
Geestamp Solar North America Project	Lowe's Home Centers, Inc. Project	Lease Agreement between Bernalillo County and Lowe's Home Centers, Inc.
Emcore Solar New Mexico LLC	Lowe's Home Centers, Inc.	Lowe's Contact Center
N/A	N/A	Lowe's Home Centers, Inc.
Taxable Industrial Revenue Bonds (Series 2013)	Taxable Industrial Revenue Bonds (Series 2012A)	Taxable Industrial Revenue Bonds (Series 2011)
Property tax	Property tax	Property tax
NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2011-19	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2012-20	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2011-22
Construction and equipping of project at 10420 Research Park SE	Renovation and equipping of project at 6401 Jefferson St.	Renovate and equip Contact center at 6301 Jefferson St. NE.
Real, personal property and gross receipts tax exemption	Real and personal property tax exemption	Real and personal property tax exemption
100% exempt	100% exempt	100% exempt
Yes	Yes	Yes
If terminates within 10 years, pay abated real property taxes less all amounts paid in lieu of taxes, within 30 days.	If terminates within 8 years, pay abated real property taxes less all amounts paid in lieu of taxes, within 30 days.	If terminates within 8 years pay abated taxes less all amounts paid.
Construction and equipping of project at 10420 Research Park SE	Renovation and equipping of project at 6401 Jefferson St.	Renovate and equip Contact center at 6301 Jefferson St. NE.
Real Property tax : \$0 Personal Property tax : \$0 Gross Receipts tax : \$3,171.43	Because of a transfer of deed followed by a subsequent reinstatement of deed between years 2014 and 2017, no taxes were exempt in 2016 because the change in property ownership did not include the transfer of the exemption. However, effective January 1, 2017, the property tax exemption and PILOT was reinstated.	Real Property tax : \$0 Personal Property tax : \$0
NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 10% of the total mill levy.	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 10% of the total mill levy.	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 10% of the total mill levy.
\$23,336.13	\$21,988.98	\$10,891.62
N/A	N/A	N/A
\$13 Million maximum Industrial Revenue Bonds	\$10 Million maximum Industrial Revenue Bonds	\$16 Million maximum Industrial Revenue Bonds
Yes This is a City of Albuquerque IRB. Affected are the State of New Mexico, City of Albuquerque, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).	No	No
N/A	N/A	N/A

COUNTY OF BERNALILLO, NEW MEXICO
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Tax Abatement Disclosure - GASB 77 - Bernalillo County

Agency Number	5001	5001
Agency Name	Bernalillo County	Bernalillo County
Agency Type	County	County
Tax Abatement Agreement Name	Friedman Recycling of Albuquerque, LLC	Lease Agreement between Bernalillo County and Admiral Beverage Corporation
Recipient(s) of tax abatement	Friedman Recycling of Albuquerque, LLC	Admiral Beverage Corporation
Parent company(ies) of recipient(s) of tax abatement	Friedman Recycling, based in Phoenix, Arizona	Admiral Properties, LLC
Tax abatement program (name and brief description)	Taxable Industrial Revenue Bonds (Series 2012A and 2012B and 2012C)	Taxable Industrial Revenue Bonds (Series 2012)
Specific Tax(es) Being Abated	Property tax	Property tax
Legal authority under which tax abatement agreement was entered into	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2012-9	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2012-14
Criteria that make a recipient eligible to receive a tax abatement	Construct and equip a materials recovery facility, 5021 & 5049 Edith Blvd NE.	Development of a warehousing and distribution facility at 3980 Prince Street, S.E.
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	Real property taxable value exemption	Real and personal property tax exemption
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	100% exempt	100% exempt
Are there provisions for recapturing abated taxes? (Yes or No)	Yes	Yes
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	If terminates within 10 years pay abated taxes less all amounts paid.	If terminates within 10 years pay abated taxes less all amounts paid.
List each specific commitment made by the recipient of the abatement.	Construct and equip a materials recovery facility at 5021 & 5049 Edith Blvd NE.	Development of a warehousing and distribution facility at 3980 Prince Street, S.E.
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	Real Property tax : \$7,744.59	Real Property tax : \$84,539.64 Personal Property tax : \$1,465.42
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 30% of the total mill levy.	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 10% of the total mill levy.
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$51,373.81	\$15,661.27
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year	N/A	N/A
List each specific commitment made by your agency or any other government, other than the tax abatement.	Series 2012A \$6,200,000 Series 2012B \$6,000,000 Series 2012C \$325,000 Industrial Revenue Bonds	\$30 Million maximum Industrial Revenue Bonds
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes The State of New Mexico, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), Albuquerque Metro Arroyo Flood Control Authority (AMAFCA), and the Middle Rio Grande Conservancy District (MRGCD).	Yes The State of New Mexico, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	N/A	N/A

5001	5001	5001
Bernalillo County	Bernalillo County	Bernalillo County
County	County	County
Lease Agreement between Bernalillo County and Silver Moon Lodge LLLP	Lease Agreement between Bernalillo County and Glenrio LLLP	Lease Agreement between Bernalillo County and UR Silver LLC
Silver Moon Lodge LLLP	Glenrio LLLP	UR Silver LLC
N/A	N/A	N/A
New Mexico Multifamily Housing Revenue Bonds (Series 2013A and 2013B)	New Mexico Multifamily Housing Revenue Bonds (Series 2013)	Taxable Industrial Revenue Bonds (Series 2014A)
Property tax	Property tax	Property tax
NMSA §4-59 County Industrial Revenue Bond Act, NMSA §3-45 Municipal Housing Law and Ordinance No. 2013-4	NMSA §4-59 County Industrial Revenue Bond Act, NMSA §3-45 Municipal Housing Law and Ordinance No. 2013-18	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2014-22
Construction and equipping of a 151-unit multifamily rental housing project at 915 Park SW.	Construction and acquisition of the Glenrio Apartments at 6901 Glenrio	Construction of a mixed use facility consisting of a grocery store, retail units, and apartments at 205 Silver.
Real property taxable value exemption	Real property taxable value exemption	Real and personal property tax exemption
100% exempt	100% exempt	100% exempt
Yes	Yes	Yes
Issuer can take possession and terminate agreement	Issuer can take possession and terminate agreement	If terminates within 10 years pay abated taxes less all amounts paid.
Construction and equipping of a 151-unit multifamily rental housing project at 915 Park SW.	Construction and acquisition of the Glenrio Apartments at 6901 Glenrio	Construction of a mixed use facility consisting of a grocery store, retail units, and apartments at 205 Silver.
Real Property tax : \$23,927.59	Real Property tax : \$496.69	Real Property tax : \$0 Personal Property tax : \$0
No PILOT	No PILOT	Payment in lieu of taxes (PILOT) to county equal to \$7,500 annually.
\$0.00	\$0.00	\$7,500.00
N/A	N/A	N/A
Series 2013A \$8,000,000 Series 2013B \$500,000	\$10 Million maximum Industrial Revenue Bonds	Series 2014A \$9,300,000
Yes The State of New Mexico, City of Albuquerque, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), Albuquerque Metro Arroyo Flood Control Authority (AMAFCA), and the Middle Rio Grande Conservancy District (MRGCD).	Yes The State of New Mexico, City of Albuquerque, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).	No
N/A	N/A	N/A

COUNTY OF BERNALILLO, NEW MEXICO
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Tax Abatement Disclosure - GASB 77 - Bernalillo County

Agency Number	5001	5001
Agency Name	Bernalillo County	Bernalillo County
Agency Type	County	County
Tax Abatement Agreement Name	Lease and Purchase Agreement between Bernalillo County and JSR Holdings, LLC	Lease Agreement between Bernalillo County and Flagship Food Group North America LLC
Recipient(s) of tax abatement	JSR Holdings, LLC	Flagship Food Group North America LLC
Parent company(ies) of recipient(s) of tax abatement	N/A	N/A
Tax abatement program (name and brief description)	Taxable Industrial Revenue Bonds (Series 2014)	Taxable Industrial Revenue Bonds (Series 2014)
Specific Tax(es) Being Abated	Property tax	Property tax
Legal authority under which tax abatement agreement was entered into	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2014-9	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2014-23
Criteria that make a recipient eligible to receive a tax abatement	Warehouse/plumbing supplies distribution facility, at 5105 Williams	Renovate and equip a food manufacturing facility at 1700 Desert Surf Circle NE.
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	Real property taxable value exemption	Personal property and gross receipts tax exemption
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	100% exempt	100% exempt
Are there provisions for recapturing abated taxes? (Yes or No)	Yes	Yes
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	If the Company terminates this Lease within ten (10) years of the date hereof, the Company shall pay abated property taxes less all amounts paid.	If the Company terminates this Lease within ten (10) years of the date hereof, the Company shall pay abated property taxes less all amounts paid.
List each specific commitment made by the recipient of the abatement.	Warehouse/plumbing supplies distribution facility, at 5105 Williams	The funds are used to renovate and equip a food manufacturing facility at 1700 Desert Surf Circle NE.
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	Real Property tax : \$3,933.61	Personal Property tax : \$0 Gross Receipts tax : \$33,523.46
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 20% of the total mill levy.	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 10% of the total mill levy.
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$3,439.19	\$14,245.37
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year	N/A	N/A
List each specific commitment made by your agency or any other government, other than the tax abatement.	\$575,000 maximum Industrial Revenue Bonds	\$10,250,000 maximum Industrial Revenue Bonds
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes The State of New Mexico, City of Albuquerque, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).	No
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	N/A	N/A

5001	5001	5001
Bernalillo County	Bernalillo County	Bernalillo County
County	County	County
United Poly Systems Project dated 2014)	The Tortilla Building, LLC Project	Hotel Chaco Project
Gold Mesa Investments	The Tortilla Building, LLC (lessee) and Flagship Food Group North America LLC (sub lessee)	Hotel Chaco, LLC
N/A	N/A	N/A
Taxable Industrial Revenue Bonds	Industrial Development Project	Taxable Industrial Revenue Bonds (Series 2015A)
Property tax	Property tax	Property tax
NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2014-16	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2014-24	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2015-25
Construct and equip facility 5201 Hawking Dr. SE	Food manufacturing facility at 1700 Desert Surf Circle NE.	Construct and equip a hotel at 2000 Bellamah Avenue NW.
Personal property and gross receipts tax exemption	Real and personal property tax exemption	Personal property and gross receipts tax exemption
100% exempt	100% exempt	100% exempt
Yes	Yes	Yes
If terminates within 10 years, payback abated less amount paid.	If obligations not met for 30 days, Property immediately assessed in Company name, becomes installment sale agreement.	If the Company terminates this Lease within ten (10) years of the date hereof, the Company shall pay abated property taxes less all amounts paid.
Construct and equip facility 5201 Hawking Dr. SE	Food manufacturing facility at 1700 Desert Surf Circle NE.	Construct and equip a hotel at 2000 Bellamah Avenue NW.
Real Property tax : \$0 Personal Property tax : \$0 Gross Receipts tax : \$1,453.29	Real Property tax : \$16,049.42	Real Property tax : \$2,726.31 Gross Receipts tax : \$18,792.04
NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 50% for real property and 10% for personal property of the total mill levy.	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 10% of the total mill levy.	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 20% of the total mill levy.
\$7,115.94	\$12,415.22	\$10,035.18
N/A	N/A	N/A
\$9 Million maximum Industrial Revenue Bonds	\$3,938,508 Industrial Development Project	\$40 Million maximum Industrial Revenue Bonds
Yes The State of New Mexico, City of Albuquerque, Rio Rancho, and Sandoval County.	Yes The State of New Mexico, City of Albuquerque, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).	Yes The State of New Mexico, City of Albuquerque, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), Albuquerque Metro Arroyo Flood Control Authority (AMAFCA), and the Middle Rio Grande Conservancy District (MRGCD).
N/A	N/A	N/A

COUNTY OF BERNALILLO, NEW MEXICO
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Tax Abatement Disclosure - GASB 77 - Bernalillo County

Agency Number	5001	5001
Agency Name	Bernalillo County	Bernalillo County
Agency Type	County	County
Tax Abatement Agreement Name	Village at Avalon Project	Vista Plaza Revitalization Project (dated 11/1/2015)
Recipient(s) of tax abatement	Village at Avalon Apartments LLLP	HB Construction and Harrington Properties
Parent company(ies) of recipient(s) of tax abatement	N/A	N/A
Tax abatement program (name and brief description)	Multifamily Housing Revenue Bonds (Series 2015A and Subordinate Series 2015B).	Taxable Industrial Revenue Bonds (Series 2015)
Specific Tax(es) Being Abated	Property tax	Property tax
Legal authority under which tax abatement agreement was entered into	NMSA §4-59 County Industrial Revenue Bond Act, NMSA §3-45 Municipal Housing Law and Ordinance No. 2015-25	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2015-27
Criteria that make a recipient eligible to receive a tax abatement	Construction of multi-family housing units at 601 90th St NW.	Constructing multi-purpose facility - 3010 Monte Vista NE
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	Real property taxable value exemption	Gross receipts tax exemption
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	100% exempt	100% exempt
Are there provisions for recapturing abated taxes? (Yes or No)	Yes	Yes
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	Issuer can take possession and terminate agreement	Issuer can take possession and terminate agreement
List each specific commitment made by the recipient of the abatement.	Construction of multi-family housing units at 601 90th St NW.	Constructing multi-purpose facility - 3010 Monte Vista NE
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	Real Property tax : \$534.18	Gross Receipts tax : \$8,621.68
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	No PILOT, additional payment for Administrative expenses	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 10% of the total mill levy.
For any Payments in Lieu of Taxes (PILOTs) or similar payments <u>receivable by your agency</u> in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$0.00	\$4,255.00
For any Payments in Lieu of Taxes (PILOTs) or similar payments <u>receivable by a different agency</u> in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year	N/A	N/A
List each specific commitment made by your agency or any other government, other than the tax abatement.	Series 2015A \$17,900,000 Series 2015B \$1,500,000 Industrial Revenue Bonds	\$3 Million maximum Industrial Revenue Bonds
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes The State of New Mexico, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).	No
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	N/A	N/A

5001	5001	5001
Bernalillo County	Bernalillo County	Bernalillo County
County	County	County
Harrington Project (dated 11/1/2015)	Wagner Equipment Project (dated 12/1/2015)	Catholic Charities Project (dated 3/1/16)
Harrington Properties and HB Construction	Wagner Equipment Co	Wells Fargo National Bank (trustee)
N/A	N/A	N/A
Taxable Industrial Revenue Bonds	Taxable Industrial Revenue Bonds (Series 2015)	Taxable Industrial Revenue Bonds (Series 2016)
Property tax	Property tax	None
NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2015-26	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2015-29	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2016-4
Constructing multi-purpose facility - 3010 Monte Vista NE	Construct a 200,000 sq. ft. building - 4000 Osuna NE	Constructing and equipping facility - 2012 Bridge Blvd SW
Real property taxable value exemption	Real and personal property tax exemption	None
100% exempt	100% exempt	N/A
Yes	Yes	No
If terminates within 10 years, HB Construction to payback abated less amount paid within 30 days	If terminates within 10 years, payback abated less amount paid within 30 days	N/A
Constructing multi-purpose facility - 3010 Monte Vista NE	Construct a 200,000 sq. ft. building - 4000 Osuna NE	Constructing and equipping facility - 2012 Bridge Blvd SW
Real Property tax : \$4,980.78	Real Property tax : \$8,310.95 Personal Property tax : \$0	N/A
NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 25% of the total mill levy.	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 15% of the total mill levy.	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County, \$2,000 annually.
\$4,816.18	\$8,751.00	\$2,000.00
N/A	N/A	N/A
\$10 Million maximum Industrial Revenue Bonds	\$100 Million maximum Industrial Revenue Bonds	\$2.5 Million maximum Industrial Revenue Bonds
Yes The State of New Mexico, City of Albuquerque, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).	Yes The State of New Mexico, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).	No
N/A	N/A	N/A

COUNTY OF BERNALILLO, NEW MEXICO
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Tax Abatement Disclosure - GASB 77 - Bernalillo County

Agency Number	5001	5001
Agency Name	Bernalillo County	Bernalillo County
Agency Type	County	County
Tax Abatement Agreement Name	Rio Bravo Brewing Project dated 2/1/2016)	Los Poblanos Project (dated 3/1/2016)
Recipient(s) of tax abatement	DRB Properties and Rio Bravo Brewing Co	Rembe Family, LLC
Parent company(ies) of recipient(s) of tax abatement	N/A	N/A
Tax abatement program (name and brief description)	Taxable Industrial Revenue Bonds (Series 2016)	Taxable Industrial Revenue Bonds (Series 2016)
Specific Tax(es) Being Abated	Property tax	Property tax
Legal authority under which tax abatement agreement was entered into	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2016-3	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2016-2
Criteria that make a recipient eligible to receive a tax abatement	Expand facility 10,000 sq. ft. - 1912 2nd St NW	Construction of project at 4803 Rio Grande Blvd
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	Real, personal property, and gross receipts tax exemption	Real, personal property, and gross receipts tax exemption
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	Exempting 80% Real Property, 100% Personal Property, and 100% GRT/Compensating tax	100% exempt
Are there provisions for recapturing abated taxes? (Yes or No)	Yes	Yes
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	If terminates within 10 years, payback abated less amount paid.	If terminates within 10 years, payback abated less amount paid.
List each specific commitment made by the recipient of the abatement.	Expand facility 10,000 sq. ft. - 1912 2nd St NW	Construction of project at 4803 Rio Grande Blvd
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	Real Property tax : \$0 Personal Property tax : \$0 Gross Receipts tax : \$1,600.00	Real Property tax : \$0 Personal Property tax : \$0 Gross Receipts tax : \$982.87
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 20% of the total mill levy.	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 15% of the total mill levy.
For any Payments in Lieu of Taxes (PILOTs) or similar payments <u>receivable by your agency</u> in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$2,148.00	\$22,000.00
For any Payments in Lieu of Taxes (PILOTs) or similar payments <u>receivable by a different agency</u> in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year	N/A	N/A
List each specific commitment made by your agency or any other government, other than the tax abatement.	\$5 Million maximum Industrial Revenue Bonds	\$7.9 Million maximum Industrial Revenue Bonds
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	No	Yes The State of New Mexico, City of Albuquerque, Rio Rancho, Sandoval County, Catron County, Moriarty, Torrance County, Santa Fe, and Santa Fe County.
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	N/A	N/A

5001	5001	5001
Bernalillo County	Bernalillo County	Bernalillo County
County	County	County
New Beginnings Senior Living Project (dated 12/1/2016)	General Mills Operations Project (dated 11/1/2016)	Rio Vista Apartments Project (dated 11/1/2016)
New Beginnings Senior Living LLC	General Mills Operations, LLC	Rio Housing Associates
N/A	N/A	N/A
Taxable Industrial Revenue Bonds (Series 2016)	Taxable Industrial Revenue Bonds (Series 2016)	Taxable Industrial Revenue Bonds (Series 2016)
Property tax	Property tax	Property tax
NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2016-11	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2016-14	NMSA §4-59 County Industrial Revenue Bond Act, NMSA §3-45 Municipal Housing Law and Ordinance No. 2016-21
140-bed non-medical assisted living facility - 1331 Cuesta Abajo	Improve facility - 3501 Paseo del Norte NE	75 unit apartment complex - 770 Juan Tabo NE
Real and personal property tax exemption	Personal property and gross receipts tax exemption	Real and personal property tax exemption
Exempting 80% Real Property, 100% Personal Property, and 100% GRT/Compensating tax	100% exempt	100% exempt
Yes	Yes	Yes
If terminates within 10 years, New Beginnings Senior Living to payback abated less amount paid within 30 days	If terminates after 5 years but less than 10 years, payback abated less amount paid.	Issuer can take possession and terminate agreement
140-bed non-medical assisted living facility - 1331 Cuesta Abajo	Improve facility - 3501 Paseo del Norte NE	75 unit apartment complex - 770 Juan Tabo NE
Real Property tax : \$0 Personal Property tax : \$0 Gross Receipts tax : \$0	Personal Property tax : \$0 Gross Receipts tax : \$16,637.20	Real Property tax : \$0 Personal Property tax : \$0
NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 20% of the total mill levy.	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County, \$157,011 annually.	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 5% of the total mill levy.
\$8,942.00	\$157,011.00	\$1,175.00
N/A	N/A	N/A
\$10 Million maximum Industrial Revenue Bonds	\$80 Million maximum Industrial Revenue Bonds	\$4 Million maximum Industrial Revenue Bonds
No	No	No
N/A	N/A	N/A

COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

Tax Abatement Disclosure - GASB 77 - Bernalillo County

Agency Number	5001	5001
Agency Name	Bernalillo County	Bernalillo County
Agency Type	County	County
Tax Abatement Agreement Name	MCT Balloon Fiesta Industrial Park Project (dated 12/31/2016)	CCC&S Family Project (dated 11/1/2016)
Recipient(s) of tax abatement	Mart-Nair Investments (Affiliated with MCT Industries and MCT Devel)	CCC&S Family LLC
Parent company(ies) of recipient(s) of tax abatement	N/A	N/A
Tax abatement program (name and brief description)	Taxable Industrial Revenue Bonds, Series 2016 B	Taxable Industrial Revenue Bonds, Series 2016
Specific Tax(es) Being Abated	Property tax	Property tax
Legal authority under which tax abatement agreement was entered into	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2016-28	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2016-26
Criteria that make a recipient eligible to receive a tax abatement	Phase 1, 40,000 sq. ft. Phase 2 50,000 sq. ft., Constructing and equipping - next to 5601 Balloon Fiesta Pkway NE	Constructing multi-purpose district and corporate office - 3901 Masthead NE
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	Real and personal property tax exemption	Real and personal property tax exemption
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	100% exempt	100% exempt
Are there provisions for recapturing abated taxes? (Yes or No)	Yes	Yes
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	If terminates within 10 years, Company to payback abated less amount paid for PILOT's	Issuer can take possession and terminate agreement
List each specific commitment made by the recipient of the abatement.	Phase 1, 40000 sq. ft. Phase 2 50000 sq. ft., Constructing and equipping - next to 5601 Balloon Fiesta Pkway NE	Constructing multi-purpose dist. and corporate office - 3901 Masthead NE
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	\$0, starts in FY 18	Real Property tax : \$0 Personal Property tax : \$0
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	No PILOT in FY 17	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 20% of the total mill levy.
For any Payments in Lieu of Taxes (PILOTs) or similar payments <u>receivable by your agency</u> in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$0.00	\$6,443.79
For any Payments in Lieu of Taxes (PILOTs) or similar payments <u>receivable by a different agency</u> in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year	N/A	N/A
List each specific commitment made by your agency or any other government, other than the tax abatement.	\$12 Million maximum Industrial Revenue Bonds - series 2016 B (up to \$6 million Phase 1, up to \$7 million Phase 2, maximum \$12 million)	\$5 Million maximum Industrial Revenue Bonds
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	No	No
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	N/A	N/A

5001	5001	5001
Bernalillo County	Bernalillo County	Bernalillo County
County	County	County
One Central Parking Project	One Central Entertainment Hub Project	Valencia Retirement Apartments Project (1/1/2000)
One Central Associates	One Central Associates	Valencia Limited Partnership
N/A	N/A	N/A
Taxable Industrial Revenue Bonds, Series 2016A	Taxable Industrial Revenue Bonds, Series 2016B	Multi-Family Refunding Revenue Bonds (Senior Series 2001A) and MFRR Bonds (Jr Subordinate Series 2001C)
Property tax	Property tax	Property tax
NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2016-30	NMSA §4-59 County Industrial Revenue Bond Act and Ordinance No. 2016-31	NMSA §4-59 County Industrial Revenue Bond Act, NMSA §3-45 Municipal Housing Law and Ordinance No. 2001-2
Parking facility at Central and 1st NW	Mixed use retail and housing - Central and 1st NW	Constructing retirement apartments
Real and personal property tax exemption	Real and personal property tax exemption	Real property taxable value exemption
100% exempt	100% exempt	100% exempt
Yes	Yes	No
If terminates within 10 years, payback abated tax amount within 30 days	If terminates within 10 years, payback abated tax amount within 30 days	N/A
Parking facility at Central and 1st NW	Mixed use retail and housing - Central and 1st NW	Constructing retirement apartments
\$0, starts in FY 18	\$0, starts in FY 18	Real Property tax : \$30,988.58
NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 20% of the total mill levy.	NMSA §4-59 County Industrial Revenue Bond Act. Paid to the County equal to 20% of the total mill levy.	Annually starting 12/1/2007, Company will pay "Issuer Fee" - .125% of principal amount of bonds outstanding
\$1,777.00	\$773.00	\$8,031.25
N/A	N/A	N/A
\$17.5 Million maximum Industrial Revenue Bonds	\$17.5 Million maximum Industrial Revenue Bonds	\$6,740,000 Tax-exempt Multi-Family Refunding Revenue Bonds, Senior Series 2001A and \$1,685,000 Tax-eMFRR Bonds Subordinate Series 2001B and \$850,000 Tax-eMFRR Bonds Jr Subordinate Series 2001C
No	No	Yes The State of New Mexico, City of Albuquerque, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).
N/A	N/A	N/A

COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

Tax Abatement Disclosure - GASB 77 - Bernalillo County

Agency Number	5001
Agency Name	Bernalillo County
Agency Type	County
Tax Abatement Agreement Name	Cottonwood Apartments Project (dated 12/1/2016 amended/restated)
Recipient(s) of tax abatement	GSL Properties
Parent company(ies) of recipient(s) of tax abatement	GSL Cottonwood Investors
Tax abatement program (name and brief description)	Multi-Family Refunding Revenue Bonds (Series 2006A) and Taxable Multi-Family Housing Revenue Bonds
Specific Tax(es) Being Abated	Property tax
Legal authority under which tax abatement agreement was entered into	NMSA §4-59 County Industrial Revenue Bond Act, NMSA §3-45 Municipal Housing Law and Ordinance No. 2006-17
Criteria that make a recipient eligible to receive a tax abatement	Constructing 185 affordable housing units - 3601 Seven Bar Loop NW
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	Real property taxable value exemption
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	100% exempt
Are there provisions for recapturing abated taxes? (Yes or No)	No
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	N/A
List each specific commitment made by the recipient of the abatement.	Constructing 185 affordable housing units - 3601 Seven Bar Loop NW
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	Real Property tax : \$37,928.86
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	Annually starting 12/1/2007, Company will pay "Issuer Fee" - .125% of principal amount of bonds outstanding
For any Payments in Lieu of Taxes (PILOTs) or similar payments <u>receivable by your agency</u> in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$11,230.43
For any Payments in Lieu of Taxes (PILOTs) or similar payments <u>receivable by a different agency</u> in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year	N/A
List each specific commitment made by your agency or any other government, other than the tax abatement.	\$9 Million Tax-exempt Multi-Family Refunding Revenue Bonds, Series 2006A and \$1 million Taxable Multi-Family Housing Revenue Bonds
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes The State of New Mexico, City of Albuquerque, Albuquerque Public School District (APS), University of New Mexico Hospital (UNMH), Central New Mexico Community College (CNM), and Albuquerque Metro Arroyo Flood Control Authority (AMAFCA).
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	N/A

COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

Tax Abatement Disclosure - GASB 77 - Intergovernmental

Agency number for Agency making the disclosure (Abating Agency)	6004	6004
Abating Agency Name	City Of Albuquerque	City Of Albuquerque
Abating Agency Type	Municipal Government	Municipal Government
Tax Abatement Agreement Name	CVI Laser IRB	El Encanto/Bueno Foods IRB
Agency number of Affected Agency	5001	5001
Recipient(s) of tax abatement	CVI Laser	El Encanto/Bueno Foods
Tax abatement program (name and brief description)	State of New Mexico Statutes Article 32 Industrial Revenue Bonds City of Albuquerque Code of Ordinances § 3-2-15 INDUSTRIAL REVENUE BOND PROJECTS Ordinance Specific to Recipient O-1998-15	State of New Mexico Statutes Article 32 Industrial Revenue Bonds City of Albuquerque Code of Ordinances § 3-2-15 INDUSTRIAL REVENUE BOND PROJECTS Ordinance Specific to Recipient O-1996-47
	Total Taxable Value of property taxes is reduced, by City ownership of property. It also allows for abatement of State Compensating Tax and Investment Tax Credit (ITC), on equipment purchases	Total Taxable Value of property taxes is reduced, by City ownership of property. It also allows for abatement of State Compensating Tax and Investment Tax Credit (ITC), on equipment purchases
Specific Tax(es) Being Abated	Property Tax	Property Tax
	The recipient can also apply for abatement of compensating tax on purchase of equipment and investment tax credits from the State of New Mexico. There was no abatement for non-property taxes in the current year	The recipient can also apply for abatement of compensating tax on purchase of equipment and investment tax credits from the State of New Mexico. There was no abatement for non-property taxes in the current year
Authority under which abated tax would have been paid to Affected Agency	Article VIII state statutes property tax	Article VIII state statutes property tax
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	County of Bernalillo \$ 14.59 (in thousands)	County of Bernalillo \$ 22.76 (in thousands)
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	PILOT- Payment in Lieu of Taxes is not a part of the agreement.	PILOT- Payment in Lieu of Taxes is not a part of the agreement.
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	No Information is being omitted	No Information is being omitted

COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

Tax Abatement Disclosure - GASB 77 - Intergovernmental

Agency number for Agency making the disclosure (Abating Agency)	6004	6004
Abating Agency Name	City Of Albuquerque	City Of Albuquerque
Abating Agency Type	Municipal Government	Municipal Government
Tax Abatement Agreement Name	General Mills IRB	General Tech IRB
Agency number of Affected Agency	5001	5001
Recipient(s) of tax abatement	General Mills	General Tech
Tax abatement program (name and brief description)	State of New Mexico Statutes Article 32 Industrial Revenue Bonds City of Albuquerque Code of Ordinances § 3-2-15 INDUSTRIAL REVENUE BOND PROJECTS Ordinance Specific to Recipient O-2008-64	State of New Mexico Statutes Article 32 Industrial Revenue Bonds City of Albuquerque Code of Ordinances § 3-2-15 INDUSTRIAL REVENUE BOND PROJECTS Ordinance Specific to Recipient O-1998-49
	Total Taxable Value of property taxes is reduced, by City ownership of property. It also allows for abatement of State Compensating Tax and Investment Tax Credit (ITC), on equipment purchases	Total Taxable Value of property taxes is reduced, by City ownership of property. It also allows for abatement of State Compensating Tax and Investment Tax Credit (ITC), on equipment purchases
Specific Tax(es) Being Abated	Property Tax	Property Tax
	The recipient can also apply for abatement of compensating tax on purchase of equipment and investment tax credits from the State of New Mexico. There was no abatement for non-property taxes in the current year	The recipient can also apply for abatement of compensating tax on purchase of equipment and investment tax credits from the State of New Mexico. There was no abatement for non-property taxes in the current year
Authority under which abated tax would have been paid to Affected Agency	Article VIII state statutes property tax	Article VIII state statutes property tax
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	County of Bernalillo \$ 211.67 (in thousands)	County of Bernalillo \$ 17.10 (in thousands)
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	PILOT- Payment in Lieu of Taxes is a part of the agreement it is based on 4% of abatement and in 2017 was \$ 33,202	PILOT- Payment in Lieu of Taxes is not a part of the agreement.
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	No Information is being omitted	No Information is being omitted

6004	6004	6004
City Of Albuquerque Municipal Government	City Of Albuquerque Municipal Government	City Of Albuquerque Municipal Government
Hotel Andaluz IRB	Hotel Parq IRB	Karsten IRB
5001	5001	5001
Hotel Andaluz	Hotel Parq	Karsten
State of New Mexico Statutes Article 32 Industrial Revenue Bonds City of Albuquerque Code of Ordinances § 3- 2-15 INDUSTRIAL REVENUE BOND PROJECTS Ordinance Specific to Recipient O-2007-62	State of New Mexico Statutes Article 32 Industrial Revenue Bonds City of Albuquerque Code of Ordinances § 3- 2-15 INDUSTRIAL REVENUE BOND PROJECTS Ordinance Specific to Recipient O-2008-61	State of New Mexico Statutes Article 32 Industrial Revenue Bonds City of Albuquerque Code of Ordinances § 3- 2-15 INDUSTRIAL REVENUE BOND PROJECTS Ordinance Specific to Recipient O-1997-41
Total Taxable Value of property taxes is reduced, by City ownership of property. It also allows for abatement of State Compensating Tax and Investment Tax Credit (ITC), on equipment purchases	Total Taxable Value of property taxes is reduced, by City ownership of property. It also allows for abatement of State Compensating Tax and Investment Tax Credit (ITC), on equipment purchases	Total Taxable Value of property taxes is reduced, by City ownership of property. It also allows for abatement of State Compensating Tax and Investment Tax Credit (ITC), on equipment purchases
Property Tax	Property Tax	Property Tax
The recipient can also apply for abatement of compensating tax on purchase of equipment and investment tax credits from the State of New Mexico. There was no abatement for non-property taxes in the current year	The recipient can also apply for abatement of compensating tax on purchase of equipment and investment tax credits from the State of New Mexico. There was no abatement for non-property taxes in the current year	The recipient can also apply for abatement of compensating tax on purchase of equipment and investment tax credits from the State of New Mexico. There was no abatement for non-property taxes in the current year
Article VIII state statutes property tax	Article VIII state statutes property tax	Article VIII state statutes property tax
County of Bernalillo \$ 63.88 (in thousands)	County of Bernalillo \$ 43.25 (in thousands)	County of Bernalillo \$ 24.75 (in thousands)
PILOT- Payment in Lieu of Taxes is a part of the agreement it is based on 2.5% of tax abatement And in 2017 was \$6,177.94	PILOT- Payment in Lieu of Taxes is a part of the agreement it is based on 3.5% of tax abatement And in 2017 was \$5,936	PILOT- Payment in Lieu of Taxes is not a part of the agreement.
No Information is being omitted	No Information is being omitted	No Information is being omitted

COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

Tax Abatement Disclosure - GASB 77 - Intergovernmental

Agency number for Agency making the disclosure (Abating Agency)	6004	6004
Abating Agency Name	City Of Albuquerque	City Of Albuquerque
Abating Agency Type	Municipal Government	Municipal Government
Tax Abatement Agreement Name	Ktech (currently owned by Raytheon) IRB	MCT IRB
Agency number of Affected Agency	5001	5001
Recipient(s) of tax abatement	Ktech (currently owned by Raytheon)	MCT
Tax abatement program (name and brief description)	State of New Mexico Statutes Article 32 Industrial Revenue Bonds City of Albuquerque Code of Ordinances § 3-2-15 INDUSTRIAL REVENUE BOND PROJECTS Ordinance Specific to Recipient Ordinance 2002-47 Ordinance 2005-110 and 108	State of New Mexico Statutes Article 32 Industrial Revenue Bonds City of Albuquerque Code of Ordinances § 3-2-15 INDUSTRIAL REVENUE BOND PROJECTS Ordinance Specific to Recipient O-2003-34
	Total Taxable Value of property taxes is reduced, by City ownership of property. It also allows for abatement of State Compensating Tax and Investment Tax Credit (ITC), on equipment purchases	Total Taxable Value of property taxes is reduced, by City ownership of property. It also allows for abatement of State Compensating Tax and Investment Tax Credit (ITC), on equipment purchases
Specific Tax(es) Being Abated	Property Tax	Property Tax
	The recipient can also apply for abatement of compensating tax on purchase of equipment and investment tax credits from the State of New Mexico. There was no abatement for non-property taxes in the current year	The recipient can also apply for abatement of compensating tax on purchase of equipment and investment tax credits from the State of New Mexico. There was no abatement for non-property taxes in the current year
Authority under which abated tax would have been paid to Affected Agency	Article VIII state statutes property tax	Article VIII state statutes property tax
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	County of Bernalillo \$ 47.47 (in thousands)	County of Bernalillo \$ 24.96 (in thousands)
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	PILOT- Payment in Lieu of Taxes is not a part of the agreement.	PILOT- Payment in Lieu of Taxes is not a part of the agreement.
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	No Information is being omitted	No Information is being omitted

6004	6004	6004
City Of Albuquerque Municipal Government	City Of Albuquerque Municipal Government	City Of Albuquerque Municipal Government
Sun Healthcare IRB	T-Mobile IRB	Roses Southwest Papers IRB
5001	5001	5001
Sun Healthcare	T-Mobile	Roses Southwest Papers
State of New Mexico Statutes Article 32 Industrial Revenue Bonds City of Albuquerque Code of Ordinances § 3- 2-15 INDUSTRIAL REVENUE BOND PROJECTS Ordinance Specific to Recipient O-1997-83	State of New Mexico Statutes Article 32 Industrial Revenue Bonds City of Albuquerque Code of Ordinances § 3- 2-15 INDUSTRIAL REVENUE BOND PROJECTS Ordinance Specific to Recipient O-1997-9	State of New Mexico Statutes Article 32 Industrial Revenue Bonds City of Albuquerque Code of Ordinances § 3- 2-15 INDUSTRIAL REVENUE BOND PROJECTS Ordinance Specific to Recipient O-1996-24
Total Taxable Value of property taxes is reduced, by City ownership of property. It also allows for abatement of State Compensating Tax and Investment Tax Credit (ITC), on equipment purchases	Total Taxable Value of property taxes is reduced, by City ownership of property. It also allows for abatement of State Compensating Tax and Investment Tax Credit (ITC), on equipment purchases	Total Taxable Value of property taxes is reduced, by City ownership of property. It also allows for abatement of State Compensating Tax and Investment Tax Credit (ITC), on equipment purchases
Property Tax	Property Tax	Property Tax
The recipient can also apply for abatement of compensating tax on purchase of equipment and investment tax credits from the State of New Mexico. There was no abatement for non-property taxes in the current year	The recipient can also apply for abatement of compensating tax on purchase of equipment and investment tax credits from the State of New Mexico. There was no abatement for non-property taxes in the current year	The recipient can also apply for abatement of compensating tax on purchase of equipment and investment tax credits from the State of New Mexico. There was no abatement for non-property taxes in the current year
Article VIII state statutes property tax	Article VIII state statutes property tax	Article VIII state statutes property tax
County of Bernalillo \$ 55.57 (in thousands)	County of Bernalillo \$ 24.13 (in thousands)	County of Bernalillo \$ 17.78 (in thousands)
PILOT- Payment in Lieu of Taxes is not a part of the agreement.	PILOT- Payment in Lieu of Taxes is not a part of the agreement.	PILOT- Payment in Lieu of Taxes is not a part of the agreement.
No Information is being omitted	No Information is being omitted	No Information is being omitted

COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017

Tax Abatement Disclosure - GASB 77 - Intergovernmental

Agency number for Agency making the disclosure (Abating Agency)	6004
Abating Agency Name	City Of Albuquerque
Abating Agency Type	Municipal Government
Tax Abatement Agreement Name	Emcore IRB
Agency number of Affected Agency	5001
Recipient(s) of tax abatement	Emcore
Tax abatement program (name and brief description)	State of New Mexico Statutes Article 32 Industrial Revenue Bonds City of Albuquerque Code of Ordinances § 3-2-15 INDUSTRIAL REVENUE BOND PROJECTS Ordinance Specific to Recipient O-1998-15 (no Longer active) O-2008-36
	Total Taxable Value of property taxes is reduced, by City ownership of property. It also allows for abatement of State Compensating Tax and Investment Tax Credit (ITC), on equipment purchases
Specific Tax(es) Being Abated	Property Tax
	The recipient can also apply for abatement of compensating tax on purchase of equipment and investment tax credits from the State of New Mexico
Authority under which abated tax would have been paid to Affected Agency	Article VIII state statutes property tax
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	County of Bernalillo \$ 59.34 (in thousands)
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	PILOT- Payment in Lieu of Taxes is not a part of the agreement.
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	No Information is being omitted

**COUNTY OF BERNALILLO, NEW MEXICO
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2017**

Tax Abatement Disclosure - GASB 77 - Intergovernmental

Agency number for Agency making the disclosure (Abating Agency)	452	452
Abating Agency Name	New Mexico Hospital Equipment Loan Council	New Mexico Hospital Equipment Loan Council
Abating Agency Type	State Agency	State Agency
Tax Abatement Agreement Name	Lease Agreement (New Mexico Hospital Equipment Loan Council/Lovelace Health System, Inc. dated 12/1/2007; 'Lovelace Women's Hospital Project')	Lease Agreement (New Mexico Hospital Equipment Loan Council/Lovelace Health System, Inc. dated 10/1/2011; 'Lovelace Heart Hospital')
Name of agency affected by abatement agreement (Affected Agency)	Bernalillo County	Bernalillo County
Agency number of Affected Agency	5001	5001
Agency type of Affected Agency	County	County
Recipient(s) of tax abatement	Lovelace Health System, Inc.	Lovelace Health System, Inc.
Tax abatement program (name and brief description)	New Mexico Hospital Equipment Loan Act (New Mexico Statue 58-23-29)	New Mexico Hospital Equipment Loan Act (New Mexico Statue 58-23-29)
Specific Tax(es) Being Abated	Property Tax	Property Tax
Authority under which abated tax would have been paid to Affected Agency	NMSA 7-38	NMSA 7-38
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	This cannot be determined by the New Mexico Hospital Equipment Loan Council as the abating agency. The Council is not a taxing authority, nor does it provide for valuation of qualifying property.	This cannot be determined by the New Mexico Hospital Equipment Loan Council as the abating agency. The Council is not a taxing authority, nor does it provide for valuation of qualifying property. However, the following values are based on what has been determined by Bernalillo County. The Council does not confirm nor validate these amounts. Property Tax = \$78,047.87
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	NA	NA
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	NA	NA

I. Subsequent Events

Bernalillo County Housing Department. In September of 2016 The Bernalillo County Board of Commissioners took the first step in approving the creation of the Bernalillo County Affordable Housing Nonprofit (Nonprofit). The creation of the Nonprofit will transfer ownership of the 75 public housing units owned by Bernalillo County to the Nonprofit, and will provide a platform to build public private partnerships to further promote affordable housing in the community. In addition, with the uncertainty of funding at the federal level, the Nonprofit status will provide additional funding opportunities to better serve Bernalillo County residents and their families.

Beginning in September 2016, the Bernalillo County Housing Department (BCHD) has actively worked to obtain the remaining approvals necessary to finalize the creation of the Nonprofit. Approval was received from the New Mexico Attorney General's Office for the Nonprofit. On September 20, 2017, the county received final IRS approval. The county will transfer all assets and liabilities from BCHD to the Nonprofit in 2018. In FY18 the Nonprofit will be reported as a component unit in accordance with GASB Statement No. 80.

Gross Receipt Tax Bond Issuance. On October 25, 2017, Bernalillo County issued \$47,200,000 in New Mexico Gross Receipts Tax (GRT) Revenue Bonds. Proceeds from Series 2017A in the amount of \$34,940,000 will be used expended for the construction, rehabilitation, remodel, design, furnishing, improving and equipping the new County administrative office building and related properties located in downtown Albuquerque. Proceeds from Series 2017B in the amount of \$12,080,000 will be expended on the energy conservation measures for the Metropolitan Detention Center identified by the investment grade energy conservation audit.

**COUNTY OF BERNALILLO, NEW MEXICO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF BERNALILLO COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 Public Employees Retirement Association (PERA)
 Last Ten Fiscal Years***

	Fiscal Year Measurement Date	June 30th		
		2017 2016	2016 2015	2015 2014
County's proportion of the net pension liability				
Municipal General		10.9123%	11.2212%	11.6836%
Municipal Police		8.6057%	8.9123%	8.8441%
Municipal Fire		9.9877%	10.7466%	10.4355%
County's proportionate share of the net pension liability				
Municipal General		\$ 174,341,835	\$ 114,409,855	\$ 91,144,619
Municipal Police		63,495,415	42,855,335	28,830,803
Municipal Fire		66,628,114	55,465,158	43,557,710
		<u>\$ 304,465,364</u>	<u>\$ 212,730,348</u>	<u>\$ 163,533,132</u>
County's covered payroll				
Municipal General		\$ 75,919,832	\$ 74,631,686	\$ 75,527,251
Municipal Police		17,447,007	17,148,946	16,621,208
Municipal Fire		12,667,483	12,156,116	11,538,843
		<u>\$ 106,034,322</u>	<u>\$ 103,936,748</u>	<u>\$ 103,687,302</u>
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll				
Municipal General		229.64%	153.30%	120.68%
Municipal Police		363.93%	249.90%	173.46%
Municipal Fire		525.98%	456.27%	377.49%
Plan fiduciary net position as a percentage of the total pension liability				
Municipal General		69.18%	76.99%	81.29%
Municipal Police		69.18%	76.99%	81.29%
Municipal Fire		69.18%	76.99%	81.29%

* *Governmental Accounting Standards Board Statement 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available.
 Complete information for Bernalillo County is not available prior to fiscal year 2015, the year the statement's requirements became effective.*

Sources: PERA and County's payroll office

**COUNTY OF BERNALILLO, NEW MEXICO
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF BERNALILLO COUNTY'S CONTRIBUTIONS
 Public Employees Retirement Association (PERA)
 Last Ten Fiscal Years***

	2017	2016	2015
Contributions in relation to the contractually required contribution			
Municipal General	\$ 8,684,427	\$ 8,924,581	\$ 8,871,326
Municipal Police	3,439,020	3,234,934	3,301,024
Municipal Fire	2,725,100	2,520,565	2,650,314
	<u>\$ 14,848,547</u>	<u>\$ 14,680,080</u>	<u>\$ 14,822,664</u>
Contractually required contribution			
Municipal General	\$ 8,684,427	\$ 8,924,581	\$ 8,871,326
Municipal Police	3,439,020	3,234,934	3,301,024
Municipal Fire	2,725,100	2,520,565	2,650,314
	<u>\$ 14,848,547</u>	<u>\$ 14,680,080</u>	<u>\$ 14,822,664</u>
County's covered payroll			
Municipal General	\$ 75,725,491	\$ 75,919,832	\$ 74,631,686
Municipal Police	18,195,873	17,447,007	17,148,946
Municipal Fire	12,587,067	12,667,483	12,156,116
	<u>\$ 106,508,431</u>	<u>\$ 106,034,322</u>	<u>\$ 103,936,748</u>

Contributions "in relation" as a percentage of covered-employee payroll**

Municipal General	11.47%	11.76%	11.89%
Municipal Police	18.90%	18.54%	19.25%
Municipal Fire	21.65%	19.90%	21.80%

* Governmental Accounting Standards Board Statement 68 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available.
 Complete information for Bernalillo County is not available prior to fiscal year 2015, the year the statement's requirements became effective.

** Amounts for covered payroll for 2017 are imputed using the contribution rates for the various plans

Sources: PERA and County's payroll office

SUPPLEMENTARY INFORMATION



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 enactment of one-eighth of one percent gross receipts tax set aside for the purpose of acquiring, constructing, operating and maintaining solid waste facilities, water facilities, wastewater facilities, sewer systems and related facilities. 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 one-sixteenth of one percent gross receipts tax dedicated to the support of indigent patients in accordance with State Statute (7-20E-18-B, NMSA 1978 Compilation).

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 Compilation.

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 OF BERNALILLO, NEW MEXICO

DESCRIPTION OF NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS (CONTINUED)

County Indigent. To account for the portion of the one-eighth of one percent 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. This fund also accounts for the County Medicaid one-sixteenth gross receipts tax equivalent that is dedicated to the County-supported Medicaid fund that is administered by the State of New Mexico. The fund was created by authority of State Statute (7-20E-9, NMSA 1978 Compilation and 7-20E-18-A, NMSA 1978 Compilation).

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. 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.

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

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.

COUNTY OF BERNALILLO, NEW MEXICO
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 June 30, 2017

	Special Revenue					
	Environmental Health	Health Care GRT	Valuation	Fire Districts	Emergency Medical Services	Sheriff's Investigative Fund
ASSETS						
Cash and investments	\$ 2,824,553	\$ 6,175,260	\$ 20,450,143	\$ 1,327,691	\$ 140,845	\$ 71,418
Receivables, net	648,833	2,455,857	-	33,310,00	-	-
Accrued interest receivable	2,217	5,186	-	1,108	90	-
Cash-restricted	-	-	-	-	-	-
Inventory	-	-	-	7,011	-	-
Advances to other funds	-	-	-	-	-	-
Total assets	<u>\$ 3,475,603</u>	<u>\$ 8,636,303</u>	<u>\$ 20,450,143</u>	<u>\$ 1,369,120</u>	<u>\$ 140,935</u>	<u>\$ 71,418</u>
LIABILITIES						
Accounts payable	\$ 41,070	\$ 70,511	\$ 196,673	\$ 135,913	\$ 4,454	\$ -
Accrued payroll	-	-	58,733	-	-	-
Due to other funds	-	-	-	-	-	-
Total liabilities	<u>41,070</u>	<u>70,511</u>	<u>255,406</u>	<u>135,913</u>	<u>4,454</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	121,820	462,538	-	-	-	-
FUND BALANCES						
Nonspendable	-	-	-	7,011	-	-
Restricted	3,312,713	8,103,254	20,194,737	1,226,196	136,481	71,418
Total fund balances	<u>3,312,713</u>	<u>8,103,254</u>	<u>20,194,737</u>	<u>1,233,207</u>	<u>136,481</u>	<u>71,418</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,475,603</u>	<u>\$ 8,636,303</u>	<u>\$ 20,450,143</u>	<u>\$ 1,369,120</u>	<u>\$ 140,935</u>	<u>\$ 71,418</u>

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

COUNTY OF BERNALILLO, NEW MEXICO
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS (continued)
 June 30, 2017

	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	\$ 295,111	\$ 1,160	\$ 255,285	\$ 1,388,397	\$ 3,630,221	\$ 2,066,777	\$ 38,626,861
Receivables, net	-	-	2,227,484	-	111,247	166,232	5,642,963
Accrued interest receivable	247	-	-	-	-	-	8,848
Cash-restricted	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	7,011
Advances to other funds	-	-	-	-	-	-	-
Total assets	<u>\$ 295,358</u>	<u>\$ 1,160</u>	<u>\$ 2,482,769</u>	<u>\$ 1,388,397</u>	<u>\$ 3,741,468</u>	<u>\$ 2,233,009</u>	<u>\$ 44,285,683</u>
LIABILITIES							
Accounts payable	\$ 18,977	-	\$ 2,237,150	\$ 28,807	\$ 400,724	\$ 71,715	\$ 3,205,994
Accrued payroll	-	-	-	-	15,546	5,612	79,891
Due to other funds	-	-	-	-	581,451	-	581,451
Total liabilities	<u>18,977</u>	<u>-</u>	<u>2,237,150</u>	<u>28,807</u>	<u>997,721</u>	<u>77,327</u>	<u>3,867,336</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	-	-	-	-	-	-	584,358
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	7,011
Restricted	276,381	1,160	245,619	1,359,590	2,743,747	2,155,682	39,826,978
Total fund balances	<u>276,381</u>	<u>1,160</u>	<u>245,619</u>	<u>1,359,590</u>	<u>2,743,747</u>	<u>2,155,682</u>	<u>39,833,989</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 295,358</u>	<u>\$ 1,160</u>	<u>\$ 2,482,769</u>	<u>\$ 1,388,397</u>	<u>\$ 3,741,468</u>	<u>\$ 2,233,009</u>	<u>\$ 44,285,683</u>

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

COUNTY OF BERNALILLO, NEW MEXICO
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS (continued)
 June 30, 2017

	Debt Service						Refunding			Refunding Series 2005 Reserve
	General Obligation Bond Service	Series 1996B Debt Service	Series 1996B Reserve	Series 1997 Debt Service	Series 1997 Reserve	Series 1998 Debt Service	Series 1998 Reserve	Series 2005 Debt Service		
ASSETS										
Cash and investments	\$ 13,051,123	\$ 40,276	\$ -	\$ 2,335	\$ -	\$ 16,626	\$ -	\$ 68,221	\$ -	-
Receivables, net	1,073,405	-	-	-	-	-	-	-	-	-
Accrued interest receivable	11,311	82,936	-	22,227	-	68,888	-	4,057	-	-
Cash-restricted	-	-	5,438,448	-	1,693,500	-	-	-	4,615,582	4,933,749
Inventory	-	-	-	-	-	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 14,135,839	\$ 123,212	\$ 5,438,448	\$ 24,562	\$ 1,693,500	\$ 85,514	\$ 4,615,582	\$ 72,278	\$ 4,933,749	
LIABILITIES										
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	-	-	-	-
DEFERRED INFLOWS OF RESOURCES										
Unavailable revenue	874,816	-	-	-	-	-	-	-	-	-
FUND BALANCES										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	13,261,023	123,212	5,438,448	24,562	1,693,500	85,514	4,615,582	72,278	4,933,749	
Total fund balances	13,261,023	123,212	5,438,448	24,562	1,693,500	85,514	4,615,582	72,278	4,933,749	
Total liabilities, deferred inflows of resources, and fund balances	\$ 14,135,839	\$ 123,212	\$ 5,438,448	\$ 24,562	\$ 1,693,500	\$ 85,514	\$ 4,615,582	\$ 72,278	\$ 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 (continued)
 June 30, 2017

	Debt Service			Refunding			Capital Projects			Total Nonmajor Governmental Funds
	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		
ASSETS										
Cash and investments	\$ 155,711	\$ -	\$ 4,917	\$ -	13,339,209	\$ 5,281,797	\$ 3,056,495	\$ 8,338,292	\$ 60,304,362	
Receivables, net	-	-	-	-	1,073,405	-	140,989	140,989	6,857,357	
Accrued interest receivable	855	-	129	-	190,403	4,275	2,572	6,847	206,098	
Cash-restricted Inventory	-	900,000	-	159,419	17,740,698	-	-	-	17,740,698	
Advances to other funds	-	-	-	-	1,205,000	-	-	-	7,011	
Total assets	\$ 156,566	\$ 900,000	\$ 1,205,000	\$ 159,419	\$ 33,548,715	\$ 5,286,072	\$ 3,200,056	\$ 8,486,128	\$ 86,320,526	
LIABILITIES										
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,032	\$ 182,452	\$ 198,484	\$ 3,404,478	
Accrued payroll	-	-	-	-	-	-	13,478	13,478	93,369	
Due to other funds	-	-	-	-	-	-	-	-	581,451	
Total liabilities	-	-	-	-	-	16,032	195,930	211,962	4,079,298	
DEFERRED INFLOWS OF RESOURCES										
Unavailable revenue	-	-	-	-	874,816	-	113,845	113,845	1,573,019	
FUND BALANCES										
Nonspendable	-	-	-	-	-	-	-	-	7,011	
Restricted	156,566	900,000	1,210,046	159,419	32,673,899	5,270,040	2,890,281	8,160,321	80,661,198	
Total fund balances	156,566	900,000	1,210,046	159,419	32,673,899	5,270,040	2,890,281	8,160,321	80,668,209	
Total liabilities, deferred inflows of resources, and fund balances	\$ 156,566	\$ 900,000	\$ 1,210,046	\$ 159,419	\$ 33,548,715	\$ 5,286,072	\$ 3,200,056	\$ 8,486,128	\$ 86,320,526	

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
 For The Year Ended June 30, 2017

	Special Revenue					
	Environmental Health	Health Care GRT	Valuation	Fire Districts	Emergency Medical Services	Sheriff's Investigative Fund
REVENUES						
Taxes:						
Property Sales	\$ 2,974,592	\$ 11,294,147	-	-	-	-
Intergovernmental:						
Federal	-	-	-	-	-	36
State	-	-	-	1,350,889	158,710	103,126
Other	-	-	-	-	-	-
Fees for services	-	-	6,098,360	140,514	-	-
Investment income	6,943	16,692	-	3,688	300	-
Miscellaneous	-	-	-	25,481	112,302	30,700
Total revenues	2,981,535	11,310,839	6,098,360	1,520,572	271,312	133,862
EXPENDITURES						
Current:						
General government	-	-	5,231,669	-	-	-
Public works	-	-	-	1,017,723	-	-
Public safety	-	126,131	-	-	233,640	293,944
Health and welfare	503,657	9,765,588	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay	226,401	-	-	347,305	-	242,326
Debt service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	730,058	9,891,719	5,231,669	1,365,028	233,640	536,270
Excess (deficiency) of revenues over (under) expenditures	2,251,477	1,419,120	866,691	155,544	37,672	(402,408)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	(1,821,991)	(1,196,750)	(349,087)	-	-	-
Sale of capital assets	-	-	-	5	-	7,596
Total other financing sources (uses)	(1,821,991)	(1,196,750)	(349,087)	5	-	7,596
Net changes in fund balances	429,486	222,370	517,604	155,549	37,672	(394,812)
Fund balances - beginning	2,883,227	7,880,884	19,677,133	1,077,658	98,809	466,230
Fund balances - ending	\$ 3,312,713	\$ 8,103,254	\$ 20,194,737	\$ 1,233,207	\$ 136,481	\$ 71,418

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 (continued)
 For The Year Ended June 30, 2017

		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	-	-	12,676,392	-	-	-	26,945,131	
Intergovernmental:								
Federal	-	149	-	-	17,286,780	-	17,286,965	
State	231,000	-	-	-	-	-	1,843,725	
Other	-	-	-	-	776,630	544,688	1,321,318	
Fees for services	63,824	-	-	720,926	143,755	-	7,167,379	
Investment income	781	-	-	-	915	-	29,319	
Miscellaneous	-	-	-	-	128,961	2,000	299,444	
Total revenues	295,605	149	12,676,392	720,926	18,337,041	546,688	54,893,281	
EXPENDITURES								
Current:								
General government	-	-	-	621,657	-	-	5,853,326	
Public works	-	-	-	-	-	-	1,017,723	
Public safety	344,844	-	-	-	-	669,429	1,667,988	
Health and welfare	-	-	12,676,392	-	17,424,633	-	40,370,270	
Culture and recreation	-	-	-	-	-	-	-	
Capital outlay	94,958	-	-	-	-	15,263	926,253	
Debt service:								
Principal	-	-	-	-	-	-	-	
Interest	-	-	-	-	-	-	-	
Total expenditures	439,802	-	12,676,392	621,657	17,424,633	684,692	49,835,560	
Excess (deficiency) of revenues over (under) expenditures	(144,197)	149	-	99,269	912,408	(138,004)	5,057,721	
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	9	-	9	
Transfers out	-	-	-	-	-	-	(3,367,828)	
Sale of capital assets	-	-	-	-	-	152,153	159,754	
Total other financing sources (uses)	-	-	-	-	9	152,153	(3,208,065)	
Net changes in fund balances	(144,197)	149	-	99,269	912,417	14,149	1,849,656	
Fund balances - beginning	420,578	1,011	245,619	1,260,321	1,831,330	2,141,533	37,984,333	
Fund balances - ending	\$ 276,381	\$ 1,160	\$ 245,619	\$ 1,359,590	\$ 2,743,747	\$ 2,155,682	\$ 39,833,989	

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 (continued)
 For The Year Ended June 30, 2017

	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 2005 Reserve
REVENUES										
Taxes:										
Property	\$ 19,567,670	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales	-	-	-	-	-	-	-	-	-	-
Intergovernmental:										
Federal	-	-	-	-	-	-	-	-	-	-
State	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Fees for services	-	-	-	-	-	-	-	-	-	-
Investment income	46,995	331,928	-	88,915	-	275,626	-	26,733	-	-
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Total revenues	19,614,665	331,928	-	88,915	-	275,626	-	26,733	-	-
EXPENDITURES										
Current:										
General government	-	-	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Debt service:										
Principal	18,306,000	2,700,000	-	1,335,000	-	2,050,000	-	1,925,000	-	-
Interest	3,624,845	2,074,315	-	119,457	-	1,687,707	-	1,718,982	-	-
Total expenditures	21,930,845	4,774,315	-	1,454,457	-	3,737,707	-	3,643,982	-	-
Excess (deficiency) of revenues over (under) expenditures	(2,316,180)	(4,442,387)	-	(1,365,542)	-	(3,462,081)	-	(3,617,249)	-	-
OTHER FINANCING SOURCES (USES)										
Transfers in	61,530	4,442,570	-	1,365,548	-	3,462,157	-	3,643,982	-	-
Transfers out	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	61,530	4,442,570	-	1,365,548	-	3,462,157	-	3,643,982	-	-
Net changes in fund balances	(2,254,650)	183	-	6	-	76	-	26,733	-	-
Fund balances - beginning	15,515,673	123,029	5,438,448	24,556	1,693,500	85,438	4,615,582	45,545	4,933,749	-
Fund balances - ending	\$ 13,261,023	\$ 123,212	\$ 5,438,448	\$ 24,562	\$ 1,693,500	\$ 85,514	\$ 4,615,582	\$ 72,278	\$ 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 (continued)
 For The Year Ended June 30, 2017

	Debt Service				Capital Projects				Total Nonmajor Governmental Funds
	Refunding Series 2010A Debt Service	Refunding Series 2010A Debt Reserve	Refunding Series 2010B Debt Service	Refunding Series 2010B Debt Reserve	Impact Fees	Open Space	Capital Projects Total	Total	
REVENUES									
Taxes:									
Property Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,012,528	\$ 3,012,528	\$ 22,580,198	\$ 26,945,131
Intergovernmental:									
Federal	-	-	-	-	-	-	-	17,286,965	1,843,725
State	-	-	-	-	-	-	-	1,321,318	7,824,940
Other	-	-	-	-	-	-	-	841,418	307,394
Fees for services	5,642	-	-	-	657,561	7,904	657,561	35,406	841,418
Investment income	-	-	854	-	27,502	7,950	35,406	7,950	307,394
Miscellaneous	-	-	-	-	-	-	-	-	-
Total revenues	5,642	-	854	-	685,063	3,028,382	3,713,445	78,951,089	88,764,528
EXPENDITURES									
Current:									
General government	-	-	-	-	20,488	-	20,488	5,873,814	1,790,730
Public works	-	-	-	-	38,946	734,061	773,007	1,667,988	40,370,270
Public safety	-	-	-	-	-	-	-	699,917	699,917
Health and welfare	-	-	-	-	-	-	-	1,735,857	2,717,517
Culture and recreation	-	-	-	-	55,407	1,735,857	1,791,264	27,471,000	9,387,619
Capital outlay	-	-	-	-	-	-	-	114,841	3,284,676
Debt service:									
Principal	1,085,000	-	70,000	-	-	-	-	570,222	(11,027,766)
Interest	411,750	-	50,563	-	-	-	-	114,841	89,978,855
Total expenditures	1,496,750	-	120,563	-	184,435	3,169,835	3,284,676	89,978,855	103,771,435
Excess (deficiency) of revenues over (under) expenditures	(1,191,108)	-	(119,709)	-	570,222	(141,453)	428,769	(11,027,766)	(11,027,766)
OTHER FINANCING SOURCES (USES)									
Transfers in	1,196,750	-	50,563	-	-	-	-	14,223,109	(3,367,828)
Transfers out	-	-	-	-	-	-	-	-	159,754
Sale of capital assets	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	1,196,750	-	50,563	-	-	-	-	14,223,109	159,754
Net changes in fund balances	5,642	-	(69,146)	-	570,222	(141,453)	428,769	(12,731)	(12,731)
Fund balances - beginning	150,924	900,000	1,279,192	159,419	4,699,818	3,031,734	7,731,552	80,680,940	93,573,559
Fund balances - ending	\$ 156,566	\$ 900,000	\$ 1,210,046	\$ 159,419	\$ 5,270,040	\$ 2,890,281	\$ 8,160,321	\$ 80,668,209	\$ 93,560,820

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, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Taxes	\$ 2,800,533	\$ 2,800,533	\$ 2,922,659	\$ 122,126
Investment income	-	-	4,725	4,725
Total revenues	<u>2,800,533</u>	<u>2,800,533</u>	<u>2,927,384</u>	<u>126,851</u>
Prior year cash balance budget	<u>519,125</u>	<u>519,125</u>	<u>(371,599)</u>	
Total budget	<u>3,319,658</u>	<u>3,319,658</u>	<u>2,555,785</u>	
Expenditures:				
Health and welfare:				
Operations and maintenance	587,381	442,232	343,238	98,994
Planning and geo resources	684,321	407,751	164,155	243,596
Capital outlay	<u>225,965</u>	<u>647,684</u>	<u>226,401</u>	<u>421,283</u>
Total expenditures	<u>1,497,667</u>	<u>1,497,667</u>	<u>733,794</u>	<u>763,873</u>
Other financing uses:				
Transfers out	<u>1,821,991</u>	<u>1,821,991</u>	<u>1,821,991</u>	<u>-</u>
Total expenditures and other financing uses	<u>3,319,658</u>	<u>3,319,658</u>	<u>2,555,785</u>	<u>763,873</u>
Excess of revenues over expenditures and other financing uses			<u>\$ 371,599</u>	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			\$ 371,599	
Increase (decrease) in assets:				
Accounts receivable			28,476	
Interest Receivable			2,217	
(Increase) decrease in liabilities:				
Accounts payable			3,735	
Deferred inflows			<u>23,459</u>	
Net change in fund balances - GAAP basis			429,486	
Fund balance-beginning			<u>2,883,227</u>	
Fund balance-ending - GAAP basis			<u>\$ 3,312,713</u>	

**COUNTY OF BERNALILLO, NEW MEXICO
SPECIAL REVENUE FUND
HEALTH CARE GRT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Taxes	\$ 10,704,668	\$ 10,704,668	\$ 11,185,616	\$ 480,948
Prior year cash balance budget	<u>2,098,590</u>	<u>2,098,590</u>		
Total budget	<u>12,803,258</u>	<u>12,803,258</u>		
Expenditures:				
Health and welfare:				
Operating expenses	11,439,702	11,439,702	9,751,080	1,688,622
Public safety:				
Operating expenses	133,859	133,859	126,174	7,685
Capital outlay	<u>32,947</u>	<u>32,947</u>	-	<u>32,947</u>
Total expenditures	<u>11,606,508</u>	<u>11,606,508</u>	<u>9,877,254</u>	<u>1,729,254</u>
Other financing uses:				
Transfers out	<u>1,196,750</u>	<u>1,196,750</u>	1,196,750	-
Total expenditures and other financing uses	<u>12,803,258</u>	<u>12,803,258</u>	<u>11,074,004</u>	<u>1,729,254</u>
Excess of revenues over expenditures and other financing uses			<u>\$ 111,612</u>	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			\$ 111,612	
Increase (decrease) in assets:				
Accounts receivable			56,690	
Interest receivable			5,186	
(Increase) decrease in liabilities:				
Accounts payable			(18,538)	
Deferred inflows			63,346	
Accrued payroll			<u>4,074</u>	
Net change in fund balances - GAAP basis			222,370	
Fund balance-beginning			<u>7,880,884</u>	
Fund balance-ending - GAAP basis			<u>\$ 8,103,254</u>	

**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, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Fees for services	\$ 5,600,000	\$ 5,600,000	\$ 6,098,360	\$ 498,360
Prior year cash balance budget	<u>2,397,394</u>	<u>2,492,941</u>		
Total budget	<u>7,997,394</u>	<u>8,092,941</u>		
Expenditures:				
General government:				
Operating expenditures	7,554,733	7,554,733	4,939,434	2,615,299
Capital outlay	<u>93,574</u>	<u>189,121</u>	<u>282,695</u>	<u>(93,574)</u>
Total expenditures	<u>7,648,307</u>	<u>7,743,854</u>	<u>5,222,129</u>	<u>2,521,725</u>
Other financing uses:				
Transfers out	<u>349,087</u>	<u>349,087</u>	<u>349,087</u>	<u>-</u>
Total expenditures and other financing uses	<u>7,997,394</u>	<u>8,092,941</u>	<u>5,571,216</u>	<u>2,521,725</u>
Excess of revenues over expenditures and other financing uses			<u>\$ 527,144</u>	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			\$ 527,144	
(Increase) decrease in liabilities:				
Accounts payable			(2,307)	
Accrued payroll			<u>(7,234)</u>	
Net change in fund balances - GAAP basis			517,604	
Fund balance-beginning			<u>19,677,133</u>	
Fund balance-ending - GAAP basis			<u>\$ 20,194,737</u>	

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, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Intergovernmental:	\$ -	\$ 427,071	\$ 1,350,889	\$ 923,818
Fees for Services	-	-	140,515	140,515
Investment Income	-	-	2,580	2,580
Miscellaneous	1,129,476	1,129,476	25,481	(1,103,995)
Other financing sources:				
Sale of capital assets	-	-	5	5
Total revenues and other financing sources	<u>1,129,476</u>	<u>1,556,547</u>	<u>1,519,470</u>	<u>(37,077)</u>
Prior year cash balance budget	<u>1,021,695</u>	<u>1,021,695</u>		
Total budget	<u>2,151,171</u>	<u>2,578,242</u>		
Expenditures:				
Public safety:				
Operating expenditures	1,821,171	2,191,644	1,011,880	1,179,764
Capital outlay	<u>330,000</u>	<u>386,598</u>	<u>347,305</u>	<u>39,293</u>
Total expenditures	<u>2,151,171</u>	<u>2,578,242</u>	<u>1,359,185</u>	<u>1,219,057</u>
Excess of revenues and other financing sources over expenditures			<u>\$ 160,285</u>	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			\$ 160,285	
Increase (decrease) in assets:				
Accounts receivable			1,107	
(Increase) decrease in liabilities:				
Accounts payable			<u>(5,843)</u>	
Net change in fund balances - GAAP basis			155,549	
Fund balance-beginning			<u>1,077,658</u>	
Fund balance-ending - GAAP basis			<u>\$ 1,233,207</u>	

**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, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Intergovernmental	\$ 204,116	\$ 204,116	\$ 158,710	\$ (45,406)
Investment income	-	-	209	209
Miscellaneous	-	-	112,302	112,302
Total revenues	<u>204,116</u>	<u>204,116</u>	<u>271,221</u>	<u>67,105</u>
 Prior year cash balance budgeted	 <u>118,693</u>	 <u>118,693</u>		
Total budget	<u>322,809</u>	<u>322,809</u>		
 Expenditures:				
Public safety:				
Operating expenditures	<u>322,809</u>	<u>322,809</u>	<u>234,999</u>	<u>87,810</u>
 Excess of revenues over expenditures			 <u><u>\$ 36,222</u></u>	
 Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			\$ 36,222	
(Increase) decrease in liabilities:				
Accrued interest			90	
Accounts payable			<u>1,360</u>	
Net change in fund balances - GAAP basis			37,672	
Fund balance-beginning			<u>98,809</u>	
Fund balance-ending - GAAP basis			<u><u>\$ 136,481</u></u>	

**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, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Intergovernmental	\$ 212,000	\$ 231,000	\$ 231,000	\$ -
Fees for services	135,000	135,000	63,824	(71,176)
Investment income	-	-	534	534
Total revenues	<u>347,000</u>	<u>366,000</u>	<u>295,358</u>	<u>(71,176)</u>
Prior year cash balance budget	<u>267,126</u>	<u>267,126</u>		
Total budget	<u>614,126</u>	<u>633,126</u>		
Expenditures:				
Public safety:				
Operating expenditures	614,126	538,168	336,799	201,369
Capital outlay	<u>-</u>	<u>94,958</u>	<u>94,958</u>	<u>-</u>
Total expenditures	<u>614,126</u>	<u>633,126</u>	<u>431,757</u>	<u>201,369</u>
Deficiency of revenues over expenditures			<u>\$ (136,399)</u>	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			\$ (136,399)	
Accounts receivable			247	
(Increase) decrease in liabilities:				
Accounts payable			<u>(8,045)</u>	
Net change in fund balances - GAAP basis			(144,197)	
Fund balance-beginning			<u>420,578</u>	
Fund balance-ending - GAAP basis			<u>\$ 276,381</u>	

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, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Intergovernmental	\$ 136	\$ 136	\$ 149	\$ 13
Expenditures:				
Public works:				
Operating expenditures	136	136	-	136
Total expenditures	<u>136</u>	<u>136</u>	<u>-</u>	<u>136</u>
Excess of revenues over expenditures			<u>\$ 149</u>	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			<u>\$ 149</u>	
Net change in fund balances - GAAP basis			149	
Fund balance-beginning			<u>1,011</u>	
Fund balance-ending - GAAP basis			<u>\$ 1,160</u>	

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, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Taxes	\$ 1,000,000	\$ 1,000,000	<u>\$ 1,000,000</u>	<u>\$ -</u>
Prior year cash balance budget	<u>104,667</u>	<u>104,667</u>		
Total budget	<u>1,104,667</u>	<u>1,104,667</u>		
Expenditures:				
Health and welfare:				
Operating expenditures	<u>1,104,667</u>	<u>1,104,667</u>	<u>1,021,333</u>	<u>83,334</u>
Deficiency of revenues over expenditures			<u>\$ (21,333)</u>	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			\$ (21,333)	
Increase (decrease) in assets:				
Accounts receivable			123,783	
(Increase) decrease in liabilities:				
Accounts payable			<u>(102,450)</u>	
Net change in fund balances - GAAP basis			-	
Fund balance-beginning			<u>245,619</u>	
Fund balance-ending - GAAP basis			<u>\$ 245,619</u>	

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, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Fees for services	\$ 812,000	\$ 812,000	<u>\$ 720,911</u>	<u>\$ (91,089)</u>
Prior year cash balance budget	<u>359,546</u>	<u>359,546</u>		
Total budget	<u>1,171,546</u>	<u>1,171,546</u>		
Expenditures:				
General government:				
Operating expenditures	<u>1,171,546</u>	<u>1,171,546</u>	<u>605,762</u>	<u>565,784</u>
Excess of revenues over expenditures			<u>\$ 115,149</u>	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			\$ 115,149	
(Increase) decrease in liabilities:				
Accrued interest			<u>(15,880)</u>	
Net change in fund balances - GAAP basis			99,269	
Fund balance-beginning			<u>1,260,321</u>	
Fund balance-ending - GAAP basis			<u>\$ 1,359,590</u>	

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, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Intergovernmental	\$ -	\$ 660,000	\$ 544,688	\$ (115,312)
Miscellaneous	668,000	8,000	2,000	(6,000)
Total revenues	<u>668,000</u>	<u>668,000</u>	<u>546,688</u>	<u>(121,312)</u>
Other financing sources:				
Sale of Assets	-	152,153	152,153	-
Total revenues and other financing sources	<u>668,000</u>	<u>820,153</u>	<u>698,841</u>	<u>(121,312)</u>
Prior year cash balance budget	<u>1,064,908</u>	<u>912,755</u>		
Total budget	<u>1,732,908</u>	<u>1,732,908</u>		
Expenditures:				
Public safety:				
Operating expenditures	<u>1,732,908</u>	<u>1,732,908</u>	<u>687,395</u>	<u>1,045,513</u>
Excess of revenues and other financing sources over expenditures			<u>\$ 11,446</u>	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			\$ 11,446	
(Increase) decrease in liabilities:				
Accounts payable			5,919	
Accrued payroll			<u>(3,216)</u>	
Net change in fund balances - GAAP basis			14,149	
Fund balance-beginning			<u>2,141,533</u>	
Fund balance-ending - GAAP basis			<u>\$ 2,155,682</u>	

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, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Taxes	\$ 18,697,036	\$ 18,697,036	\$ 19,557,084	\$ 860,048
Investment income	-	-	43,037	43,037
Total revenues	<u>18,697,036</u>	<u>18,697,036</u>	<u>19,600,121</u>	<u>903,085</u>
Other financing sources:				
Transfers in	-	61,530	61,530	-
Total revenues and other financing sources	<u>18,697,036</u>	<u>18,758,566</u>	<u>19,661,651</u>	<u>903,085</u>
Prior year cash balance budget	<u>3,233,808</u>	<u>3,172,278</u>		
Total budget	<u>21,930,844</u>	<u>21,930,844</u>		
Expenditures:				
Debt service:				
Principal	18,306,000	18,306,000	18,306,000	-
Interest	<u>3,624,844</u>	<u>3,624,844</u>	<u>3,624,844</u>	-
Total expenditures	<u>21,930,844</u>	<u>21,930,844</u>	<u>21,930,844</u>	-
Deficiency of revenues and other financing sources over expenditures			<u>\$ (2,269,193)</u>	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			\$ (2,269,193)	
Increase (decrease) in assets:				
Property taxes receivable			(25,361)	
Interest receivable			3,957	
(Increase) decrease in liabilities:				
Deferred Inflows			<u>35,947</u>	
Net change in fund balances - GAAP basis			(2,254,650)	
Fund balance-beginning			<u>15,515,673</u>	
Fund balance-ending - GAAP basis			<u>\$ 13,261,023</u>	

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, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Investment income	\$ 331,745	\$ 331,745	\$ 331,946	\$ 201
Other financing sources:				
Transfers in	<u>4,442,570</u>	<u>4,442,570</u>	<u>4,442,570</u>	<u>-</u>
Total revenues and other financing sources	<u>4,774,315</u>	<u>4,774,315</u>	<u>4,774,516</u>	<u>201</u>
Expenditures:				
Debt service:				
Principal	2,700,000	2,700,000	2,700,000	-
Interest	<u>2,074,315</u>	<u>2,074,315</u>	<u>2,074,315</u>	<u>-</u>
Total expenditures	<u>4,774,315</u>	<u>4,774,315</u>	<u>4,774,315</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures			<u>\$ 201</u>	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			\$ 201	
Increase (decrease) in assets:				
Interest receivable			<u>(18)</u>	
Net change in fund balances - GAAP basis			183	
Fund balance-beginning			<u>123,029</u>	
Fund balance-ending - GAAP basis			<u>\$ 123,212</u>	

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, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Investment income	\$ 88,909	\$ 88,909	\$ 88,915	\$ 6
Other financing sources:				
Transfers in	<u>1,365,547</u>	<u>1,365,547</u>	<u>1,365,547</u>	<u>-</u>
Total revenues and other financing sources	<u>1,454,456</u>	<u>1,454,456</u>	<u>1,454,462</u>	<u>6</u>
Expenditures:				
Debt service:				
Principal	1,335,000	1,335,000	1,335,000	-
Interest	<u>119,456</u>	<u>119,456</u>	<u>119,456</u>	<u>-</u>
Total expenditures	<u>1,454,456</u>	<u>1,454,456</u>	<u>1,454,456</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures			<u>\$ 6</u>	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			<u>\$ 6</u>	
Net change in fund balances - GAAP basis			6	
Fund balance-beginning			<u>24,556</u>	
Fund balance-ending - GAAP basis			<u>\$ 24,562</u>	

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, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Investment income	\$ 275,550	\$ 275,550	\$ 275,633	\$ 83
Other financing sources:				
Transfers in	<u>3,465,158</u>	<u>3,462,158</u>	<u>3,462,158</u>	<u>-</u>
Total revenues and other financing sources	<u>3,740,708</u>	<u>3,737,708</u>	<u>3,737,791</u>	<u>83</u>
Expenditures:				
Debt service:				
Principal	2,050,000	2,050,000	2,050,000	-
Interest	<u>1,687,708</u>	<u>1,687,708</u>	<u>1,687,708</u>	<u>-</u>
Total expenditures	<u>3,737,708</u>	<u>3,737,708</u>	<u>3,737,708</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures			<u>\$ 83</u>	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			\$ 83	
Increase (decrease) in assets:				
Interest receivable			<u>(7)</u>	
Net change in fund balances - GAAP basis			76	
Fund balance-beginning			<u>85,438</u>	
Fund balance-ending - GAAP basis			<u>\$ 85,514</u>	

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, 2017

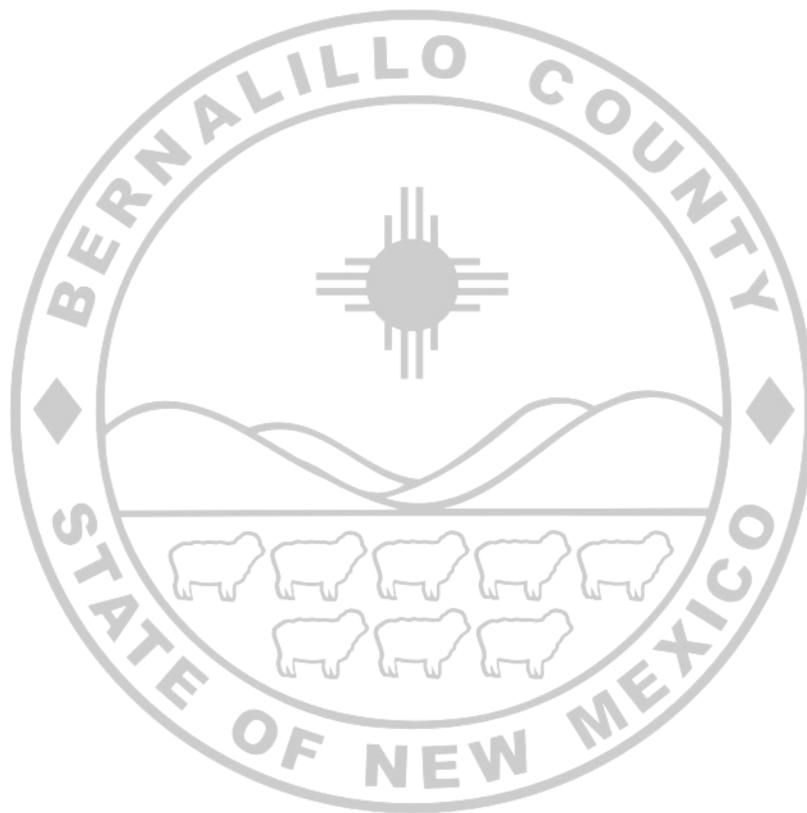
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Investment income	\$ -	\$ -	\$ 24,933	\$ 24,933
Total revenues	<u>-</u>	<u>-</u>	<u>24,933</u>	<u>24,933</u>
Other financing sources:				
Transfers in	<u>3,643,981</u>	<u>3,643,981</u>	<u>3,643,981</u>	<u>-</u>
Total revenues and other financing sources	<u>3,643,981</u>	<u>3,643,981</u>	<u>3,668,914</u>	<u>24,933</u>
Expenditures:				
Debt service:				
Principal	1,925,000	1,925,000	1,925,000	-
Interest	<u>1,718,981</u>	<u>1,718,981</u>	<u>1,718,981</u>	<u>-</u>
Total expenditures	<u>3,643,981</u>	<u>3,643,981</u>	<u>3,643,981</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures			<u>\$ 24,933</u>	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			\$ 24,933	
Increase (decrease) in assets:				
Interest receivable			<u>1,800</u>	
Net change in fund balances - GAAP basis			26,733	
Fund balance-beginning			<u>45,545</u>	
Fund balance-ending - GAAP basis			<u>\$ 72,278</u>	

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, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Investment income	\$ -	\$ -	\$ 5,262	\$ 5,262
Total revenues	<u>-</u>	<u>-</u>	<u>5,262</u>	<u>5,262</u>
Other financing sources:				
Transfers in	<u>1,196,750</u>	<u>1,196,750</u>	<u>1,196,750</u>	<u>-</u>
Total revenues and other financing sources	<u>1,196,750</u>	<u>1,196,750</u>	<u>1,202,012</u>	<u>5,262</u>
Expenditures:				
Debt service:				
Principal	1,085,000	1,085,000	1,085,000	-
Interest	<u>111,750</u>	<u>111,750</u>	<u>111,750</u>	<u>-</u>
Total expenditures	<u>1,196,750</u>	<u>1,196,750</u>	<u>1,196,750</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures			<u>\$ 5,262</u>	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			\$ 5,262	
Increase (decrease) in assets:				
Interest receivable			<u>380</u>	
Net change in fund balances - GAAP basis			5,642	
Fund balance-beginning			<u>150,924</u>	
Fund balance-ending - GAAP basis			<u>\$ 156,566</u>	

**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, 2017**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Investment income	\$ -	\$ -	\$ 797	\$ 797
Miscellaneous	50,563	50,563	50,563	-
Total revenues	<u>50,563</u>	<u>50,563</u>	<u>51,360</u>	<u>797</u>
Prior year cash balance budget	70,000	70,000		
Total budget	<u>120,563</u>	<u>120,563</u>		
Expenditures:				
Debt service:				
Principal	70,000	70,000	70,000	-
Interest	50,563	50,563	50,563	-
Total expenditures	<u>120,563</u>	<u>120,563</u>	<u>120,563</u>	<u>-</u>
Deficiency of revenues over expenses			<u>\$ (69,203)</u>	
Budgetary compliance - GAAP financial statement reconciliation:				
Net change in fund balances - budget to actual			\$ (69,203)	
Increase (decrease) in assets:				
Accounts receivable			<u>57</u>	
Net change in fund balances - GAAP basis			(69,146)	
Fund balance-beginning			<u>1,279,192</u>	
Fund balance-ending - GAAP basis			<u>\$ 1,210,046</u>	



COUNTY OF BERNALILLO, NEW MEXICO

DESCRIPTION OF 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 ENTERPRISE FUNDS
June 30, 2017

	Solid Waste	Bernalillo County Housing Authority	Seybold Village Handicapped Project	Regional Juvenile Detention Center	El Centro Familiar	Totals
ASSETS						
Current assets:						
Cash and investments	\$ 3,573,831	\$ 3,649,290	\$ 181,815	\$ 445,912	\$ 285,669	\$ 8,136,517
Accounts receivable, net	1,455,455	270,695	397	4,736	81	1,731,364
Accrued interest receivable	3,046	133	-	372	-	3,551
Due from other funds	-	624,506	14,105	-	-	638,611
Total current assets	<u>5,032,332</u>	<u>4,544,624</u>	<u>196,317</u>	<u>451,020</u>	<u>285,750</u>	<u>10,510,043</u>
Noncurrent assets:						
Capital assets:						
Land	34,000	159,000	205,500	-	36,852	435,352
Land Improvements	-	-	185,860	-	-	185,860
Buildings	721,780	1,062,868	2,093,428	-	2,682,124	6,560,200
Equipment, machinery, and furniture	1,307,734	233,539	33,740	-	12,205	1,587,218
Less accumulated depreciation	(1,537,824)	(903,316)	(1,929,700)	-	(1,800,666)	(6,171,506)
Total noncurrent assets	<u>525,690</u>	<u>552,091</u>	<u>588,828</u>	<u>-</u>	<u>930,515</u>	<u>2,597,124</u>
Total assets	<u>\$ 5,558,022</u>	<u>\$ 5,096,715</u>	<u>\$ 785,145</u>	<u>\$ 451,020</u>	<u>\$ 1,216,265</u>	<u>\$ 13,107,167</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows of pensions	<u>310,530</u>	<u>386,812</u>	<u>11,300</u>	<u>336,635</u>	<u>23,420</u>	<u>1,068,697</u>
Total deferred outflows of resources	<u>\$ 310,530</u>	<u>\$ 386,812</u>	<u>\$ 11,300</u>	<u>\$ 336,635</u>	<u>\$ 23,420</u>	<u>\$ 1,068,697</u>
LIABILITIES						
Current liabilities:						
Accounts payable and other current liabilities	\$ 331,678	\$ 93,599	\$ 5,170	\$ 102,338	\$ 7,281	\$ 540,066
Compensated absences	8,604	23,843	-	3,808	-	36,255
Accrued payroll	13,155	13,267	-	18,070	-	44,492
Due to other funds	-	14,105	8,282	-	65,600	87,987
Unearned revenue	1,258,249	-	40,154	-	279	1,298,682
Total current liabilities	<u>1,611,686</u>	<u>144,814</u>	<u>53,606</u>	<u>124,216</u>	<u>73,160</u>	<u>2,007,482</u>
Noncurrent liabilities:						
Compensated absences	86,997	241,084	-	38,506	-	366,587
Deposits held in trust for others	-	-	4,435	-	10,823	15,258
Net pension liability	963,746	1,053,144	58,402	1,071,791	26,111	3,173,194
Advance from other funds	-	-	-	-	1,205,000	1,205,000
Total noncurrent liabilities	<u>1,050,743</u>	<u>1,294,228</u>	<u>62,837</u>	<u>1,110,297</u>	<u>1,241,934</u>	<u>4,760,039</u>
Total liabilities	<u>2,662,429</u>	<u>1,439,042</u>	<u>116,443</u>	<u>1,234,513</u>	<u>1,315,094</u>	<u>6,767,521</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows- pensions	<u>27,706</u>	<u>17,108</u>	<u>11,930</u>	<u>46,430</u>	<u>1,763</u>	<u>104,937</u>
Total deferred inflows of resources	<u>27,706</u>	<u>17,108</u>	<u>11,930</u>	<u>46,430</u>	<u>1,763</u>	<u>104,937</u>
NET POSITION						
Net investment in capital assets	525,690	552,091	588,828	-	930,515	2,597,124
Unrestricted (deficit)	<u>2,652,727</u>	<u>3,475,286</u>	<u>79,244</u>	<u>(493,288)</u>	<u>(1,007,687)</u>	<u>4,706,282</u>
Total net position	<u>\$ 3,178,417</u>	<u>\$ 4,027,377</u>	<u>\$ 668,072</u>	<u>\$ (493,288)</u>	<u>\$ (77,172)</u>	<u>\$ 7,303,406</u>

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 ENTERPRISE FUNDS
For the Year Ended June 30, 2017

	<u>Solid Waste</u>	<u>Bernalillo County Housing Authority</u>	<u>Seybold Village Handicapped Project</u>	<u>Regional Juvenile Detention Center</u>	<u>El Centro Familiar</u>	<u>Totals</u>
Operating revenues:						
Administrative and service fees	\$ 5,436,666	\$ 624,016	\$ -	\$ 1,062,224	\$ -	\$ 7,122,906
Rental income	-	36,000	53,249	-	439,095	528,344
Other income	62,532	51,839	53,819	18,646	3,704	190,540
Total operating revenues	<u>5,499,198</u>	<u>711,855</u>	<u>107,068</u>	<u>1,080,870</u>	<u>442,799</u>	<u>7,841,790</u>
Operating expenses:						
Salaries and wages	756,364	845,213	8,589	790,719	29,449	2,430,334
Contractual services	4,017,274	223,138	6,445	197,423	8,839	4,453,119
Materials and supplies	12,683	50,809	6,483	206,761	10,647	287,383
Other services and charges	270,384	121,772	64,984	58,841	115,368	631,349
Landfill expenses	492	-	-	-	-	492
Miscellaneous expense	-	-	-	-	8	8
Depreciation	54,543	50,180	55,926	-	105,177	265,826
Total operating expenses	<u>5,111,740</u>	<u>1,291,112</u>	<u>142,427</u>	<u>1,253,744</u>	<u>269,488</u>	<u>8,068,511</u>
Operating income (loss)	<u>387,458</u>	<u>(579,257)</u>	<u>(35,359)</u>	<u>(172,874)</u>	<u>173,311</u>	<u>(226,721)</u>
Non-operating revenues:						
Interest income	9,661	1,664	88	1,053	494	12,960
Gain on sale of capital assets	-	401	-	-	-	401
Grants - subsidies	-	626,849	-	-	-	626,849
Total nonoperating revenue	<u>9,661</u>	<u>628,914</u>	<u>88</u>	<u>1,053</u>	<u>494</u>	<u>640,210</u>
Income (loss) before contributions and transfers	397,119	49,657	(35,271)	(171,821)	173,805	413,489
Capital-grant subsidies	-	-	8,282	-	-	8,282
Transfers in	-	1,500,000	-	-	129,072	1,629,072
Transfers out	-	(10,645)	(148,436)	-	(1,400,000)	(1,559,081)
Change in net position	<u>397,119</u>	<u>1,539,012</u>	<u>(175,425)</u>	<u>(171,821)</u>	<u>(1,097,123)</u>	<u>491,762</u>
Total net position - beginning	<u>2,781,298</u>	<u>2,488,365</u>	<u>843,497</u>	<u>(321,467)</u>	<u>1,019,951</u>	<u>6,811,644</u>
Total net position (deficit) - ending	<u>\$ 3,178,417</u>	<u>\$ 4,027,377</u>	<u>\$ 668,072</u>	<u>\$ (493,288)</u>	<u>\$ (77,172)</u>	<u>\$ 7,303,406</u>

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

**COUNTY OF BERNALILLO, NEW MEXICO
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2017**

	Business-type Activities Enterprise Funds					Totals
	Solid Waste	Bernalillo County Housing Authority	Seybold Village Handicapped Project	Regional Juvenile Detention Center	El Centro Familiar	
Cash flows from operating activities:						
Receipts from administration and service fees	\$ 5,517,867	\$ 376,741	\$ -	\$ 1,107,204	\$ -	\$ 7,001,812
Receipts from rents	-	36,000	91,240	-	435,886	563,126
Receipts from other funds for goods and services	-	35,385	90,007	-	(23,561)	101,831
Payments to employees for services	(456,518)	(778,383)	(11,484)	(492,353)	(26,843)	(1,765,581)
Payments to vendors for goods and services	(4,532,015)	(408,269)	(79,217)	(723,569)	(139,585)	(5,882,655)
Payments to other funds for goods and services	-	(115,881)	(77,450)	-	(400)	(193,731)
Miscellaneous cash received	-	237,559	53,979	-	3,760	295,298
Net cash provided (used) by operating activities	529,334	(616,848)	67,075	(108,718)	249,257	120,100
Cash flows from noncapital financing activities:						
Operating grants/subsidies received	-	626,849	-	-	-	626,849
Contributions to other funds	-	-	-	-	(70,000)	(70,000)
Transfers out to other funds	-	(10,645)	(148,436)	-	(1,400,000)	(1,559,081)
Transfers in from other funds	-	1,500,000	-	-	129,073	1,629,073
Net cash provided (used) by noncapital financing activities	-	2,116,204	(148,436)	-	(1,340,927)	626,841
Cash flows from capital and related financing activities:						
Proceeds from sale of capital assets	-	401	-	-	-	401
Acquisition of capital assets	(161,150)	-	-	-	-	(161,150)
Capital grants received	-	-	8,282	-	-	8,282
Net cash provided (used) by capital and related financing activities	(161,150)	401	8,282	-	-	(152,467)
Cash flows from investing activities:						
Interest received on investments	6,615	1,604	88	681	494	9,482
Net cash provided by investing activities	6,615	1,604	88	681	494	9,482
Net increase (decrease) in cash and cash equivalents	374,799	1,501,361	(72,991)	(108,037)	(1,091,176)	603,956
Cash and cash equivalents, beginning of year	3,199,032	2,147,929	254,806	553,949	1,376,846	7,532,562
Cash and cash equivalents, end of year	\$ 3,573,831	\$ 3,649,290	\$ 181,815	\$ 445,912	\$ 285,670	\$ 8,136,518
Reconciliation of operating income (loss) to net cash flows provided (used) by operating activities:						
Operating income (loss)	\$ 387,458	\$ (579,257)	\$ (35,359)	\$ (172,874)	\$ 173,311	\$ (226,721)
Adjustments to reconcile operating income to net cash provided(used) by operating activities:						
Depreciation	54,543	50,180	55,926	-	105,177	265,826
Increase (decrease) in:						
Accounts receivable	199,062	(61,555)	(289)	26,334	120	163,672
Allowance for uncollectable accounts	(178,224)	-	-	-	-	(178,224)
Due from other funds	-	(115,881)	90,007	-	(23,561)	(49,435)
Unearned revenue	(2,169)	-	38,281	-	(3,329)	32,783
Accounts payable	(1,035)	23,555	(11,265)	(50,586)	(5,122)	(44,453)
Due to other funds	-	-	(68,521)	-	-	(68,521)
Tenants payable	-	-	160	-	56	216
Accrued compensated absences	2,146	(20,062)	(2,879)	17,083	-	(3,712)
Net pension liability, deferred inflows and outflows	67,553	86,172	1,014	71,325	2,605	228,669
Net cash flows provided (used) by operating activities	\$ 529,334	\$ (616,848)	\$ 67,075	\$ (108,718)	\$ 249,257	\$ 120,100

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

COUNTY OF BERNALILLO, NEW MEXICO

DESCRIPTION OF INTERNAL SERVICE FUNDS

Health Insurance Fund. To account for the operations of the self-insurance health programs. Bernalillo County adopted self-insurance programs effective July 2014. The County maintains insurance programs for employee medical and prescription drug.

Risk Fund. To account for the operations of the risk management. The County entered into an agreement with other governments, to form the Workers Compensation Pool in July 1987 and multi-line pool in January 1989. The public entity risk pools operate as common risk management and insurance programs for workers' compensation, property and casualty coverage, and law enforcement liability coverage.

COUNTY OF BERNALILLO, NEW MEXICO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2017

	<u>Risk Management</u>	<u>Health Self Insurance</u>	<u>Total Internal Service</u>
ASSETS			
Current assets:			
Cash and investments	\$ 4,465,312	\$ 5,755,278	\$ 10,220,590
Accounts receivable, net	-	478,309	478,309
Accrued interest receivable	1,219	4,408	5,627
Due from other funds	3,121,736	-	3,121,736
Prepaid assets	2,860,832	-	2,860,832
Total assets	<u>10,449,099</u>	<u>6,237,995</u>	<u>16,687,094</u>
LIABILITIES			
Current liabilities:			
Accounts payable and other current liabilities	<u>5,982,874</u>	<u>2,875,614</u>	<u>8,858,488</u>
Total liabilities	<u>5,982,874</u>	<u>2,875,614</u>	<u>8,858,488</u>
NET POSITION			
Unrestricted	4,466,225	3,362,381	7,828,606
Total net position	<u>\$ 4,466,225</u>	<u>\$ 3,362,381</u>	<u>\$ 7,828,606</u>

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
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2017**

	<u>Risk Management</u>	<u>Health Self Insurance</u>	<u>Total Internal Service</u>
Operating revenues:			
Administrative and service fees	\$ 13,352,027.0	\$ 23,006,266	\$ 36,358,293
Other income	-	422,796	422,796
Total operating revenues	<u>13,352,027</u>	<u>23,429,062</u>	<u>36,781,089</u>
Operating expenses:			
Contractual services	13,159,772	-	13,159,772
Other services and charges	-	23,233,558	23,233,558
Total operating expenses	<u>13,159,772</u>	<u>23,233,558</u>	<u>36,393,330</u>
Operating income	<u>192,255</u>	<u>195,504</u>	<u>387,759</u>
Non-operating revenues:			
Interest income	3,944	30,706	34,650
Total nonoperating revenue	<u>3,944</u>	<u>30,706</u>	<u>34,650</u>
Change in net position	196,199	226,210	422,409
Total net position - beginning	4,270,026	3,136,171	7,406,197
Total net position - ending	<u>\$ 4,466,225</u>	<u>\$ 3,362,381</u>	<u>\$ 7,828,606</u>

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

**COUNTY OF BERNALILLO, NEW MEXICO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2017**

	<u>Risk Management</u>	<u>Health Self Insurance</u>	<u>Total Internal Service</u>
Cash flows from operating activities:			
Receipts from administration and service fees	\$ 14,819,718	\$ 22,913,700	\$ 37,733,418
Payments to vendors for goods and services	(11,987,527)	(23,594,676)	(35,582,203)
Miscellaneous cash received	-	422,796	422,796
Net cash provided (used) by operating activities	<u>2,832,191</u>	<u>(258,180)</u>	<u>2,574,011</u>
Cash flows from investing activities:			
Interest received on investments	<u>2,724</u>	<u>28,342</u>	<u>31,065</u>
Net cash provided by investing activities	<u>2,724</u>	<u>28,342</u>	<u>31,065</u>
Net increase (decrease) in cash and cash equivalents	2,834,915	(229,838)	2,605,076
Cash and cash equivalents, beginning of year	<u>1,630,397</u>	<u>5,985,117</u>	<u>7,615,514</u>
Cash and cash equivalents, end of year	<u>\$ 4,465,312</u>	<u>\$ 5,755,279</u>	<u>\$ 10,220,590</u>
Reconciliation of operating loss to net cash flows provided (used) by operating activities:			
Operating income	\$ 192,255	\$ 195,504	\$ 387,759
Adjustments to reconcile operating loss to net cash provided(used) by operating activities:			
Change in assts and liabilities:			
Accounts receivable	-	(92,567)	(92,567)
Due from other funds	1,467,690	-	1,467,690
Prepaid expenses	(192,254)	-	(192,254)
Increase (decrease) in:			
Accounts payable	1,364,500	(361,117)	1,003,383
Net cash flows provided (used) by operating activities	<u>\$ 2,832,191</u>	<u>\$ (258,180)</u>	<u>\$ 2,574,011</u>

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

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.

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 Interest on Investment. To account for interest earned on collected property 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.

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

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 Metropolitan Detention Center (MDC). To provide a place of safekeeping for funds an offender may have access to but not physical control of during their confinement.

Resident Juvenile Detention and Youth Service Center (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.

COUNTY OF BERNALILLO, NEW MEXICO

DESCRIPTION OF FIDUCIARY FUNDS

AGENCY FUNDS (CONTINUED)

Regional Transit. 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.

San Miguel County Housing. To provide oversight and management services for San Miguel Housing Authority, per Intergovernmental Agreement.

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, 2017

	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	\$ 6,825	\$ 2,435,131	\$ 654,920	\$ 797,645	\$ 9,506,450	\$ 510,033	\$ 13,911,004
Receivables, net:							
Property taxes	-	-	-	-	28,560,841	-	28,560,841
Gross receipt tax	-	-	-	-	-	-	-
Other	-	-	-	411	-	-	411
Total assets	\$ 6,825	\$ 2,435,131	\$ 654,920	\$ 798,056	\$ 38,067,291	\$ 510,033	\$ 42,472,256
LIABILITIES							
Deposits held in trust for others	\$ 6,825	\$ 2,435,131	\$ 654,920	\$ 797,645	\$ 9,506,450	\$ 510,033	\$ 13,911,004
Other	-	-	-	411	-	-	411
Future taxes collectable	-	-	-	-	28,560,841	-	28,560,841
Total liabilities	\$ 6,825	\$ 2,435,131	\$ 654,920	\$ 798,056	\$ 38,067,291	\$ 510,033	\$ 42,472,256

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 (continued)**

June 30, 2017

	Court Services	County Sheriff	Inmate MDC	Resident JDYSC	Regional Transit	San Miguel County Housing	Cafeteria Plan
ASSETS							
Cash and investments	\$ 1	\$ 255,408	\$ 272,715	\$ 699	\$ -	\$ 85,491	\$ 276,520
Receivables, net:							
Property taxes	-	-	-	-	-	-	-
Gross receipt tax	-	-	-	-	4,568,181	-	-
Other	-	-	-	-	-	23,793	-
Total assets	\$ 1	\$ 255,408	\$ 272,715	\$ 699	\$ 4,568,181	\$ 109,284	\$ 276,520
LIABILITIES							
Deposits held in trust for others	\$ 1	\$ 255,408	\$ 272,715	\$ 699	\$ -	\$ 109,284	\$ 276,520
Other	-	-	-	-	-	-	-
Future taxes collectable	-	-	-	-	4,568,181	-	-
Total liabilities	\$ 1	\$ 255,408	\$ 272,715	\$ 699	\$ 4,568,181	\$ 109,284	\$ 276,520

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 (continued)**

June 30, 2017

	Special Assessment District 83-1	Special Assessment District 83-1B	Total Agency Fund
ASSETS			
Cash and investments	\$ 557,704	\$ 1,088	\$ 15,360,630
Receivables, net:			
Property taxes	-	-	28,560,841
Gross receipt tax	-	-	4,568,181
Other	62,694	735,000	821,898
	\$ 620,398	\$ 736,088	\$ 49,311,550
Total assets	\$ 620,398	\$ 736,088	\$ 49,311,550
LIABILITIES			
Deposits held in trust			
for others	\$ 557,704	\$ 1,088	\$ 15,384,423
Other	62,694	735,000	798,105
Future taxes collectable	-	-	33,129,022
	\$ 620,398	\$ 736,088	\$ 49,311,550
Total liabilities	\$ 620,398	\$ 736,088	\$ 49,311,550

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, 2017

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
TREASURER - CHILDREN'S TRUST				
ASSETS				
Cash and investments	\$ 7,110	\$ 168,570	\$ 168,855	\$ 6,825
Total assets	<u>7,110</u>	<u>168,570</u>	<u>168,855</u>	<u>6,825</u>
LIABILITIES				
Deposits held in trust for others	7,110	168,570	168,855	6,825
Total liabilities	<u>7,110</u>	<u>168,570</u>	<u>168,855</u>	<u>6,825</u>
TREASURER - REFUND OVERPAYMENTS				
ASSETS				
Cash and investments	2,358,557	3,220,655	3,144,081	2,435,131
Total assets	<u>2,358,557</u>	<u>3,220,655</u>	<u>3,144,081</u>	<u>2,435,131</u>
LIABILITIES				
Deposits held in trust for others	2,358,557	3,220,655	3,144,081	2,435,131
Total liabilities	<u>2,358,557</u>	<u>3,220,655</u>	<u>3,144,081</u>	<u>2,435,131</u>
TREASURER - TAXES PAID IN ADVANCE				
ASSETS				
Cash and investments	695,125	2,322,842	2,363,047	654,920
Total assets	<u>695,125</u>	<u>2,322,842</u>	<u>2,363,047</u>	<u>654,920</u>
LIABILITIES				
Deposits held in trust for others	695,125	2,322,842	2,363,047	654,920
Total liabilities	<u>695,125</u>	<u>2,322,842</u>	<u>2,363,047</u>	<u>654,920</u>
TREASURER - CLAIM FOR REFUND INTEREST ON INVESTMENT				
ASSETS				
Cash and investments	794,395	12,979	9,729	797,645
Receivables - Other	741	411	741	411
Total assets	<u>795,136</u>	<u>13,390</u>	<u>10,470</u>	<u>798,056</u>
LIABILITIES				
Deposits held in trust for others	794,395	12,979	9,729	797,645
Other Liabilities	741	411	741	411
Total liabilities	<u>795,136</u>	<u>13,390</u>	<u>10,470</u>	<u>798,056</u>
TREASURER - UNDISTRIBUTED TAXES				
ASSETS				
Cash and investments	10,316,340	1,219,967,995	1,220,777,885	9,506,450
Receivables - Property taxes	29,681,957	35,050,442	36,171,558	28,560,841
Total assets	<u>39,998,297</u>	<u>1,255,018,437</u>	<u>1,256,949,443</u>	<u>38,067,291</u>
LIABILITIES				
Deposits held in trust for others	10,316,340	1,219,967,995	1,220,777,885	9,506,450
Future taxes collectible	29,681,957	35,050,442	36,171,558	28,560,841
Total liabilities	<u>39,998,297</u>	<u>1,255,018,437</u>	<u>1,256,949,443</u>	<u>38,067,291</u>
TREASURER - CLAIM FOR REFUND				
ASSETS				
Cash and investments	1,182,205	142,179	814,351	510,033
Total assets	<u>1,182,205</u>	<u>142,179</u>	<u>814,351</u>	<u>510,033</u>
LIABILITIES				
Deposits held in trust for others	1,182,205	142,179	814,351	510,033
Total liabilities	<u>1,182,205</u>	<u>142,179</u>	<u>814,351</u>	<u>510,033</u>
TOTAL - TREASURER				
ASSETS				
Cash and investments	15,353,732	1,225,835,220	1,227,277,948	13,911,004
Receivables - Property taxes	29,681,957	35,050,442	36,171,558	28,560,841
Receivables - Other	741	411	741	411
Total assets	<u>45,036,430</u>	<u>1,260,886,073</u>	<u>1,263,450,247</u>	<u>42,472,256</u>
LIABILITIES				
Deposits held in trust for others	15,353,732	1,225,835,220	1,227,277,948	13,911,004
Other Liabilities	741	411	741	411
Future taxes collectible	29,681,957	35,050,442	36,171,558	28,560,841
Total liabilities	<u>\$ 45,036,430</u>	<u>\$ 1,260,886,073</u>	<u>\$ 1,263,450,247</u>	<u>\$ 42,472,256</u>

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 (continued)
 Year Ended June 30, 2017

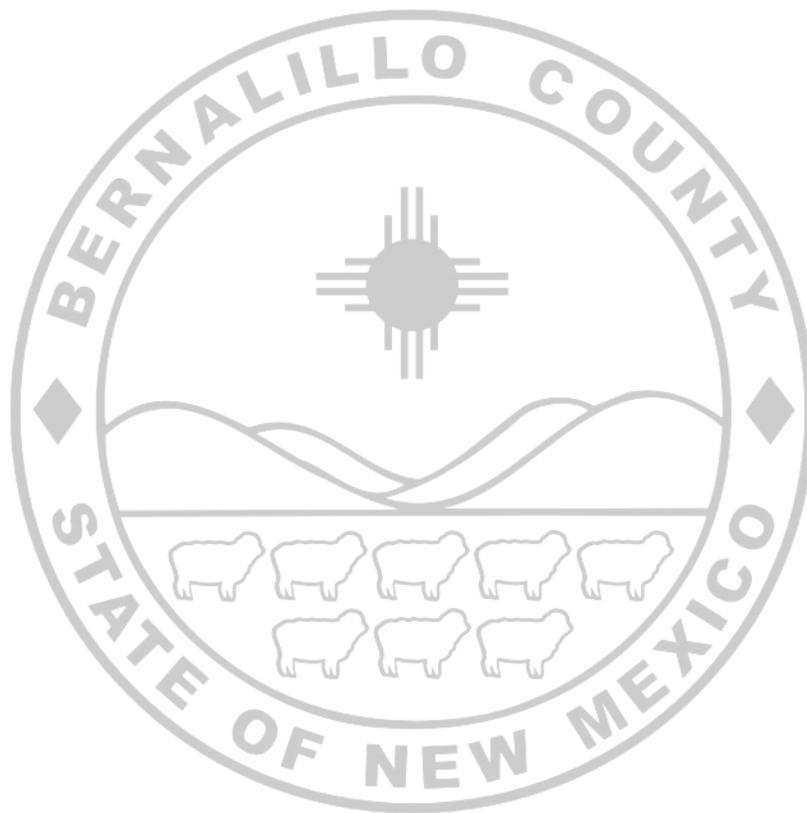
	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
COURT SERVICES				
ASSETS				
Cash and investments	\$ 6,814	\$ 130,901	\$ 137,714	\$ 1
Total assets	<u>6,814</u>	<u>130,901</u>	<u>137,714</u>	<u>1</u>
LIABILITIES				
Deposits held in trust for others	6,814	130,901	137,714	1
Total liabilities	<u>6,814</u>	<u>130,901</u>	<u>137,714</u>	<u>1</u>
COUNTY SHERIFF				
ASSETS				
Cash and investments	250,968	45,078	40,638	255,408
Total assets	<u>250,968</u>	<u>45,078</u>	<u>40,638</u>	<u>255,408</u>
LIABILITIES				
Deposits held in trust for others	250,968	45,078	40,638	255,408
Total liabilities	<u>250,968</u>	<u>45,078</u>	<u>40,638</u>	<u>255,408</u>
INMATE MDC				
ASSETS				
Cash and investments	333,842	2,110,384	2,171,511	272,715
Total assets	<u>333,842</u>	<u>2,110,384</u>	<u>2,171,511</u>	<u>272,715</u>
LIABILITIES				
Deposits held in trust for others	333,842	2,110,384	2,171,511	272,715
Total liabilities	<u>333,842</u>	<u>2,110,384</u>	<u>2,171,511</u>	<u>272,715</u>
RESIDENT JDYSC				
ASSETS				
Cash and investments	1,224	4,773	5,298	699
Total assets	<u>1,224</u>	<u>4,773</u>	<u>5,298</u>	<u>699</u>
LIABILITIES				
Deposits held in trust for others	1,224	4,773	5,298	699
Total liabilities	<u>1,224</u>	<u>4,773</u>	<u>5,298</u>	<u>699</u>
REGIONAL TRANSIT				
ASSETS				
Cash and investments	-	27,511,620	27,511,620	-
Receivables - Gross receipts tax	4,363,140	4,568,181	4,363,140	4,568,181
Total assets	<u>4,363,140</u>	<u>32,079,801</u>	<u>31,874,760</u>	<u>4,568,181</u>
LIABILITIES				
Deposits held in trust for others	-	27,511,620	27,511,620	-
Future taxes collectible	4,363,140	4,568,181	4,363,140	4,568,181
Total liabilities	<u>4,363,140</u>	<u>32,079,801</u>	<u>31,874,760</u>	<u>4,568,181</u>
SAN MIGUEL HOUSING				
ASSETS				
Cash and investments	45,765	658,578	618,852	85,491
Receivables - Other	91	33,359	9,657	23,793
Total assets	<u>45,856</u>	<u>691,937</u>	<u>628,509</u>	<u>109,284</u>
LIABILITIES				
Deposits held in trust for others	45,856	691,937	628,509	109,284
Total liabilities	<u>45,856</u>	<u>691,937</u>	<u>628,509</u>	<u>109,284</u>
CAFETERIA				
ASSETS				
Cash and investments	320,551	714,754	758,785	276,520
Total assets	<u>320,551</u>	<u>714,754</u>	<u>758,785</u>	<u>276,520</u>
LIABILITIES				
Due to other funds	43,025	-	43,025.00	-
Deposits held in trust for others	277,526	714,754	715,760	276,520
Total liabilities	<u>320,551</u>	<u>714,754</u>	<u>758,785</u>	<u>276,520</u>

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 (continued)
 Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
SPECIAL ASSESSMENT DISTRICT 83-1A				
ASSETS				
Cash and investments	557,704	-	-	557,704
Receivables - Other	52,963	9,731	-	62,694
Total assets	<u>610,667</u>	<u>9,731</u>	<u>-</u>	<u>620,398</u>
LIABILITIES				
Deposits held in trust for others	557,704	-	-	557,704
Other Liabilities	52,963	9,731	-	62,694
Total liabilities	<u>610,667</u>	<u>9,731</u>	<u>-</u>	<u>620,398</u>
SPECIAL ASSESSMENT DISTRICT 83-1B				
ASSETS				
Cash and investments	307	155,000	154,219	1,088
Receivables - Other	840,000	735,000	840,000	735,000
Total assets	<u>840,307</u>	<u>890,000</u>	<u>994,219</u>	<u>736,088</u>
LIABILITIES				
Deposits held in trust for others	307	155,000	154,219	1,088
Other Liabilities	840,000	735,000	840,000	735,000
Total liabilities	<u>840,307</u>	<u>890,000</u>	<u>994,219</u>	<u>736,088</u>
TOTAL AGENCY FUNDS				
ASSETS				
Cash and investments	16,870,907	1,257,166,308	1,258,676,585	15,360,630
Receivables - Property taxes	29,681,957	35,050,442	36,171,558	28,560,841
Receivables - Gross receipts tax	4,363,140	4,568,181	4,363,140	4,568,181
Receivables - Other	893,795	778,501	850,398	821,898
Total assets	<u>51,809,799</u>	<u>1,297,563,432</u>	<u>1,300,061,681</u>	<u>49,311,550</u>
LIABILITIES				
Due to other funds	43,025	-	43,025	-
Deposits held in trust for others	16,827,973	1,257,199,667	1,258,643,217	15,384,423
Other Liabilities	893,704	745,142	840,741	798,105
Future taxes collectible	34,045,097	39,618,623	40,534,698	33,129,022
Total liabilities	<u>\$ 51,809,799</u>	<u>\$ 1,297,563,432</u>	<u>\$ 1,300,061,681</u>	<u>\$ 49,311,550</u>

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



COUNTY OF BERNALILLO, NEW MEXICO
 FINANCIAL DATA SCHEDULE - AS REQUIRED BY HUD
 YEAR ENDED JUNE 30, 2017

Financial Data Schedule - Balance Sheet

Account Description	Seybold	Housing Choice Vouchers	El Centro	Central Office	Home Rehab	Linkages/ MDC	Housing Initiatives	Total
111 Cash - Unrestricted	\$ 183,203	\$ 2,467,382	\$ 209,246	\$ 4,069,679	\$ 185,896	\$ 150,803	\$ 4,116	\$ 7,270,325
113 Cash - Other Restricted	-	613,469	-	-	-	-	-	613,469
114 Cash - Tenant Security Deposits	4,435	-	10,823	-	-	-	-	15,258
100 Total Cash	187,638	3,080,851	220,069	4,069,679	185,896	150,803	4,116	7,899,052
121 Accounts Receivable - PHA Projects	-	20,644	-	-	-	-	-	20,644
122 Accounts Receivable - HUD Other Projects	-	9,864	-	-	-	-	-	9,864
124 Accounts Receivable - Other Government	-	-	-	-	61,555	75,678	-	137,233
125 Accounts Receivable - Miscellaneous	-	11,551	-	-	-	-	-	11,551
126 Accounts Receivable - Tenants	8,617	-	81	-	-	1,436	-	10,134
126.1 Allowance for Doubtful Accounts - Tenants	(8,220)	-	-	-	-	-	-	(8,220)
126.2 Allowance for Doubtful Accounts - Other	-	(7,925)	-	-	-	-	-	(7,925)
128 Fraud Recovery	-	94,448	-	-	-	-	-	94,448
128.1 Allowance for Doubtful Accounts - Fraud	-	(94,448)	-	-	-	-	-	(94,448)
129 Accrued Interest Receivable	-	-	-	133	-	-	-	133
120 Total Receivables, Net of Allowances for Doubtful Accounts	397	34,134	81	133	61,555	77,114	-	173,414
150 Total Current Assets	188,035	3,114,985	220,150	4,069,812	247,451	227,917	4,116	8,072,466
161 Land	205,500	-	36,852	159,000	-	-	-	401,352
162 Buildings	2,279,288	-	2,682,124	1,062,868	-	-	-	6,024,280
163 Furniture, Equipment & Machinery - Dwellings	33,740	-	12,205	-	-	-	-	45,945
164 Furniture, Equipment & Machinery - Administration	-	-	-	233,539	-	-	-	233,539
166 Accumulated Depreciation	(1,929,700)	-	(1,800,666)	(903,316)	-	-	-	(4,633,682)
160 Total Capital Assets, Net of Accumulated Depreciation	588,828	-	930,515	552,091	-	-	-	2,071,434
171 Notes, Loans and Mortgages Receivable - Non-Current	-	-	-	209,140	-	-	-	209,140
180 Total Non-Current Assets	588,828	-	930,515	761,231	-	-	-	2,280,574
200 Deferred Outflow of Resources	11,300	-	23,420	386,812	-	-	-	421,532
290 Total Assets and Deferred Outflow of Resources	788,163	3,114,985	1,174,085	5,217,855	247,451	227,917	4,116	10,774,572
312 Accounts Payable <= 90 Days	2,388	11,761	3,938	3,235	-	3,448	-	24,770
321 Accrued Wage/Payroll Taxes Payable	-	12,469	-	13,267	-	-	-	25,736
322 Accrued Compensated Absences - Current Portion	-	9,897	-	13,947	-	-	-	23,844
333 Accounts Payable - Other Government	2,902	74,923	3,705	60,760	34,017	156,021	-	332,328
341 Tenant Security Deposits	4,435	-	10,823	-	-	-	-	15,258
342 Unearned Revenue	40,154	-	279	-	-	-	-	40,433
343 Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue	-	-	70,000	-	-	-	-	70,000
310 Total Current Liabilities	49,879	109,050	88,745	91,209	34,017	159,469	-	532,369
351 Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue	-	-	1,135,000	-	-	-	-	1,135,000
352 Long-term Debt, Net of Current - Operating Borrowings	-	-	-	-	-	30,827	-	30,827
353 Non-current Liabilities - Other	-	309,706	-	-	-	-	-	309,706
354 Accrued Compensated Absences - Non Current	-	100,068	-	141,017	-	-	-	241,085
357 Accrued Pension and OPEB Liabilities	58,282	-	25,749	1,048,729	-	-	-	1,132,760
350 Total Non-Current Liabilities	58,282	409,774	1,160,749	1,189,746	-	30,827	-	2,849,378
300 Total Liabilities	108,161	518,824	1,249,494	1,280,955	34,017	190,296	-	3,381,747
400 Deferred Inflow of Resources	11,930	-	1,763	17,108	-	-	-	30,801
508.4 Net Investment in Capital Assets	588,828	-	(274,485)	552,091	-	-	-	866,434
511.4 Restricted Net Position	-	303,763	-	-	-	-	-	303,763
512.4 Unrestricted Net Position	79,244	2,292,398	197,312	3,367,701	213,434	37,621	4,116	6,191,826
513 Total Equity - Net Assets / Position	668,072	2,596,161	(77,172)	3,919,792	213,434	37,621	4,116	7,362,024
600 Total Liabilities, Deferred Inflows of Resources and Equity - Net	\$ 788,163	\$ 3,114,985	\$1,174,084	\$ 5,217,855	\$ 247,451	\$ 227,917	\$ 4,116	\$10,774,571

COUNTY OF BERNALILLO, NEW MEXICO
 FINANCIAL DATA SCHEDULE - AS REQUIRED BY HUD
 YEAR ENDED JUNE 30, 2017

Financial Data Schedule - Revenue and Expenditures

Account Description	Seybold	Housing Choice Vouchers	El Centro	Central Office	Home Rehab	Linkages/ MDC	Housing Initiatives	Total
70300 Net Tenant Rental Revenue	\$ 53,249	\$ -	\$ 439,095	\$ -	\$ -	\$ -	\$ -	\$ 492,344
70400 Tenant Revenue - Other	375	-	3,704	-	-	-	-	4,079
70500 Total Tenant Revenue	53,624	-	442,799	-	-	-	-	496,423
70600 HUD PHA Operating Grants	61,726	16,543,557	-	-	-	-	-	16,605,283
70700 Total Fee Revenue	-	-	-	444,139	-	-	-	444,139
70800 Other Government Grants	-	-	70,000	-	286,977	776,630	-	1,133,607
71100 Investment Income - Unrestricted	88	916	352	250	-	-	-	1,606
71400 Fraud Recovery	-	58,242	-	-	-	-	-	58,242
71500 Other Revenue	-	863,321	142	609,004	-	94,376	-	1,566,843
71600 Gain or Loss on Sale of Capital Assets	-	-	-	401	-	-	-	401
70000 Total Revenue	115,438	17,466,036	513,293	1,053,794	286,977	871,006	-	20,306,544
91100 Administrative Salaries	832	303,251	3,613	494,981	16,284	5,852	-	824,813
91200 Auditing Fees	73	10,977	402	816	113	-	-	12,381
91300 Management Fee	11,348	244,088	29,413	-	-	-	-	284,849
91310 Book-keeping Fee	1,875	152,555	4,860	-	-	-	-	159,290
91400 Advertising and Marketing	30	-	-	-	-	-	-	30
91500 Employee Benefit contributions - Administrative	875	172,490	2,247	302,051	8,304	3,028	-	488,995
91600 Office Expenses	-	6,361	-	6,114	8	9	-	12,492
91800 Travel	-	-	-	4,507	-	-	-	4,507
91810 Allocated Overhead	-	-	-	-	-	84,553	-	84,553
91900 Other	-	29,952	-	79,995	4,615	127	-	114,689
91000 Total Operating - Administrative	15,033	919,674	40,535	888,464	29,324	93,569	-	1,986,599
92100 Tenant Services - Salaries	-	80,312	-	-	-	-	-	80,312
92300 Employee Benefit Contributions - Tenant Services	-	52,442	-	-	-	-	-	52,442
92500 Total Tenant Services	-	132,754	-	-	-	-	-	132,754
93100 Water	12,097	-	12,475	2,726	-	-	-	27,298
93200 Electricity	900	-	6,398	10,693	-	-	-	17,991
93300 Gas	222	-	8,443	2,697	-	-	-	11,362
93000 Total Utilities	13,219	-	27,316	16,116	-	-	-	56,651
94100 Ordinary Maintenance and Operations - Labor	3,327	-	14,455	-	-	-	-	17,782
94200 Ordinary Maintenance and Operations - Materials and Other	20,139	1,617	14,694	394	80	-	-	36,924
94300 Ordinary Maintenance and Operations Contracts	11,539	821	50,557	14,078	205,496	-	-	282,491
94500 Employee Benefit Contributions - Ordinary Maintenance	3,500	-	8,989	-	-	-	-	12,489
94000 Total Maintenance	38,505	2,438	88,695	14,472	205,576	-	-	349,686
96130 Workmen's Compensation	345	4,250	144	2,642	445	-	-	7,826
96140 All Other Insurance	2,897	626	7,529	2,395	209	-	-	13,656
96100 Total insurance Premiums	3,242	4,876	7,673	5,037	654	-	-	21,482
96200 Other General Expenses	8,282	-	-	57,997	-	773,721	-	840,000
96210 Compensated Absences	-	25,555	-	21,527	-	-	-	47,082
96400 Bad debt - Tenant Rents	8,220	-	92	-	-	-	-	8,312
96600 Bad debt - Other	-	28,459	-	-	-	-	-	28,459
96000 Total Other General Expenses	16,502	54,014	92	79,524	-	773,721	-	923,853
96900 Total Operating Expenses	86,501	1,113,756	164,311	1,003,613	235,554	867,290	-	3,471,025
97000 Excess of Operating Revenue over Operating Expenses	28,937	16,352,280	348,982	50,181	51,423	3,716	-	16,835,519
97300 Housing Assistance Payments	-	14,702,222	-	-	-	-	-	14,702,222
97350 HAP Portability-In	-	743,134	-	-	-	-	-	743,134
97400 Depreciation Expense	55,926	-	105,177	50,180	-	-	-	211,283
90000 Total Expenses	142,427	16,559,112	269,488	1,053,793	235,554	867,290	-	19,127,664
10093 Transfers between Program and Project - In	-	9	59,072	1,500,000	-	-	-	1,559,081
10094 Transfers between Project and Program - Out	(148,436)	-	(1,400,000)	(10,645)	-	-	-	(1,559,081)
10100 Total Other financing Sources (Uses)	(148,436)	9	(1,340,928)	1,489,355	-	-	-	-
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ (175,425)	\$ 906,933	\$ (1,097,123)	\$ 1,489,356	\$ 51,423	\$ 3,716	\$ -	\$ 1,178,880
11020 Required Annual Debt Principal Payments	-	-	70,000	-	-	-	-	70,000
11030 Beginning Equity	843,497	1,689,228	1,019,951	2,430,436	162,011	33,904	4,116	6,183,143
11170 Administrative Fee Equity	-	2,292,398	-	-	-	-	-	2,292,398
11180 Housing Assistance Payments Equity	-	303,763	-	-	-	-	-	303,763
11190 Unit Months Available	252	26,472	648	-	-	-	-	27,372
11210 Number of Unit Months Leased	250	26,879	648	-	-	-	-	27,777
11270 Excess Cash	131,639	-	-	-	-	-	-	131,639

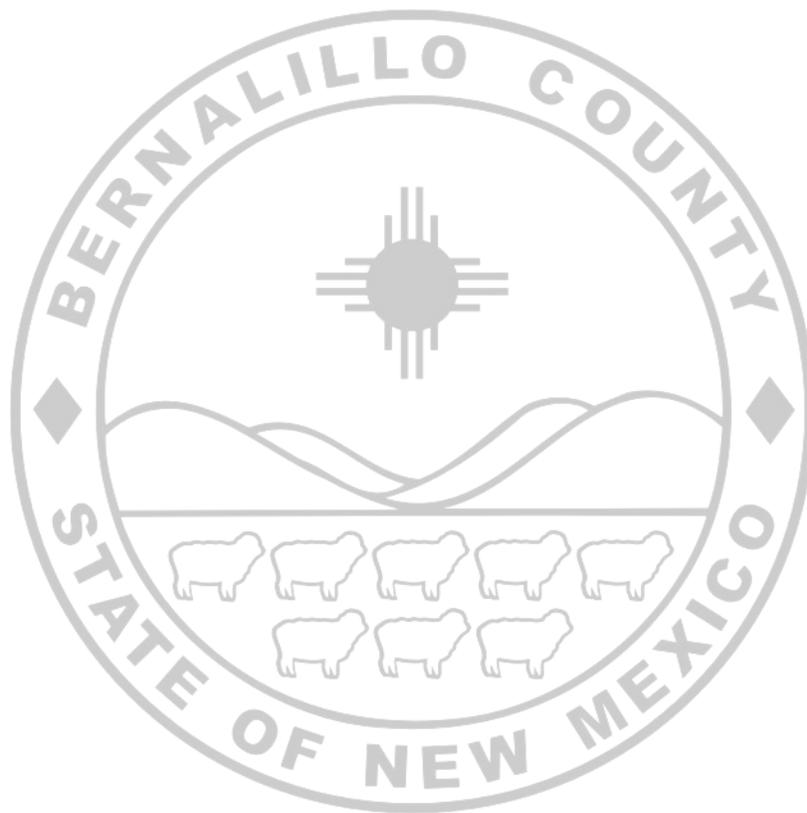
**COUNTY OF BERNALILLO, NEW MEXICO
 FINANCIAL DATA SCHEDULE - DSAP RENEE's PROJECT
 YEAR ENDED JUNE 30, 2017**

Financial Data Schedule - Balance Sheet

Account Description	Special Needs Assistance NM0051L6B001506
112 Total Cash - Restricted	\$ -
122 Accounts Receivable - HUD	-
190 Total Assets	-
190 Accrued Expenses	-
300 Total Liabilities	-
600 Total Liabilities and Equity/Net Position	\$ -

Financial Data Schedule - Revenue and Expenditures

Account Description	Special Needs Assistance NM0051L6B001506
70600 HUD Operating Grant	\$ 49,383
70000 Total Revenue	49,383
91300 Management Fee	1,092
91900 Other Admin Expense	783
96900 Total Operating Expenses	1,875
97000 Excess of Operating Revenue over Operating Expenses	47,508
97300 Housing Assistance Payments	47,508
90000 Total Expenses	49,383
10000 Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ -



COUNTY OF BERNALILLO, NEW MEXICO
SCHEDULE OF BANK ACCOUNTS
YEAR ENDED JUNE 30, 2017

Financial Institution: Account name	Type of Account	Bank Balance	(Checks) Deposits	Book Balance
Wells Fargo Bank				
Treasurer	Non-interest bearing checking	\$ 734,765	\$ -	\$ 734,765
Treasurer	Interest bearing checking	3,036,450	-	3,036,450
Treasurer	Interest bearing savings	14,228,708	(2,537,879)	11,690,829
Treasurer	Interest bearing money market	16,124,899	-	16,124,899
General	Non-interest bearing checking	144,377	-	144,377
Housing Authority Accounts:				
Management	Interest bearing savings	2,989,126	-	2,989,126
Management	Interest bearing checking	492,022	(50)	491,972
Seybold Village - 21 Unit Low Rent	Interest bearing checking	181,995	(180)	181,815
Section 8 Voucher Program	Interest bearing checking	3,203,550	(33,838)	3,169,712
Section 8 Voucher Program	Interest bearing checking	309,706	-	309,706
Centro Familiar Trust	Interest bearing checking	109,414	(472)	108,942
Centro Familiar	Interest bearing checking	177,365	(638)	176,727
Housing Initiative	Non-interest bearing checking	4,273	-	4,273
Linkages Program	Non-interest bearing checking	101,334	(439)	100,895
MDC Initiative	Non-interest bearing checking	50,569	(661)	49,908
Sheriff's Accounts:				
Evidence Fund	Non-interest bearing checking	257,970	-	257,970
Investigative Fund	Interest bearing checking	30,188	-	30,188
Federal Narcotics	Interest bearing checking	35,402	(4,330)	31,072
Trust Accounts:				
Cafeteria account	Non-interest bearing checking	284,137	(7,617)	276,520
JYC Resident Trust	Non-interest bearing checking	1,032	(333)	699
MDC Inmate Trust	Non-interest bearing checking	350,719	(78,004)	272,715
San Miguel - Housing fiduciary	Non-interest bearing checking	96,027	(10,536)	85,491
Bank of the West				
	Interest bearing savings	40,506	-	40,506
Bank of the West				
	Insured Cash Sweep demand account	80,495,278	-	80,495,278
First National Bank of the Rio Grande				
	Insured Cash Sweep demand account	20,139,170	-	20,139,170
Total bank and book balance		<u>143,618,982</u>	<u>(2,674,977)</u>	<u>140,944,005</u>
Bank of America - Merrill Lynch				
US Treasury	Investment	1,499,565	-	1,499,565
Cantor Fitzgerald				
Federal Home Loan Bank	Investment	5,005,000	-	5,005,000
Citigroup Global Markets				
US Treasury	Investment	4,994,300	-	4,994,300
US Treasury	Investment	474,459	-	474,459
US Treasury	Investment	1,023,832	-	1,023,832
US Treasury	Investment	1,491,920	-	1,491,920
US Treasury	Investment	4,981,250	-	4,981,250
US Treasury	Investment	4,996,200	-	4,996,200
Freddie Mac	Investment		-	
Goldman Sachs				
US Treasury	Investment	1,315,544	-	1,315,544
JP Morgan				
US Treasury	Investment	1,499,070	-	1,499,070
US Treasury	Investment	4,935,350	-	4,935,350
Merrill Lynch				
US Treasury	Investment	1,492,010	-	1,492,010
US Treasury	Investment	4,979,500	-	4,979,500
US Treasury	Investment	1,224,625	-	1,224,625
US Treasury	Investment	4,811,517	-	4,811,517
US Treasury	Investment	4,941,733	-	4,941,733
US Treasury	Investment	4,935,983	-	4,935,983
US Treasury	Investment	4,962,900	-	4,962,900
US Treasury	Investment	4,952,750	-	4,952,750
US Treasury	Investment	4,989,450	-	4,989,450
Morgan Stanley				
US Treasury	Investment	4,999,000	-	4,999,000
US Treasury	Investment	4,996,900	-	4,996,900
US Treasury	Investment	4,994,450	-	4,994,450
US Treasury	Investment	1,498,335	-	1,498,335
US Treasury	Investment	2,682,288	-	2,682,288
US Treasury	Investment	2,680,911	-	2,680,911
US Treasury	Investment	2,679,129	-	2,679,129
US Treasury	Investment	2,686,932	-	2,686,932
US Treasury	Investment	4,942,080	-	4,942,080
US Treasury	Investment	4,956,710	-	4,956,710
US Treasury	Investment	4,949,307	-	4,949,307
Fannie Mae	Investment		-	
Royal Bank of Canada				
US Treasury	Investment	4,992,200	-	4,992,200
US Treasury	Investment	1,491,307	-	1,491,307

COUNTY OF BERNALILLO, NEW MEXICO
SCHEDULE OF BANK ACCOUNTS
YEAR ENDED JUNE 30, 2017

Financial Institution: Account name	Type of Account	Bank Balance	(Checks) Deposits	Book Balance
US Treasury	Investment	1,390,745	-	1,390,745
US Treasury	Investment	1,346,152	-	1,346,152
US Treasury	Investment	2,682,801	-	2,682,801
US Treasury	Investment	2,688,201	-	2,688,201
US Treasury	Investment	4,961,350	-	4,961,350
US Treasury	Investment	4,975,800	-	4,975,800
US Treasury	Investment	2,696,004	-	2,696,004
US Treasury	Investment	2,004,060	-	2,004,060
US Treasury	Investment	4,941,200	-	4,941,200
US Treasury	Investment	4,947,450	-	4,947,450
US Treasury	Investment			
Wells Fargo Securities		1,359,103	-	1,359,103
US Treasury	Investment	9,995,600	-	9,995,600
Federal Home Loan Bank	Investment	4,740,358	-	4,740,358
Federal Home Loan Bank	Investment	5,006,150	-	5,006,150
Federal Home Loan Bank	Investment			
Bayern LB		1,693,500	-	1,693,500
Flex Repo - Reserve	Investment			
Portigon		4,615,582	-	4,615,582
Flex Repo - Reserve	Investment	5,438,448	-	5,438,448
Flex Repo - Reserve	Investment			
Total Investments		<u>183,539,011</u>		<u>183,539,011</u>
Petty Cash on Hand				<u>1,990</u>
Total cash and investments per Note IVA		<u>\$ 327,157,993</u>		<u>\$ 324,485,006</u>

**COUNTY OF BERNALILLO, NEW MEXICO
SCHEDULE OF PLEDGED COLLATERAL
JUNE 30, 2017**

	<u>Cusip No.</u>	<u>Maturity Date</u>	
<u>Wells Fargo</u>			
Non-interest bearing checking accounts			\$ 2,025,205
Interest bearing checking accounts			7,576,091
Interest bearing savings accounts			17,217,812
Less FDIC Coverage			(500,000)
Uninsured balance			<u>26,319,108</u>
Collateral requirement at 50%			<u>13,159,554</u>
Collateral held:			
FNMA FNMS	3140F4ZJ8	05/01/31	(10,472,183)
GN-II MA1448	36179NTDO	11/01/43	(180,479)
GN-II MA1448	36179NTDO	11/01/43	(3,267,621)
GN-II MA1448	36179NTDO	11/01/43	(501,862)
GN-II MA1448	36179NTDO	11/01/43	(185,635)
GN-II MA1448	36179NTDO	11/01/43	(3,097,180)
GN-II MA1448	36179NTDO	11/01/43	(30,792)
GN-II MA1448	36179NTDO	11/01/43	(36,110)
GN-II MA1448	36179NTDO	11/01/43	(3,048,909)
GN-II MA1449	36179NTDO	11/02/43	(111,602)
GN-II MA1448	36179NTDO	11/01/43	(315,900)
			<u>(21,248,273)</u>
Uninsured balance			\$ 5,070,835
Uncollateralized balance			<u>\$ -</u>
<u>Bank of the West</u>			
Interest bearing savings			\$ 40,506
Insured Cash Sweep savings			80,495,278
Less FDIC Coverage 100%			(80,535,784)
Uninsured and uncollateralized balance			<u>\$ -</u>
<u>Sunflower Bank NA</u>			
Insured Cash Sweep demand account			\$ 20,139,170
Less FDIC Coverage 100%			(20,139,170)
Uninsured and uncollateralized balance			<u>\$ -</u>
<u>Portigon</u>			
Repurchase Agreement			\$ 4,615,582
Repurchase Agreement			5,438,448
Uninsured balance			<u>10,054,030</u>
Collateral requirement at 102%			<u>10,255,111</u>
Collateral held at Well Fargo Bank, Minneapolis, MN:			
Wells Fargo Advantage Treasury	VP4530003		(1)
Gov Natl MTG Assn	38379NAG7	03/20/43	(8,549,467)
Gov Natl MTG Assn	38379NCK6	06/20/45	(2,079,812)
			<u>(10,629,280)</u>
Uninsured and uncollateralized balance			<u>\$ -</u>

**COUNTY OF BERNALILLO, NEW MEXICO
SCHEDULE OF PLEDGED COLLATERAL
JUNE 30, 2017**

	<u>Cusip No.</u>	<u>Maturity Date</u>	
<u>Bayern LB</u>			
Repurchase Agreement			\$ 1,693,500
Collateral requirement at 102%			<u>1,727,370</u>
Collateral held at Wells Fargo Bank, Minneapolis, MN:			
United States Dept Veterans Affairs	911760SL1	12/15/30	(1,647,917)
Vendee Mortgage Trust	911760SX5	04/15/31	<u>(183,284)</u>
			<u>(1,831,201)</u>
Uninsured and uncollateralized balance			<u>\$ -</u>
Total uninsured balance			<u>\$ 5,070,835</u>
Total uncollateralized balance			<u>\$ -</u>

**COUNTY OF BERNALILLO, NEW MEXICO
TAX ROLL RECONCILIATION
June 30, 2017**

Property tax receivable, beginning of year	\$ 43,129,387
Changes to Tax Roll:	
Net taxes charged to Treasurer for fiscal year 2017 (Tax Year 2016)	663,158,944
Adjustments:	
Increase in taxes receivable	1,304,845
Charge off of taxes receivable	(1,443,495)
Increase in Cost to State	82,902
Increase in interest and penalties to State of NM	984,561
Increase in interest to County	2,816,769
Increase in penalties to County	1,272,777
Increase in interest to MRGCD	78,631
Increase in penalties to MRGCD	32,784
Elimination of tax year 2005	<u>(601,885)</u>
Total receivables prior to collections	<u>710,816,220</u>
Collections for fiscal year ended June 30, 2017 (Tax Years 2006-2016)	(669,084,879)
Collections for fiscal year ended June 30, 2017 (Tax Year 2006)	<u>(6,447)</u>
Property taxes receivable, end of year	<u><u>\$ 41,724,894</u></u>

Property Taxes receivable by years:

2007	\$ 710,131
2008	1,214,877
2009	1,932,027
2010	1,521,280
2011	1,309,077
2012	1,525,926
2013	1,862,699
2014	3,112,169
2015	8,090,735
2016	<u>20,445,973</u>
Total taxes receivable	<u><u>\$ 41,724,894</u></u>

COUNTY OF BERNALILLO, NEW MEXICO
PROPERTY TAX SCHEDULE
JUNE 30, 2017

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	2007-2015	\$ 171,269,113	\$ 681,728	\$ 170,573,714	\$ -	\$ -	\$ 1,705,007	\$ 674,914	\$ 168,868,707	\$ 119,887	\$ 695,399	\$ 1,705,007	\$ 575,512
STATE DEBT SERVICE	2016	21,219,725	20,559,630	20,559,630	-	-	20,5522	20,354,109	14,854	660,095	205,521	205,521	645,241
Total State Debt Service		192,488,838	21,241,358	191,133,344	-	-	1,910,529	21,029,023	189,222,816	134,741	1,355,494	1,910,528	1,220,753
TOTAL STATE		192,488,838	21,241,358	191,133,344	-	-	1,910,529	21,029,023	189,222,816	134,741	1,355,494	1,910,528	1,220,753
COUNTY													
COUNTY REAPPRAISAL FUND	2007-2015	-	-	-	-	-	-	-	49,075,356	-	-	(49,075,356)	-
COUNTY REAPPRAISAL FUND	2016	-	-	-	-	-	-	-	5,851,399	-	-	(5,851,399)	-
Total County Reappraisal Fund		-	-	-	-	-	-	-	54,926,755	-	-	(54,926,755)	-
COUNTY JUDGEMENT													
COUNTY JUDGEMENT	2007-2015	1,725,450	5,880	1,719,233	-	-	17,188	5,823	1,702,047	1,208	6,217	17,186	5,009
COUNTY JUDGEMENT	2016	156,001	151,159	151,159	-	-	1,511	149,648	149,648	109	4,842	1,511	4,733
Total county Judgement		1,881,451	157,039	1,870,392	-	-	18,699	155,471	1,851,695	1,317	11,059	18,697	9,742
COUNTY OPEN SPACE													
COUNTY OPEN SPACE	2007-2015	10,015,439	61,037	9,960,859	-	-	99,608	60,426	9,861,253	7,011	54,580	99,606	47,569
COUNTY OPEN SPACE	2016	3,072,133	2,976,564	2,976,564	-	-	29,766	2,946,798	2,946,798	2,150	95,569	29,766	93,419
Total County Open Space		13,087,572	3,037,601	12,937,423	-	-	129,374	3,007,224	12,808,051	9,161	150,149	129,372	140,988
COUNTY DEBT SERVICE													
COUNTY DEBT SERVICE	2007-2015	126,163,198	614,774	125,600,205	-	-	1,256,001	608,628	124,344,202	88,314	562,993	1,256,003	474,679
COUNTY DEBT SERVICE	2016	19,729,072	19,116,536	19,116,536	-	-	191,165	18,925,370	18,925,370	13,810	612,536	191,166	598,726
Total County Debt Service		145,892,270	19,731,310	144,716,741	-	-	1,447,166	19,533,998	143,269,572	102,124	1,175,529	1,447,169	1,073,405
COUNTY OPERATIONAL													
COUNTY OPERATIONAL	2007-2015	1,014,601,296	4,232,627	1,010,112,880	-	-	10,101,130	4,190,300	1,000,011,750	710,221	4,488,416	10,101,130	3,778,195
COUNTY OPERATIONAL	2016	124,546,990	120,508,009	120,508,009	-	-	1,205,080	119,302,929	119,302,929	87,183	4,038,981	1,205,080	3,951,798
Total County Operational		1,139,148,286	124,740,636	1,130,620,889	-	-	11,306,210	123,493,229	1,119,314,679	797,404	8,527,397	11,306,210	7,729,993
TOTAL COUNTY		1,300,009,579	147,666,586	1,290,145,445	-	-	12,901,449	146,189,922	1,332,170,752	910,006	9,864,134	(42,025,307)	8,954,128
ALBUQUERQUE													
ABQ DEBT SERVICE	2007-2015	585,099,449	1,818,506	583,322,815	-	-	5,833,228	1,800,322	577,489,585	409,569	1,776,634	5,833,230	1,367,065
ABQ DEBT SERVICE	2016	63,726,610	62,019,795	62,019,795	-	-	620,198	61,399,597	61,399,597	44,609	1,706,815	620,198	1,662,206
Total ABQ Debt Service		648,826,059	63,838,301	645,342,610	-	-	6,453,426	63,199,919	638,889,182	454,178	3,483,449	6,453,428	3,029,271
ABQ OPERATIONAL													
ABQ OPERATIONAL	2007-2015	625,091,538	2,363,223	622,952,943	-	-	6,229,530	2,339,590	616,723,413	437,564	2,138,595	6,229,530	1,701,031
ABQ OPERATIONAL	2016	81,845,673	79,646,534	79,646,534	-	-	796,465	78,850,068	78,850,068	57,292	2,199,139	796,466	2,141,847
Total ABQ Operational		706,937,211	82,009,757	702,599,477	-	-	7,025,995	81,189,658	695,573,481	494,856	4,337,734	7,025,996	3,842,878
TOTAL ALBUQ		1,355,763,270	145,848,058	1,347,942,087	-	-	13,479,421	144,389,577	1,334,462,663	949,034	7,821,183	13,479,424	6,872,149
TUERAS													
TUERAS OPERATIONAL	2007-2015	128,527	1,282	127,662	-	-	1,276	1,269	126,384	90	865	1,278	775
TUERAS OPERATIONAL	2016	16,305	15,465	15,465	-	-	155	15,311	15,311	11	840	154	829
Total Tueras Operational		144,832	16,747	143,127	-	-	1,431	16,580	141,695	101	1,705	1,432	1,604
TOTAL TUERAS		144,832	16,747	143,127	-	-	1,431	16,580	141,695	101	1,705	1,432	1,604

COUNTY OF BERNALILLO, NEW MEXICO
PROPERTY TAX SCHEDULE
JUNE 30, 2017

Agency	Years	Property Taxes Levied	Collected in Current Year	Collected To-Date	MIRGCD INT/PEN	MIRGCD 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
RIO RANCHO													
RIO RANCHO DEBT SERVICE	2007-2015	135,420	160	134,952	-	-	1,349	159	133,599	95	468	1,353	373
RIO RANCHO DEBT SERVICE	2016	12,206	12,072	12,072	-	-	121	11,951	11,951	9	134	121	125
TOTAL RIO RANCHO DEBT SERVICE		147,626	12,232	147,024	-	-	1,470	12,110	145,550	104	602	1,474	498
RIO RANCHO OPERATIONAL	2007-2015	308,553	562	307,352	-	-	3,074	555	304,279	214	1,202	3,073	988
RIO RANCHO OPERATIONAL	2016	46,319	45,808	45,808	-	-	458	45,350	45,350	32	511	458	479
TOTAL RIO RANCHO OPERATIONAL		354,872	46,370	353,160	-	-	3,532	45,905	349,629	246	1,713	3,531	1,467
TOTAL RIO RANCHO		502,498	58,602	500,184	-	-	5,002	58,015	495,179	350	2,317	5,005	1,967
LOS RANCHOS													
LOS RANCHOS DEBT SERVICE	2007-2015	1,969,957	7,166	1,963,657	-	-	19,636	7,092	1,944,022	1,380	6,300	19,635	4,920
LOS RANCHOS DEBT SERVICE	2016	255,959	247,610	247,610	-	-	2,476	245,134	245,134	179	8,349	2,476	8,170
Total Los Ranchos Debt Service		2,225,916	254,776	2,211,267	-	-	22,112	252,226	2,189,156	1,559	14,649	22,111	13,090
LOS RANCHOS OPERATIONAL	2007-2015	-	-	-	-	-	-	-	-	-	-	-	-
LOS RANCHOS OPERATIONAL	2016	-	-	-	-	-	-	-	-	-	-	-	-
Total Los Ranchos Operational		-	-	-	-	-	-	-	-	-	-	-	-
TOTAL LOS RANCHOS		2,225,916	254,776	2,211,267	-	-	22,112	252,226	2,189,156	1,559	14,649	22,111	13,090
SCHOOL APS													
APS ED TECH DEBT SERVICE	2007-2015	37,884,800	212,055	37,706,697	-	-	377,067	209,933	37,329,630	26,519	178,103	377,067	151,584
APS ED TECH DEBT SERVICE	2016	5,857,218	5,675,639	5,675,639	-	-	56,756	5,618,883	5,618,883	4,100	181,579	56,756	177,479
Total APS ED Tech Debt Service		43,742,018	5,887,694	43,382,336	-	-	433,823	5,828,816	42,948,513	30,619	359,682	433,823	329,063
APS HB33 SCHOOL BLDG	2007-2015	510,289,128	2,005,258	508,220,449	-	-	5,082,204	1,985,207	503,138,244	357,203	2,068,679	5,082,205	1,711,476
APS HB33 SCHOOL BLDG	2016	61,408,191	59,481,297	59,481,297	-	-	594,813	58,886,484	58,886,484	42,986	1,926,894	594,813	1,883,908
Total APS HB33 School Bldg		571,697,319	61,486,555	567,701,746	-	-	5,677,017	60,871,691	562,024,728	400,189	3,995,573	5,677,018	3,595,384
APS CAP IMPROVEMENT	2007-2015	255,622,528	993,779	254,609,554	-	-	2,546,095	983,842	252,063,459	178,936	1,012,974	2,546,095	834,038
APS CAP IMPROVEMENT	2016	30,295,784	29,353,971	29,353,971	-	-	293,540	29,060,431	29,060,431	21,207	941,813	293,540	920,606
Total APS Cap Improvement		285,918,312	30,347,750	283,963,525	-	-	2,839,635	30,044,273	281,123,890	200,143	1,954,787	2,839,635	1,754,644
APS DEBT SERVICE	2007-2015	517,749,023	1,991,259	515,703,246	-	-	5,157,033	1,971,347	510,546,214	362,424	2,045,777	5,157,032	1,683,353
APS DEBT SERVICE	2016	62,940,910	60,990,050	60,990,050	-	-	609,901	60,380,149	60,380,149	44,059	1,950,860	609,901	1,906,801
Total APS Debt Service		580,689,933	62,981,309	576,693,296	-	-	5,766,934	62,351,496	570,926,363	406,483	3,996,637	5,766,933	3,590,154
APS OPERATIONAL	2007-2015	41,711,284	175,216	41,521,457	-	-	415,214	173,462	41,106,243	29,198	189,827	415,214	160,629
APS OPERATIONAL	2016	5,059,472	4,891,964	4,891,964	-	-	48,920	4,843,045	4,843,045	3,542	167,508	48,919	163,966
Total APS Operational		46,770,756	5,067,180	46,413,421	-	-	464,134	5,016,507	45,949,288	32,740	357,335	464,133	324,595
TOTAL SCHOOL APS		1,528,818,338	165,770,488	1,518,154,324	-	-	15,181,543	164,112,783	1,502,972,782	1,070,174	10,664,014	15,181,542	9,593,840

COUNTY OF BERNALILLO, NEW MEXICO
PROPERTY TAX SCHEDULE
JUNE 30, 2017

Agency	Years	Property Taxes Levied	Collected in Current Year	Collected To-Date	MIRGCD INT/PEN	MIRGCD 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 8													
SD 08 CAP IMPROVEMENT	2007-2015	1,419	-	1,419	-	-	14	-	1,405	-	-	14	-
SD 08 CAP IMPROVEMENT	2016	135	135	135	-	-	1	134	134	-	-	1	-
Total SD 08 Cap Improvement		1,554	135	1,554	-	-	15	134	1,539	-	-	15	-
SD 08 DEBT SERVICE	2007-2015	6,087	-	6,087	-	-	61	-	6,025	4	-	62	(4)
SD 08 DEBT SERVICE	2016	569	569	569	-	-	6	563	563	-	-	6	-
Total SD 08 Debt Service		6,656	569	6,656	-	-	67	563	6,588	4	-	68	(4)
SD 08 OPERATIONAL	2007-2015	354	-	354	-	-	-	-	351	-	-	3	-
SD 08 OPERATIONAL	2016	34	34	34	-	-	-	33	33	-	-	1	-
Total SD 08 Operational		388	34	388	-	-	-	33	384	-	-	4	-
TOTAL SCHOOL 08		8,598	738	8,598	-	-	82	730	8,511	4	-	87	(4)
SCHOOL 24													
SD 24 CAP IMPROVEMENT	2007-2015	1,576,031	9,265	1,565,283	-	-	15,654	9,174	1,549,629	1,102	10,748	15,654	9,646
SD 24 CAP IMPROVEMENT	2016	191,607	184,047	184,047	-	-	1,840	182,207	182,207	134	7,560	1,840	7,426
Total SD 24 Cap Improvement		1,767,638	193,312	1,749,330	-	-	17,494	191,381	1,731,836	1,236	18,308	17,494	17,072
SD 24 DEBT SERVICE	2007-2015	6,811,231	41,165	6,763,988	-	-	67,639	40,754	6,696,348	4,767	47,243	67,640	42,476
SD 24 DEBT SERVICE	2016	821,115	788,832	788,832	-	-	7,888	780,944	780,944	575	32,283	7,888	31,708
Total SD 24 Debt Service		7,632,346	829,997	7,552,820	-	-	75,527	821,698	7,477,292	5,342	79,526	75,528	74,184
SD 24 OPERATIONAL	2007-2015	305,133	1,898	302,739	-	-	3,027	1,880	299,711	214	2,394	3,028	2,180
SD 24 OPERATIONAL	2016	38,948	37,341	37,341	-	-	373	36,967	36,967	27	1,607	374	1,580
Total SD 24 Operational		344,081	39,239	340,080	-	-	3,400	38,847	336,678	241	4,001	3,402	3,760
TOTAL SCHOOL 24		9,744,065	1,062,548	9,642,230	-	-	96,421	1,051,926	9,545,806	6,819	101,835	96,424	95,016
CNM													
CNM DEBT SERVICE	2007-2015	70,405,707	274,568	70,126,142	-	-	-	274,568	70,126,142	49,284	279,565	-	230,281
CNM DEBT SERVICE	2016	15,480,454	15,000,172	15,000,172	-	-	-	15,000,172	15,000,172	10,836	480,282	-	469,446
Total CNM Debt Service		85,886,161	15,274,740	85,126,314	-	-	-	15,274,740	85,126,314	60,120	759,847	-	699,727
CNM	2007-2015	353,022,672	1,432,801	351,560,674	-	-	-	1,432,801	351,560,674	247,116	1,461,998	-	1,214,882
CNM	2016	43,876,483	42,506,110	42,506,110	-	-	-	42,506,110	42,506,110	30,714	1,370,373	-	1,339,659
Total CNM		396,899,155	43,938,911	394,066,784	-	-	-	43,938,911	394,066,784	277,830	2,832,371	-	2,554,541
TOTAL CNM		482,785,316	59,213,651	479,193,098	-	-	-	59,213,651	479,193,098	337,950	3,592,218	-	3,254,268
UNMH													
UNMH	2007-2015	823,735,912	3,207,917	820,457,703	-	-	8,204,577	3,175,835	812,253,125	576,616	3,278,209	8,204,578	2,701,593
UNMH	2016	97,436,637	94,402,006	94,402,006	-	-	944,020	93,457,986	93,457,986	68,206	3,034,631	944,020	2,966,425
Total UNMH		921,172,549	97,609,923	914,859,709	-	-	9,148,597	96,633,821	905,711,111	644,822	6,312,840	9,148,598	5,668,018
TOTAL UNMH		921,172,549	97,609,923	914,859,709	-	-	9,148,597	96,633,821	905,711,111	644,822	6,312,840	9,148,598	5,668,018

COUNTY OF BERNALILLO, NEW MEXICO
PROPERTY TAX SCHEDULE
JUNE 30, 2017

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
AMAFA	2007-2015	83,389,428	318,676	83,069,030	-	-	830,691	315,491	82,238,340	58,373	320,398	830,690	262,025
	2016	10,099,783	9,791,219	9,791,219	-	-	97,912	9,693,307	9,693,307	7,070	308,564	97,912	301,494
		93,489,211	10,109,895	92,860,249	-	-	928,603	10,008,798	91,931,647	65,443	628,962	928,602	563,519
AFC OPERATIONAL	2007-2015	31,372,311	132,212	31,225,102	-	-	312,251	130,889	30,912,854	21,961	147,209	312,248	125,248
	2016	3,719,996	3,593,206	3,593,206	-	-	35,932	3,557,274	3,557,274	2,604	126,790	35,932	124,186
		35,092,307	3,725,418	34,818,308	-	-	348,183	3,688,163	34,470,128	24,565	273,999	348,180	249,434
TOTAL: AMAFA		128,581,518	13,835,313	127,678,557	-	-	1,276,786	13,696,961	126,401,775	90,008	902,961	1,276,782	812,953
MRGCD	2007-2015	79,510,548	562,467	79,020,029	868,254	787,936	784,563	638,764	78,315,784	55,658	490,519	704,245	434,861
	2016	11,100,059	10,520,883	10,520,883	24,674	104,239	105,126	10,336,192	10,336,192	7,770	579,176	184,691	571,406
		90,610,607	11,083,350	89,540,912	892,928	892,175	889,689	10,974,956	88,651,976	63,428	1,069,695	888,936	1,006,267
TOTAL: MRGCD		90,610,607	11,083,350	89,540,912	892,928	892,175	889,689	10,974,956	88,651,976	63,428	1,069,695	888,936	1,006,267
EDGE SW	2007-2015	1,237,047	8,980	1,223,393	-	-	12,231	8,889	1,211,158	866	13,654	12,235	12,788
	2016	153,529	145,289	145,289	-	-	1,453	143,836	143,836	107	8,240	1,453	8,133
		1,390,576	154,269	1,368,682	-	-	13,684	152,725	1,354,994	973	21,894	13,688	20,921
TOTAL: EDGE SW		1,390,576	154,269	1,368,682	-	-	13,684	152,725	1,354,994	973	21,894	13,688	20,921
Grant Total		\$ 6,014,246,500	\$ 663,816,407	\$ 5,972,521,606	\$ 892,928	\$ 892,175	\$ 54,926,746	\$ 657,772,896	\$ 5,972,522,314	\$ 4,209,924	\$ 41,724,894	\$ -	\$ 37,514,970

COUNTY OF BERNALILLO, NEW MEXICO
 JOINT POWERS AGREEMENTS
 JUNE 30, 2017

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	\$43,204	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	\$879,715	Board of Directors
New Mexico County Insurance Authority	Board of Directors	Multi-line Self-Insurance Fund CCN 92-0424	1989	Indefinite	Varies yearly	Unknown	\$5,592,537	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 an 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	2006	Indefinite	Not specified	Annual Rent Utilities	\$1,083,000.	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
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Participants	Responsible Party	Description	Beginning 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	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
Torrance County Solid Waste Authority	Torrance County Solid Waste Authority	Torrance County/Bernalillo County Landfill CCN 1998-0115	1996	1-Year Notice	Not specified	Not to exceed \$633,000	Unknown	Torrance County
City of Albuquerque	Both Parties	Joint Metropolitan Forensic Services Center CCN 1999-0226	1999	90-Day Notice	\$12,000,000	Varies yearly	\$0	City of Albuquerque
AMAFCA New Mexico State Highway Department	AMAFCA Bernalillo County	2 nd Street-Pueblo Solano, Pueblo Luna, and Ortega Drain Outfall CCN 1999-0528	2000	30-Day Notice	Not specified	Maintenance of drainage improvements	Unknown	Not specified

**COUNTY OF BERNALILLO, NEW MEXICO
JOINT POWERS AGREEMENTS
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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 Hubbell House and 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

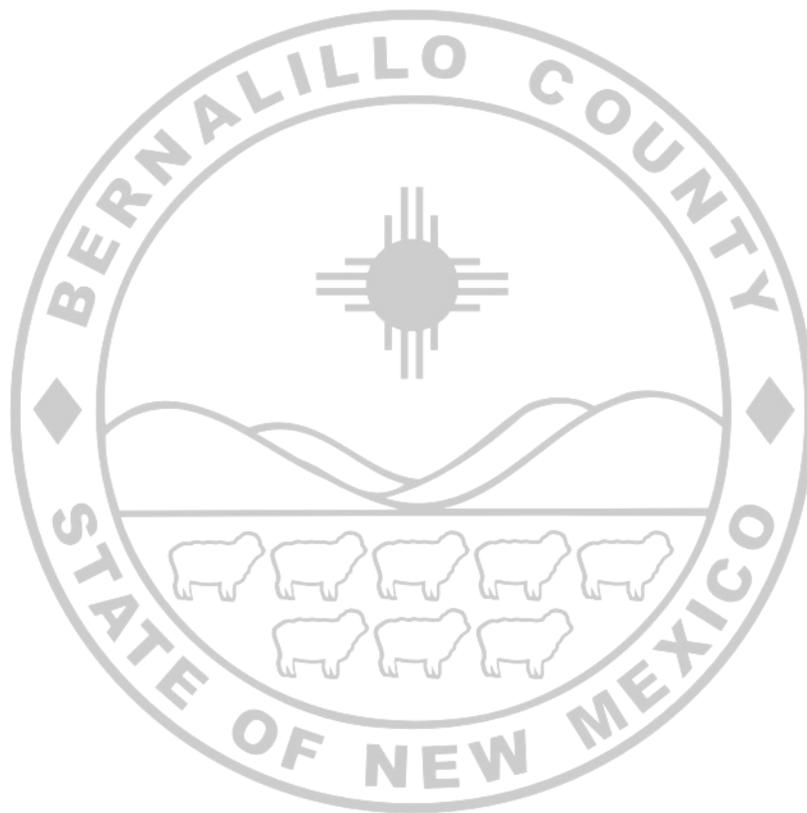
COUNTY OF BERNALILLO, NEW MEXICO
 JOINT POWERS AGREEMENTS
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Participants	Responsible Party	Description	Beginning Date	Ending Date	Project Amount	County Portion	Current Year Contributions	Audit Responsibility
City of Albuquerque	Bernalillo County	Effectuate 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 notice	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	11-24-09	30- Day Written Notice	Unknown	Unknown	\$0	Bernalillo County
Village of Los Ranchos	Bernalillo County	Provision of Fire Protection and EMS service for the Village of Los Ranchos CCN2009-0669	09-09-09	60 -day Written Notice	Unknown	None	\$1,885,331	Bernalillo County

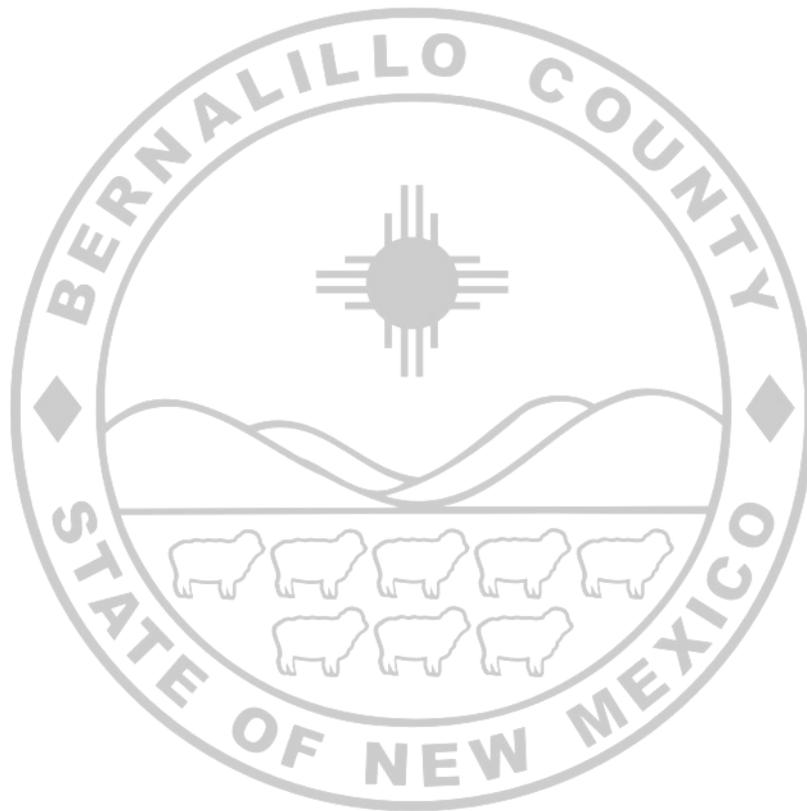
**COUNTY OF BERNALILLO, NEW MEXICO
 JOINT POWERS AGREEMENTS
 JUNE 30, 2017**

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	06-28-11	90-Day Written Notice	Unknown	None	\$10,000	Bernalillo county
Regents of the University of New Mexico	Bernalillo County	Sobriety Observation Program CCN 2013-0152	01-16-13	06/30/2017	\$400,000	\$296,000	\$16,115	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	06-06-13	60-Day Written Notice	Unknown	None	\$0	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



STATISTICAL SECTION





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.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well being have changed over time.	194
Revenue Capacity These schedules present information to help the reader assess the County's most significant local revenue source, the property tax.	206
Debt Capacity These schedules present information to help the reader assess the affordability of the County's current level of outstanding debt and the County's ability to issue additional debt in the future.	210
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	216
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County's provides and the activities it performs.	218

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Governmental activities				
Net investment in capital assets	\$ 349,079,770	\$ 343,340,556	\$ 327,947,796	\$ 372,486,664
Restricted	240,075,626	196,844,218	169,754,319	128,700,419
Unrestricted	(203,167,758)	(166,533,105)	(145,200,231)	48,710,065
Total governmental activities net of position	<u>\$ 385,987,638</u>	<u>\$ 373,651,669</u>	<u>\$ 352,501,884</u>	<u>\$ 549,897,148</u>
Business-type activities				
Net investment in capital assets	\$ 2,597,124	\$ 2,701,800	\$ 2,968,720	\$ 3,136,558
Restricted	-	-	-	-
Unrestricted	4,706,282	4,109,844	3,354,765	4,237,577
Total business-type activities net position	<u>\$ 7,303,406</u>	<u>\$ 6,811,644</u>	<u>\$ 6,323,485</u>	<u>\$ 7,374,135</u>
Primary government				
Net investment in capital assets	\$ 351,676,894	\$ 346,042,356	\$ 330,916,516	\$ 375,623,222
Restricted	240,075,626	196,844,218	169,754,319	128,700,419
Unrestricted	(198,461,476)	(162,423,261)	(141,845,466)	52,947,642
Total primary government net position	<u>\$ 393,291,044</u>	<u>\$ 380,463,313</u>	<u>\$ 358,825,369</u>	<u>\$ 557,271,283</u>

2013	2012	2011	2010	2009	2008
\$ 369,109,799	\$ 357,168,323	\$ 344,670,560	\$ 353,608,399	\$ 356,558,834	\$ 308,271,760
133,136,883	140,368,833	137,871,142	139,516,367	127,980,308	146,792,506
84,474,976	113,248,057	114,602,118	109,237,450	85,572,706	94,132,470
<u>\$ 586,721,658</u>	<u>\$ 610,785,213</u>	<u>\$ 597,143,820</u>	<u>\$ 602,362,216</u>	<u>\$ 570,111,848</u>	<u>\$ 549,196,736</u>
\$ 3,394,992	\$ 3,294,085	\$ 3,238,600	\$ 2,001,499	\$ 2,358,904	\$ 2,839,330
-	-	-	-	-	-
3,647,436	2,506,867	1,594,706	2,429,715	1,999,241	2,108,949
<u>\$ 7,042,428</u>	<u>\$ 5,800,952</u>	<u>\$ 4,833,306</u>	<u>\$ 4,431,214</u>	<u>\$ 4,358,145</u>	<u>\$ 4,948,279</u>
\$ 372,504,791	\$ 360,462,408	\$ 347,909,160	\$ 355,609,898	\$ 358,917,738	\$ 311,111,090
133,136,883	140,368,833	137,871,142	139,516,367	127,980,308	146,792,506
88,122,412	115,754,924	116,196,824	111,667,165	87,571,947	96,241,419
<u>\$ 593,764,086</u>	<u>\$ 616,586,165</u>	<u>\$ 601,977,126</u>	<u>\$ 606,793,430</u>	<u>\$ 574,469,993</u>	<u>\$ 554,145,015</u>

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

Expenses	2017	2016	2015	2014
Governmental activities:				
General government	\$ 73,665,312	\$ 63,472,339	\$ 62,159,342	\$ 66,086,137
Public works	45,147,762	44,872,112	50,304,679	56,040,669
Public safety	168,871,434	157,302,159	155,606,977	169,437,545
Culture and recreation	18,438,731	16,407,646	15,429,298	18,234,756
Health and welfare	48,332,386	48,205,435	44,989,016	44,982,475
Interest on long-term debt	8,965,408	9,865,437	10,551,340	10,613,790
Total government activities expenses	<u>363,421,033</u>	<u>340,125,128</u>	<u>339,040,652</u>	<u>365,395,372</u>
Business-type activities:				
Solid waste	5,111,740	5,069,782	4,888,281	4,685,743
Housing Authority	1,291,112	1,075,557	1,075,043	1,314,007
Seybold Village Handicapped Project	142,427	125,003	152,648	287,847
Regional Juvenile Detention Center	1,253,744	1,011,633	1,082,739	915,406
El Centro Familiar	269,488	263,626	237,943	540,819
Total business-type activities expenses	<u>8,068,511</u>	<u>7,545,601</u>	<u>7,436,654</u>	<u>7,743,822</u>
Total primary government expenses	<u>\$ 371,489,544</u>	<u>\$ 347,670,729</u>	<u>\$ 346,477,306</u>	<u>\$ 373,139,194</u>
Program Revenues				
Government activities:				
Charges for services:				
General government	\$ 11,064,914	\$ 10,908,940	\$ 10,296,353	\$ 10,404,178
Public works	1,514,715	1,589,625	1,830,307	1,492,995
Public Safety	1,994,758	2,021,151	2,421,517	2,265,574
Culture and recreation	1,227,446	1,059,207	957,385	1,021,091
Health and Welfare	273,593	220,388	612,724	171,462
Operating grants and contributions				
General government	1,356,170	1,360,867	1,348,780	1,144,639
Public Works	4,665	1,339,720	553,729	31,422
Public Safety	10,448,273	12,912,554	12,444,558	12,444,558
Culture and recreation	262,505	226,625	620,537	806,644
Health and Welfare	18,645,433	15,614,516	13,818,349	12,756,592
Capital Grants and contributions				
General government	294,780	318,414	1,327,043	44,848
Public Works	3,468,732	4,081,107	5,234,286	6,559,508
Public Safety	1,370,623	-	-	161,492
Culture and recreation	1,502,139	884,794	1,868,043	2,067,188
Health and Welfare	777,049	454,083	1,219,786	50,580
Total government activities program revenue	<u>54,205,795</u>	<u>52,991,991</u>	<u>54,553,397</u>	<u>50,600,241</u>
Business-type activities				
Charges for services:				
Solid Waste	5,436,666	5,000,345	5,377,641	5,094,413
Housing Authority	660,016	608,466	505,040	348,482
Seybold Village Handicapped Project	53,249	44,491	47,539	44,652
Regional Juvenile Detention Center	1,062,224	1,062,224	1,062,224	1,065,053
El Centro Familiar	439,095	454,139	195,166	189,415
Operating grants and contributions:				
Solid Waste	-	176,000	176,000	176,000
Housing Authority	626,849	509,110	532,896	551,708
Seybold Village Handicapped Project	-	-	-	-
Regional Juvenile Detention Center	-	-	-	-
El Centro Familiar	-	-	101,628	181,358
Capital grants and contributions:				
Housing Authority	-	-	-	-
Seybold Village Handicapped Project	8,282	49,423	36,561	48,142
Total business-type activities program revenues	<u>8,286,381</u>	<u>7,904,198</u>	<u>8,034,695</u>	<u>7,699,223</u>
Total primary government program revenues	<u>\$ 62,492,176</u>	<u>\$ 60,896,189</u>	<u>\$ 62,588,092</u>	<u>\$ 58,299,464</u>

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 67,393,999	\$ 57,591,475	\$ 69,096,613	\$ 64,791,762	\$ 69,898,098	\$ 45,609,786
128,700,419	44,480,787	43,729,571	42,122,694	50,092,431	52,518,685
48,710,065	145,585,157	145,727,403	154,622,588	156,911,320	143,867,733
21,360,907	12,755,946	13,347,421	11,957,736	11,426,758	12,637,946
45,278,882	43,128,410	41,952,311	36,053,345	31,911,866	28,083,075
10,876,254	10,989,496	12,420,667	14,530,276	15,591,011	15,585,987
<u>344,422,874</u>	<u>314,531,271</u>	<u>326,273,986</u>	<u>324,078,401</u>	<u>335,831,484</u>	<u>298,303,212</u>
4,710,379	4,841,418	4,684,002	4,817,057	5,215,029	4,910,418
1,306,043	1,340,960	1,480,157	1,083,960	1,576,798	860,653
355,259	156,761	341,593	349,467	320,744	235,027
1,017,035	904,892	1,079,558	1,084,886	960,180	923,826
336,185	404,057	397,701	646,387	450,958	426,170
<u>7,724,901</u>	<u>7,648,088</u>	<u>7,983,011</u>	<u>7,981,757</u>	<u>8,523,709</u>	<u>7,356,094</u>
<u>\$ 352,147,775</u>	<u>\$ 322,179,359</u>	<u>\$ 334,256,997</u>	<u>\$ 332,060,158</u>	<u>\$ 344,355,193</u>	<u>\$ 305,659,306</u>
\$ 10,729,594	\$ 10,234,551	\$ 9,435,442	\$ 27,821,557	\$ 29,818,073	\$ 36,526,187
1,676,819	1,879,089	2,010,807	-	-	-
2,529,245	2,216,401	12,936,840	-	-	-
1,049,072	962,705	926,712	-	-	138
420,814	246,387	101,650	-	-	-
1,773,156	-	-	-	346,608	232,986
32,012	41,177	463,860	-	9,931	-
11,575,975	10,895,045	11,174,899	11,692,990	10,654,921	12,688,872
613,147	841,106	602,955	743,584	557,640	743,616
12,170,509	11,008,416	13,216,902	12,924,689	13,182,226	14,475,407
253,740	498,277	3,316,133	-	10,087,748	-
6,977,001	11,039,174	9,549,331	17,963,627	20,927,024	27,882,786
53,600	-	511,563	637,977	809,420	5,063,696
657,462	-	2,981,532	8,490,772	3,150,736	6,124,856
-	-	-	1,021,325	2,909,854	2,921,570
<u>50,512,146</u>	<u>49,862,328</u>	<u>67,228,626</u>	<u>81,296,521</u>	<u>92,454,181</u>	<u>106,660,114</u>
4,825,778	4,755,515	4,709,898	4,617,890	4,495,377	4,373,905
501,763	341,508	558,653	293,063	575,634	537,282
45,766	42,921	41,742	43,074	42,446	41,392
1,053,534	1,062,223	1,062,222	1,062,223	1,058,848	859,131
196,080	218,642	141,547	398,596	160,089	170,909
176,000	171,700	176,000	176,000	176,000	165,001
779,490	949,075	972,399	451,043	-	123,696
-	-	-	-	-	56,546
-	-	-	-	-	-
172,950	161,839	160,175	153,544	151,781	153,239
-	-	-	-	406,227	395,128
20,518	63,756	-	107,712	75,952	38,853
<u>7,771,879</u>	<u>7,767,179</u>	<u>7,822,636</u>	<u>7,303,145</u>	<u>7,142,354</u>	<u>6,915,082</u>
<u>\$ 58,284,025</u>	<u>\$ 57,629,507</u>	<u>\$ 75,051,262</u>	<u>\$ 88,599,666</u>	<u>\$ 99,596,535</u>	<u>\$ 113,575,196</u>

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

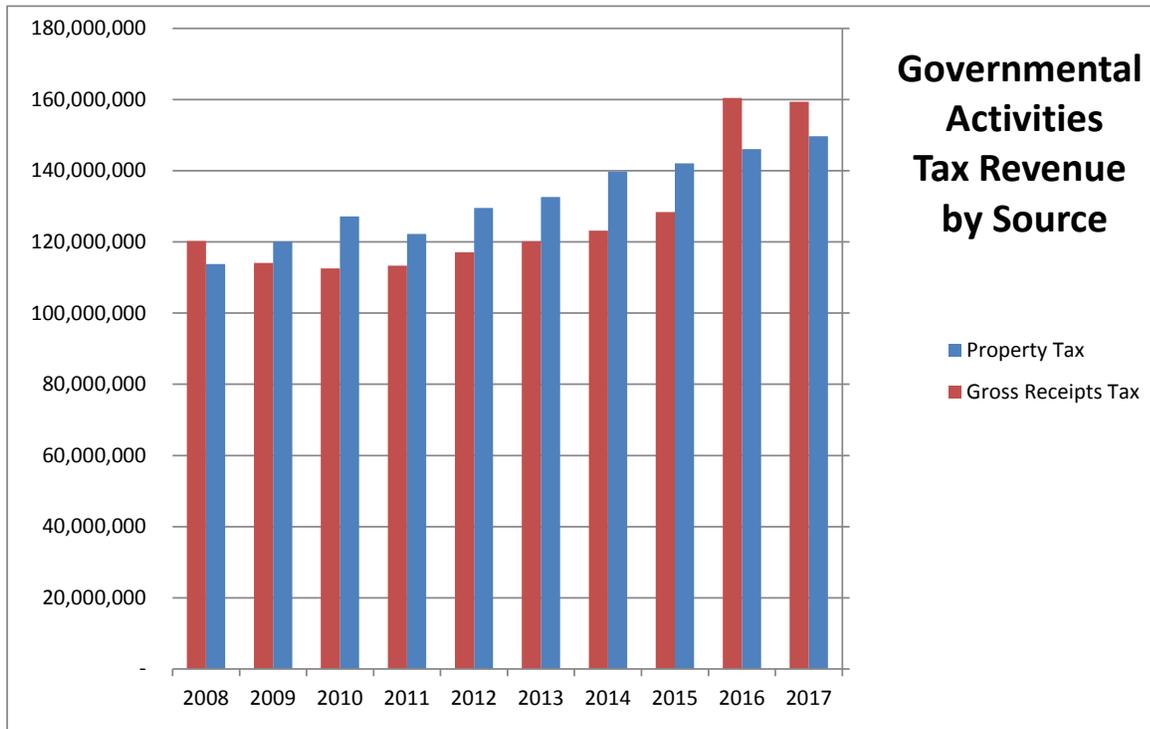
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Net (expenses)/revenue				
Governmental activities	\$ (309,215,238)	\$ (287,133,137)	\$ (284,487,255)	\$ (314,795,131)
Business-type activities	217,870	358,597	598,041	(44,599)
Total primary governmental net expenses	<u>\$ (308,997,368)</u>	<u>\$ (286,774,540)</u>	<u>\$ (283,889,214)</u>	<u>\$ (314,839,730)</u>
General Revenue and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes	\$ 149,700,594	\$ 146,095,633	\$ 142,069,070	\$ 139,744,912
Gross receipts taxes	159,416,140	160,455,894	128,400,872	123,184,816
Motor vehicle taxes	3,858,012	3,961,112	3,756,040	3,775,013
Cigarette taxes	-	-	-	-
Gas taxes	1,614,636	1,608,128	1,590,447	1,678,264
Investment/interest income	1,839,080	1,561,700	1,404,981	4,737,566
Net decrease- fair value of investments	-	-	72,380	(4,259,348)
Loss on sale of capital assets	-	-	-	-
Miscellaneous	5,192,736	5,408,501	4,629,943	10,219,010
Transfers	(69,991)	(65,000)	(119,137)	(12,719)
Capital contributions - capital assets	-	-	-	-
Total governmental activities	<u>321,551,207</u>	<u>319,025,968</u>	<u>281,804,596</u>	<u>279,067,514</u>
Business-type activities:				
Investment/interest income	12,960	872	1,129	3,149
Operating grants	-	-	-	-
Gain on sale of capital assets	-	-	-	-
Miscellaneous	190,941	180,512	197,837	360,438
Transfers	69,991	65,000	119,137	12,719
Capital contributions - capital assets	-	-	-	-
Total business-type activities	<u>273,892</u>	<u>246,384</u>	<u>318,103</u>	<u>376,306</u>
Total primary government	<u>321,825,099</u>	<u>319,272,352</u>	<u>282,122,699</u>	<u>279,443,820</u>
Change in Net Position				
Governmental activities	12,335,969	31,892,831	(2,682,659)	(35,727,617)
Business-type activities	491,762	604,981	916,144	331,707
Total before prior period adjustment	<u>12,827,731</u>	<u>32,497,812</u>	<u>(1,766,515)</u>	<u>(35,395,910)</u>
Prior period adjustment	-	(10,859,868)	(196,679,399)	(1,096,893)
Total primary government	<u>\$ 12,827,731</u>	<u>\$ 21,637,944</u>	<u>\$ (198,445,914)</u>	<u>\$ (36,492,803)</u>

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ (293,910,728)	\$ (264,668,943)	\$ (259,045,360)	\$ (242,781,880)	\$ (243,377,303)	\$ (191,643,098)
46,978	119,091	(160,375)	(678,612)	(1,381,355)	(441,012)
<u>\$ (293,863,750)</u>	<u>\$ (264,549,852)</u>	<u>\$ (259,205,735)</u>	<u>\$ (243,460,492)</u>	<u>\$ (244,758,658)</u>	<u>\$ (192,084,110)</u>
\$ 132,624,981	\$ 129,585,691	\$ 122,275,071	\$ 127,201,067	\$ 120,069,963	\$ 113,789,778
120,149,781	117,086,938	113,354,187	112,555,113	114,116,141	120,264,324
3,702,824	3,778,892	3,694,000	3,788,238	3,582,607	4,301,323
-	-	-	5,230	6,758	6,077
1,809,719	1,639,775	1,719,921	1,808,628	2,037,969	1,572,980
5,623,656	19,404,077	2,244,107	15,249,566	10,865,039	16,046,244
(12,814,794)	-	-	-	-	-
-	-	-	48,972	296,236	-
19,592,905	6,931,763	10,539,678	14,375,434	13,317,702	9,525,633
(841,899)	(116,800)	-	-	-	(384,894)
-	-	-	-	-	-
<u>269,847,173</u>	<u>278,310,336</u>	<u>253,826,964</u>	<u>275,032,248</u>	<u>264,292,415</u>	<u>265,121,465</u>
3,914	6,336	6,456	124,819	45,191	83,879
-	-	-	-	-	-
-	-	-	4,100	33,858	-
348,685	558,253	550,162	614,416	712,172	383,895
841,899	116,800	-	-	-	384,894
-	167,166	5,849	8,346	-	-
<u>1,194,498</u>	<u>848,555</u>	<u>562,467</u>	<u>751,681</u>	<u>791,221</u>	<u>852,668</u>
<u>271,041,671</u>	<u>279,158,891</u>	<u>254,389,431</u>	<u>275,783,929</u>	<u>265,083,636</u>	<u>265,974,133</u>
(24,063,555)	13,641,393	(5,218,396)	32,250,368	20,915,112	73,478,367
1,241,476	967,646	402,092	73,069	(590,134)	411,656
<u>(22,822,079)</u>	<u>14,609,039</u>	<u>(4,816,304)</u>	<u>32,323,437</u>	<u>20,324,978</u>	<u>73,890,023</u>
-	-	-	-	-	-
<u>\$ (22,822,079)</u>	<u>\$ 14,609,039</u>	<u>\$ (4,816,304)</u>	<u>\$ 32,323,437</u>	<u>\$ 20,324,978</u>	<u>\$ 73,890,023</u>

**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
2017	\$ 149,700,594	\$ 159,416,140	\$ 3,858,012	\$ -	\$ 1,614,636	\$ 314,589,382
2016	146,095,633	160,455,894	3,961,112	-	1,608,128	312,120,767
2015	142,069,070	128,400,872	3,756,040	-	1,590,447	275,816,429
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

(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	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Utilities	\$ 5,684,301	\$ 5,481,173	\$ 4,713,981	\$ 4,725,697	\$ 4,229,273	\$ 4,624,995	\$ 4,228,110	\$ 4,220,817	\$ 3,822,891	\$ 3,728,194
Construction	16,131,957	13,986,940	10,631,849	9,953,333	9,515,863	8,664,433	8,535,570	8,936,876	11,388,791	12,026,432
Manufacturing	3,430,157	3,472,266	2,979,542	2,968,754	3,099,864	2,833,504	2,856,526	2,611,279	2,579,025	2,405,286
Wholesale trade	4,283,512	4,155,808	3,705,649	4,065,099	4,049,048	3,980,956	4,228,111	4,119,517	4,655,939	4,810,573
Retail trade	39,198,675	38,129,134	30,197,574	30,697,656	31,058,718	29,880,587	28,633,268	29,455,673	29,019,735	31,268,724
Information and cultural industries	8,531,633	8,184,855	6,823,222	6,922,987	6,740,403	6,755,916	5,565,691	4,896,147	3,035,489	2,405,286
Real estate, rental and leasing	3,448,490	3,502,752	2,435,636	2,254,282	1,958,441	1,756,304	1,484,940	1,361,917	1,380,805	1,803,965
Professional, scientific & technical services	30,105,100	28,123,105	21,855,369	20,584,183	20,149,118	20,724,388	20,358,412	20,304,942	20,244,203	18,761,235
Health care and social assistance	9,586,808	9,394,693	7,027,637	6,467,203	6,091,594	5,760,677	5,475,007	5,413,901	5,009,699	4,930,837
Accommodation and food services	14,505,275	14,227,624	10,785,416	10,667,805	10,236,761	9,952,390	9,510,416	9,094,453	8,581,534	9,019,824
Other services (except public admin.)	13,365,768	13,529,641	10,762,433	11,246,774	11,089,825	10,514,407	11,267,406	11,368,066	12,427,248	12,748,018
Unclassified establishments	1,099,174	1,240,324	1,076,641	776,064	396,494	327,843	340,063	461,476	707,520	1,082,379
State food distribution	6,263,460	6,848,258	6,915,157	7,157,038	6,776,448	6,439,782	6,223,145	6,044,210	7,018,143	7,696,917
State medical distribution	2,458,994	2,674,800	2,728,647	3,030,346	3,147,924	3,313,560	2,969,880	2,847,644	3,035,489	3,006,608
Other business activity*	1,322,836	7,504,521	5,762,119	1,667,595	1,610,007	1,557,256	1,677,642	1,418,195	1,209,630	4,570,046
Gross receipts taxes received**	\$ 159,416,140	\$ 160,455,894	\$ 128,400,872	\$ 123,184,816	\$ 120,149,781	\$ 117,086,938	\$ 113,354,187	\$ 112,555,113	\$ 114,116,141	\$ 120,264,324

* 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)**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
General Fund				
Nonspendable	\$ 2,497,899	\$ 2,673,212	\$ 2,837,058	\$ 4,599,780
Restricted	78,061,870	71,531,259	67,112,761	69,603,058
Committed	2,077,428	4,514,768	16,269,423	36,349,629
Assigned	44,013,909	37,764,900	28,950,001	15,400,000
Unassigned	15,681,645	14,381,174	13,488,123	13,249,978
Total general fund	<u>\$ 142,332,751</u>	<u>\$ 130,865,313</u>	<u>\$ 128,657,366</u>	<u>\$ 139,202,445</u>
All other governmental funds				
Nonspendable	\$ 7,011	\$ 7,331	\$ 19,089,436	\$ 19,153,063
Restricted	158,379,847	125,431,733	83,724,984	71,353,169
Committed	-	-	-	-
Assigned	3,781,260	5,695,372	8,993,637	14,672,019
Unassigned	-	-	-	-
Total all other governmental funds	<u>\$ 162,168,118</u>	<u>\$ 131,134,436</u>	<u>\$ 111,808,057</u>	<u>\$ 105,178,251</u>
Total Fund Balance	\$ 304,500,869	\$ 261,999,749	\$ 240,465,423	\$ 244,380,696

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 2,415,880	\$ 3,570,428	\$ 2,408,448	\$ 2,350,306	\$ 2,319,196	\$ 2,407,630
69,493,554	71,053,870	68,801,270	65,240,072	66,297,457	64,204,173
43,293,845	56,961,090	1,189,430	-	-	-
29,970,246	38,909,238	80,444,554	92,042,596	74,009,419	77,021,708
35,809,099	36,564,598	34,085,866	34,485,436	33,032,083	28,253,300
<u>\$ 180,982,624</u>	<u>\$ 207,059,224</u>	<u>\$ 186,929,568</u>	<u>\$ 194,118,410</u>	<u>\$ 175,658,155</u>	<u>\$ 171,886,811</u>
\$ 14,286,902	\$ 13,291,639	\$ 13,348,912	\$ 11,759,014	\$ 16,701,584	\$ 16,783,967
70,063,125	72,451,572	63,262,295	167,493,607	155,920,591	105,642,788
-	-	-	-	-	-
18,807,035	20,465,815	34,176,037	-	-	-
-	(11,708)	(33,854)	-	-	-
<u>\$ 103,157,062</u>	<u>\$ 106,197,318</u>	<u>\$ 110,753,390</u>	<u>\$ 179,252,621</u>	<u>\$ 172,622,175</u>	<u>\$ 122,426,755</u>
\$ 284,139,686	\$ 313,256,542	\$ 297,682,958	\$ 373,371,031	\$ 348,280,330	\$ 294,313,566

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Revenues				
Taxes:				
Property	\$ 150,187,783	\$ 147,099,846	\$ 142,327,432	\$ 139,934,563
Sales	160,631,221	160,124,871	126,634,860	116,972,692
Motor vehicle	3,858,012	3,961,112	3,756,040	3,775,013
Cigarette	-	-	-	-
Gas	1,614,636	1,608,128	1,590,447	1,678,264
Intergovernmental	38,130,368	35,764,811	37,290,381	35,244,941
Licenses and permits	2,579,502	2,587,330	2,898,925	2,630,342
Fees for services	13,894,678	13,212,077	13,219,361	12,724,958
Investment/interest income	1,804,430	1,561,700	1,404,981	4,737,566
Net decrease-fair value investments	-	-	72,380	(4,259,348)
Miscellaneous	5,594,621	5,536,283	4,527,973	6,754,961
Total revenues	<u>378,295,251</u>	<u>371,456,158</u>	<u>333,722,780</u>	<u>320,193,952</u>
Expenditures				
General government	65,013,258	59,980,594	58,196,833	60,005,711
Public works	29,259,846	30,598,994	33,356,234	33,667,295
Public safety	142,493,467	148,708,104	147,529,332	156,859,691
Health and welfare	45,950,694	46,025,498	42,370,217	42,784,342
Culture and recreation	12,307,617	11,245,005	11,823,497	13,855,091
Capital outlay	20,956,512	23,378,428	20,760,153	25,965,972
Intergovernmental -Capital outlay	2,460,813	4,101,202	8,817,838	7,654,127
Debt service:				
Principal	27,471,000	21,370,000	23,365,000	17,010,000
Interest	9,387,619	10,284,213	10,803,158	11,311,737
Bond issuance cost	186,557	343,381	393,538	180,919
Total expenditures	<u>355,487,383</u>	<u>356,035,419</u>	<u>357,415,800</u>	<u>369,294,885</u>
Excess (deficiency) of revenues over expenditures	<u>22,807,868</u>	<u>15,420,739</u>	<u>(23,693,020)</u>	<u>(49,100,933)</u>
Other financing sources (uses)				
Transfers in	14,223,109	14,168,264	16,094,416	21,230,137
Transfers out	(14,293,100)	(16,121,016)	(18,213,553)	(21,242,856)
Long-term note issued	-	-	-	-
Bonds issued	18,285,000	9,860,000	17,281,000	8,700,000
Refunding bonds issued	-	14,380,000	14,010,000	2,995,000
Payment to escrow agent	-	(14,729,762)	(11,186,207)	(3,091,682)
Discount on bonds issued	-	-	-	-
Premium on bonds issued	1,178,032	1,170,644	1,515,504	416,867
Sale of capital assets	300,211	76,331	276,587	334,477
Total other financing sources (uses)	<u>19,693,252</u>	<u>8,804,461</u>	<u>19,777,747</u>	<u>9,341,943</u>
Net change in fund balances	<u>\$ 42,501,120</u>	<u>\$ 24,225,200</u>	<u>\$ (3,915,273)</u>	<u>\$ (39,758,990)</u>
Debt service as a percentage of noncapital expenditures	11.06% (1)	9.54% (1)	10.25% (1)	8.36% (1)

(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.

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 133,189,986	\$ 130,241,329	\$ 122,366,390	\$ 124,742,271	\$ 118,118,204	\$ 113,368,730
120,149,781	117,086,938	113,354,187	112,555,113	114,116,141	120,264,324
3,702,824	3,778,892	3,694,000	3,788,238	3,582,607	4,301,323
-	-	-	5,230	6,758	6,077
1,809,719	1,639,775	1,719,921	1,808,628	2,037,969	1,572,980
34,106,602	34,323,195	42,023,595	57,592,844	62,866,884	70,287,188
2,648,321	2,654,537	2,900,502	2,362,344	3,189,293	3,479,107
13,757,223	12,884,596	22,510,949	25,459,213	26,628,780	32,893,819
5,623,656	19,404,077	2,244,107	15,249,566	10,865,039	16,046,244
(12,814,794)	-	-	-	-	-
8,976,412	6,561,303	9,132,778	7,822,907	9,992,381	9,525,633
<u>311,149,730</u>	<u>328,574,642</u>	<u>319,946,429</u>	<u>351,386,354</u>	<u>351,404,056</u>	<u>371,745,425</u>
60,069,744	52,713,593	61,469,403	54,424,762	56,284,520	42,291,899
30,299,071	28,455,755	27,719,002	23,649,763	23,906,123	23,093,549
141,251,787	133,740,820	135,303,143	144,820,182	140,201,023	131,859,726
43,271,190	41,010,943	39,895,716	34,446,947	30,470,414	27,109,801
11,986,661	10,627,090	10,523,395	9,622,045	9,445,054	11,205,752
32,650,026	29,007,567	35,475,847	37,648,304	35,466,502	52,168,492
12,952,163	6,348,160	10,246,755	13,117,251	23,752,233	14,209,243
14,435,000	18,445,000	61,675,000	23,555,000	25,019,717	13,987,345
11,449,338	11,779,759	13,501,640	15,728,867	15,873,887	15,658,380
120,367	249,195	-	366,847	451,511	409,433
<u>358,485,347</u>	<u>332,377,882</u>	<u>395,809,901</u>	<u>357,379,968</u>	<u>360,870,984</u>	<u>331,993,620</u>
(47,335,617)	(3,803,240)	(75,863,472)	(5,993,614)	(9,466,928)	39,751,805
13,832,636	18,733,531	64,988,019	20,471,330	22,792,106	17,872,263
(14,674,535)	(18,850,331)	(64,988,019)	(20,471,330)	(22,792,106)	(18,257,157)
-	-	-	-	-	-
17,800,000	18,600,000	-	28,750,000	62,200,000	21,500,000
-	6,535,000	-	16,755,000	-	11,000,000
-	(7,027,596)	-	(15,689,300)	-	(16,547,758)
-	(42,477)	-	(169,883)	-	(53,000)
837,434	1,128,582	-	1,366,406	660,254	734,178
423,226	300,115	175,399	72,092	573,438	158,435
<u>18,218,761</u>	<u>19,376,824</u>	<u>175,399</u>	<u>31,084,315</u>	<u>63,433,692</u>	<u>16,406,961</u>
<u>\$ (29,116,856)</u>	<u>\$ 15,573,584</u>	<u>\$ (75,688,073)</u>	<u>\$ 25,090,701</u>	<u>\$ 53,966,764</u>	<u>\$ 56,158,766</u>
7.97% (1)	10.00% (1)	20.93%	12.32%	12.59%	10.42%

**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				
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%
2015	11,021,769,490	3,327,974,119	484,382,593	920,938	14,835,047,140	9.414	17,782,554,729	83.42%
2016	11,315,870,482	3,318,091,909	483,520,015	1,594,838	15,119,077,244	0.010	18,171,430,459	83.20%
2017	11,775,274,216	3,315,763,067	500,650,174	1,216,786	15,592,904,243	9.446	18,639,000,886	83.66%

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**

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Bernalillo County (3)										
Operating	7.971	8.106	8.137	8.189	8.138	7.864	7.769	7.505	7.430	7.489
Debt service	1.265	1.265	1.265	1.246	0.897	0.897	0.555	0.880	0.880	0.888
Open space	0.200	0.200	-	-	-	0.100	0.100	0.100	0.100	0.100
Judgment	0.010	0.011	0.012	0.013	0.013	0.013	0.014	0.015	0.015	0.016
Total direct rate	9.446	9.582	9.414	9.448	9.048	8.874	8.438	8.500	8.425	8.493
City of Albuquerque										
Operating	6.389	6.506	6.494	6.544	6.544	6.544	6.433	6.203	4.134	3.136
Debt Service	4.976	4.976	4.976	4.976	4.976	4.976	4.976	4.976	6.976	7.976
Albuquerque Public Schools										
Operating	0.320	0.325	0.325	0.327	0.325	0.319	0.315	0.304	0.303	0.304
Debt Service	4.061	4.089	3.787	3.883	3.416	4.020	4.317	4.316	4.304	4.308
Capital Improvement	1.953	1.986	1.987	2.000	2.000	2.000	2.000	2.000	1.999	2.000
Building	3.948	3.951	3.950	3.978	3.981	3.983	3.988	3.985	3.944	3.947
School District Ed. Tech Debt	0.378	0.347	0.644							
Hospitals	6.247	6.350	6.357	6.400	6.400	6.400	6.400	6.400	6.429	6.428
Village of Tijeras										
Operating	1.327	1.301	1.316	1.316	1.315	1.310	1.316	1.271	1.283	1.265
Village of Corrales (1)										
Operating	-	-	-	-	-	-	-	2.699	2.143	2.95
Debt Service	-	-	-	-	-	-	-	0.594	1.125	1.349
Torrance Schools										
Operating	0.400	0.406	0.405	0.393	0.383	0.377	0.370	0.381	0.378	0.364
Debt Service	8.426	8.848	9.182	8.850	8.189	8.836	8.841	8.964	8.217	7.159
Capital Improvement	2.000	2.000	2.000	2.000	2.000	2.000	1.954	2.000	2.000	2.000
Rio Rancho										
Operating	7.650	7.187	6.411	5.725	5.159	4.438	3.447	3.084	2.624	2.484
Debt Service	2.016	1.848	1.881	1.789	1.617	1.645	2.060	2.067	2.060	2.060
Rio Grande Conservancy District	4.874	4.647	4.433	4.221	4.230	4.231	4.244	4.238	4.246	4.250
Edgewood Soil & Water (2) Conservancy District	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.939	0.935
State of New Mexico	1.360	1.360	1.360	1.360	1.360	1.362	1.530	1.150	1.250	1.291
Central NM Community College (fka TVI)										
Operating	2.830	2.873	2.871	2.882	2.848	2.770	2.717	2.632	2.596	2.584
Debt Service	1.000	0.550	0.550	0.550	0.550	0.550	0.550	0.550	0.550	0.550
Albuquerque Flood Control	0.921	0.926	0.928	0.929	0.930	0.926	0.926	0.927	0.923	0.919

(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. Information is not available for property tax values

(3) The Open Space mill levy had expired in 2013,2014, and 2015

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**

<u>Taxpayer</u>	2017			2008		
	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	\$ 217,903,576	1	1.397%	\$ 135,500,358	1	1.027%
Qwest Corp (fka) U.S. West Communication Inc.	46,753,248	2	0.300%	113,181,139	2	0.858%
New Mexico Gas Company (formerly PNM - Gas Services) (1)	43,323,650	3	0.278%	33,571,116	3	0.254%
Comcast of NM Inc.	29,511,523	4	0.189%	18,340,589	6	0.139%
Verizon Wireless	20,869,351	6	0.134%	14,280,430	9	0.108%
Vtr Lovelace MC & Rehab LLC	19,649,878	7	0.126%	-	-	-
Southwest Airlines	19,073,598	5	0.122%	20,191,079	4	0.153%
Simon Property Group, Ltd (Cottonwood Mall)	15,960,737	8	0.102%	16,041,762	7	0.122%
GCC Rio Grande Inc.	15,738,715	9	0.101%	20,117,495	5	0.153%
AT&T Mobility	14,554,372	10	0.093%	-	-	-
Hub Albuquerque LLC	-	-	-	14,261,640	10	0.108%
Heitman Properties of NM	-	-	-	15,686,365	8	0.119%
Total	\$ 443,338,648		2.842%	\$ 401,171,973		3.041%

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 2016 (fiscal year 2017) is	\$ 15,592,904,243
Total taxable value including real and personal property for tax year 2007 (fiscal year 2008) is	\$ 13,191,112,431

**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
2008	\$ 111,761,935	\$ 107,467,225	96.16%	\$ 4,116,270	\$ 111,583,495	99.84%
2009	117,354,996	112,092,669	95.52%	4,961,506	117,054,175	99.74%
2010	124,522,701	117,443,009	94.31%	6,613,375	124,056,384	99.63%
2011	119,848,855	114,472,104	95.51%	5,015,225	119,487,329	99.70%
2012	126,643,453	121,576,353	96.00%	4,753,259	126,329,612	99.75%
2013	130,282,624	125,460,280	96.30%	4,459,546	129,919,826	99.72%
2014	137,354,067	132,586,971	96.53%	4,314,273	136,901,244	99.67%
2015	139,772,076	134,876,335	96.50%	4,143,514	139,019,849	99.46%
2016	144,964,676	140,186,826	96.70%	2,854,437	143,041,263	98.67%
2017	147,504,196	142,752,268	96.78%	-	-	-

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**

Fiscal Year	Governmental Activities				Business Type Activities				Total Primary Government	Percentage of Personal Income ^(b)	Per Capita ^(b)
	General		Special		Revenue Bonds		Note Payable				
	Obligation Bonds ^(a)	Revenue Bonds ^(a)	Capital Leases	Note Payable	Revenue Bonds	Note Payable	Revenue Bonds	Note Payable			
2008	\$ 98,829,213	\$ 171,669,186	\$ 1,350,110	\$ 1,504,717	\$ 1,700,000	\$ 994,675	\$ 276,047,901	1.17%	426.74		
2009	102,758,720	208,075,353	-	-	1,655,000	668,153	313,157,226	1.35%	477.90		
2010	106,332,684	212,466,987	-	-	-	343,300	319,142,971	1.37%	480.55		
2011	98,387,735	158,325,194	-	-	-	233,113	256,946,042	1.04%	383.79		
2012	111,106,070	145,977,475	-	-	-	-	257,083,545	1.04%	382.03		
2013	122,409,070	138,450,167	-	-	-	-	260,859,237	1.08%	386.49		
2014	122,928,787	130,232,858	-	-	-	-	253,161,645	0.98%	374.70		
2015	128,970,986	122,290,550	-	-	-	-	251,261,536	0.93%	371.31		
2016	127,105,360	113,443,242	-	-	-	-	240,548,602	0.89%	355.48		
2017	127,759,628	104,065,933	-	-	-	-	231,825,561	0.86%	342.59		

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)
2008	\$ 98,829,213	\$ 693,851	\$ 98,135,362	0.60%		152.73
2009	102,758,720	1,528,284	101,230,436	0.58%		152.36
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	0.67%		174.31
2014	122,928,787	9,507,788	113,420,999	0.64%		167.89
2015	128,970,986	13,151,668	115,819,318	0.65%		171.44
2016	127,105,360	15,515,673	111,589,687	0.61%		164.91
2017	127,759,628	13,261,023	114,498,605	0.61%		169.21

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, 2017

	<u>Debt Outstanding</u>	<u>Applicable to Bernalillo County</u>	<u>County Share of Debt</u>
Bernalillo County	\$ 231,825,561 (1)	100.00%	\$ 231,825,561
Subtotal Bernalillo County Direct Debt			<u>231,825,561</u>
City of Albuquerque	408,096,000	100.00%	408,096,000
Albuquerque Public Schools	614,721,269	97.77%	601,012,985
Moriarty/Edgewood Schools	22,610,000	17.94%	4,056,234
Albuquerque Metropolitan Flood Control Authority	54,250,000	100.00%	54,250,000
Central New Mexico Community College	101,840,000	86.00%	87,582,400
State of New Mexico	475,735,000	27.39%	130,303,817
Subtotal Overlapping Debt			<u>1,285,301,436</u>
 Total Direct and Overlapping Debt			 <u><u>\$ 1,517,126,997</u></u>

Ratios:

Total direct and overlapping debt to assessed valuation	9.84%
Total direct and overlapping debt to actual valuation	2.64%
Direct and overlapping debt per capita	\$ 2,242.00

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
PLEGGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS**

Year Ended June 30	1st Gross Receipt Tax Pledged Revenues		2nd Gross Receipt Tax Pledged Revenues		Hold Harmless Gross Receipt Tax Pledged Revenues ⁽¹⁾		Hold Harmless Gross Receipt Tax Pledged Revenues ⁽¹⁾		Excluding Indigent Care (2)		Total Pledged Revenues		Debt Service Requirements		Total Coverage (3)	
	\$		\$		\$		\$		\$		\$		Principal	Interest		Total
2008	21,733,785		21,733,785		-	-	-	-	(1,000,000)		42,467,570	\$	16,495,000	8,784,582	\$ 25,279,582	1.68
2009	21,033,301		21,033,301		-	-	-	-	(1,000,000)		41,066,602	\$	16,760,000	9,483,039	\$ 26,223,039	1.57
2010	19,656,107		19,656,107		-	-	-	-	(1,000,000)		38,312,214	\$	16,140,000	9,954,561	\$ 26,094,561	1.47
2011	20,270,588		20,270,588		-	-	-	-	(1,000,000)		39,541,176	\$	53,835,000	8,998,698	\$ 62,833,698	0.63
2012	20,688,124		20,688,124		-	-	-	-	(1,000,000)		40,376,248	\$	12,135,000	7,701,143	\$ 19,836,143	2.04
2013	20,167,917		20,167,917		-	-	-	-	(1,000,000)		39,335,834	\$	7,315,000	7,311,029	\$ 14,626,029	2.69
2014	20,947,466		20,947,466		-	-	-	-	(1,000,000)		40,894,932	\$	8,005,000	6,984,498	\$ 14,969,498	2.73
2015	21,515,850		21,515,850		-	-	-	-	(1,000,000)		42,031,700	\$	7,730,000	6,594,960	\$ 14,324,960	2.93
2016	22,539,707		22,539,707		16,533,113		16,533,113		(1,000,000)		77,145,640	\$	8,635,000	6,198,816	\$ 14,833,816	5.20
2017	21,830,795		21,830,795		20,233,491		20,233,491		(1,000,000)		83,128,572	\$	9,165,000	5,762,773	\$ 14,927,773	5.57

Notes:

(1) Bernalillo County enacted a 28ths of Hold Harmless GRT to begin on 7/1/15.

(2) \$1 million dollars of the 2nd 1/8th GRT is dedicated to County Indigent care.

(3) In fiscal year 2011, 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.

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

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Debt Limit	\$ 527,644,497	\$ 559,043,680	\$ 592,924,187	\$ 575,389,152
Total net debt applicable to limit (1)	<u>98,835,000</u>	<u>102,080,000</u>	<u>105,675,000</u>	<u>97,835,000</u>
Legal debt margin	<u>\$ 428,809,497</u>	<u>\$ 456,963,680</u>	<u>\$ 487,249,187</u>	<u>\$ 477,554,152</u>
Total net debt applicable to the limit as a percentage of debt limit	18.73%	18.26%	17.82%	17.00%

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

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 578,110,431	\$ 575,776,927	\$ 580,170,381	\$ 593,401,886	\$ 604,763,090	\$ 623,716,170
122,409,070	122,928,787	122,928,787	128,970,986	127,105,360	127,759,628
<u>\$ 455,701,361</u>	<u>\$ 452,848,140</u>	<u>\$ 457,241,594</u>	<u>\$ 464,430,900</u>	<u>\$ 477,657,730</u>	<u>\$ 495,956,542</u>
19.22%	21.35%	21.19%	21.73%	21.02%	20.48%

Legal Debt Margin Calculation for Fiscal Year 2016

Assessed Value	<u>\$ 15,592,904,243</u>
Debt limit (4% of total assessed value)	623,716,170
Debt applicable to limit (1)	<u>127,759,628</u>
Legal debt margin	<u>\$ 495,956,542</u>

**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)
2008	646,879	23,505,948	36,337	4.40%
2009	655,279	23,140,550	35,314	7.00%
2010	664,117	23,369,989	35,190	8.50%
2011	669,492	24,598,846	36,743	7.20%
2012	672,948	24,712,276	36,722	7.10%
2013	674,942	24,260,851	35,945	6.90%
2014	675,647	25,742,024	38,100	6.30%
2015	676,685	26,934,446	39,804	5.90%
2016	676,685	NA	NA	6.00%
2017	676,685	NA	NA	6.00%

Education (4)	Population	Percent	School Enrollment (2)	Count
Persons age 25 and Over	451,402	100.00%	Elementary School	44,817
Less than 9th Grade	24,103	5.34%	Mid-High Schools	19,599
9th-12th grade, no diplomas	30,377	6.73%	High Schools	27,010
High School Graduates (includes equivalency)	107,318	23.77%	Private and parochial schools	13,167
Some college, no degree	107,330	23.78%	Technical-vocational Institute	25,779
Associate degree	34,973	7.75%	University of New Mexico	27,906
Bachelor degree	80,594	17.85%		
Graduate or professional degree	66,707	14.78%		
Percentage completed high school		87.93%		
Percentage completed 4 year college		32.63%		

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
CURRENT YEAR AND TEN YEARS AGO**

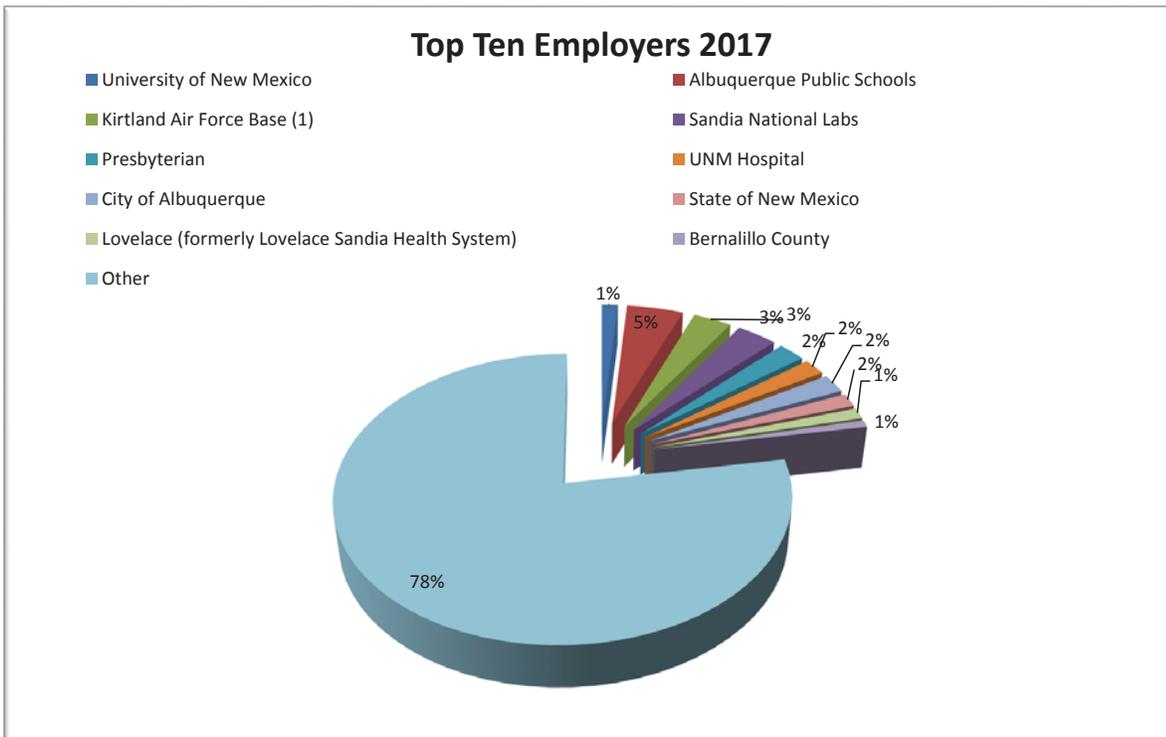
Employer	2017			2008		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Albuquerque Public Schools	14,810	1	4.61%	14,000	2	4.19%
Sandia National Labs	10,652	2	3.31%	8,730	4	2.62%
Kirtland Air Force Base (1)	10,125	3	3.15%	26,960	1	8.08%
Presbyterian	7,310	4	2.27%	7,315	6	2.19%
City of Albuquerque	6,940	5	2.16%	6,500	5	1.95%
UNM Hospital	6,021	6	1.87%	4,595	10	1.38%
State of New Mexico	4,950	7	1.54%	5,605	7	1.68%
University of New Mexico	4,210	8	1.31%	15,435	3	4.62%
Lovelace (formerly Lovelace Sandia Health System)	4,000	9	1.24%	3,400	8	1.02%
Bernalillo County- as of 10/1/15	2,648	10	0.82%			
Kirtland Air Force Base(Civilian) (2)	-	-	-			
Kirtland Air Force Base(Military) (2)	-	-	-	4,860	9	1.46%
Total	71,666		22.30%	97,400		29.18%
Bernalillo County Quarterly Census of Employment	321,431			333,810		

Sources:

New Mexico Department of Workforce Solutions, Albuquerque Economic Development

Notes: (1) For 2016 and after, 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 2008, 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	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
General Government										
Commissioners	13	10	10	10	10	10	10	10	11	10
County Manager										
County Manager	7	7	7	10	11	16	16	16	15	14
Economic Development	6	6	6	6	6	6	6	6	2	2
CIP	2	2	-	-	-	5	6	6	7	3
Public Information	8	8	6	6	6	10	10	10	9	8
Legal Department	17	17	18	13	13	10	10	10	10	12
Information Technology										
Customer Service	103	96	78	73	72	91	91	91	71	70
Human Resources										
Compensation and Benefits	15	18	18	13	12	12	12	12	8	6
Labor Relations/Employment	18	22	22	22	23	21	22	22	23	19
HR Training	6	6	4	4	4	-	-	-	-	-
Workforce Management	9	9	9	-	-	-	-	-	-	-
Clerk										
Bureau of Elections	25	25	25	25	25	25	25	25	25	25
Record and Filing	23	23	23	23	22	23	23	23	24	23
General Services										
GSD Division Administration	5	5	-	-	-	-	-	-	-	-
Purchasing Office	20	19	34	33	27	19	19	19	18	18
Accounts Payable	9	9	9	9	9	8	8	8	8	8
Real Estate/ROW	6	6	6	7	7	6	6	6	6	6
Constituent Services	22	22	7	17	16	13	8	8	-	-
Finance										
Finance Division Administration	5	5	5	5	5	-	-	-	-	-
Budget	9	9	8	9	9	7	7	7	5	5
Business Improvement	3	4	24	28	28	12	12	12	11	11
Accounting	19	19	20	22	22	15	15	15	11	13
Risk Management	16	16	11	11	10	10	10	10	11	10
Treasurer										
Accounting	6	6	6	6	6	5	5	5	6	6
Program Support	7	7	7	7	7	8	8	8	8	8
Taxpayer Services	24	25	25	25	25	24	24	24	23	23
Fleet-Facilities Management										
Computer Automation/Admin	4	4	3	5	8	5	7	7	9	9
Custodial Services	45.5	45.5	45.5	45.5	45.5	48.5	48.5	48.5	48	48
Facilities Maintenance	46	46	40	39	43	28	28	28	31	32
Vehicle Maintenance	30	30	30	30	28	24	25	25	26	25
CIP	13	13	14	12	5	-	-	-	-	-
Operations & Maintenance Dept.										
Road Maintenance	46	46	46	42	42	40	41	41	39	41
Traffic Engineering	14	14	13	13	13	12	13	13	14	14
Storm Drainage	5	5	5	5	5	5	5	5	5	4
Infrastructure and GEO Resources										
Natural Resources	8	7								
Geographic Information Systems	10	11	11	10	10	9	9	9	9	9
Technical Planning	4	4	4	5	5	4	4	4	4	4
Infrastructure	-	-	-	-	-	-	-	-	6	5
Review and Permitting	7	7	7	-	-	8	8	8	-	-
Technical Services Department										
Tech Services A & B & Review	38	38	38	38	38	38	38	38	27	35
Probate Court	6	6	6	5	5	4	4	4	4	4

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

Function	Full-Time Equivalent Employees as of June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Government										
Zoning, Building, and Planning										
Building Division	22	22	22	22	21	19	20	20	18	18
Land-Use Planning	14	14	14	12	13	10	10	10	10	10
Land-use, Review and Code Enf.	23	14	14	16	16	23	22	22	15	14
Assessors										
Property Assessment	50	51	52	55	52	63	61	61	63	63
Valuation	50	49	45	40	36	36	39	39	38	37
Public Safety										
Fire										
Emergency Preparedness	7	5	5	5	5	4	4	4	5	5
Fire Prevention	-	5	7	7	7	8	8	8	9	7
Operations	241	234	231	231	224	225	197	197	183	190
Support Services	9	12	11	12	15	13	13	13	14	12
Sheriff										
Criminal Investigations	79	80	88	73	65	57	56	56	53	55
Court Services	79	71	73	85	83	29	28	28	31	35
Field Services	201	205	189	188	202	207	181	181	181	183
Headquarters	23	24	20	14	14	19	17	17	16	17
Metro Air	-	-	-	-	0	2	1	1	1	-
Support Services	40	28	34	44	49	40	65	65	80	59
Grant	-	-	-	-	-	-	2	2	-	-
Communications Department										
Communications Department	53	54	54	54	55	49	49	49	49	49
Public Safety Department										
Animal Control	18	17	17	18	18	13	13	13	13	12
Administrative Services	7	4	5	4	4	3	3	3	3	3
Youth Services Center										
Resident Services	82	84	81	81	82	81	80	80	80	80
Support Services	29.5	28.5	29.5	29	29	26	27	27	28	27
Metropolitan Detention Center										
Metropolitan Detention Center	532	531	526	531	527	531	530	530	532	532
DWI										
DWI	65	66	63	64	66	66	65	65	52	51
Public Works										
Division Support Program	9	9	10	11	11	8	8	8	11	9
Capital Construction Fund	-	-	-	-	-	-	1	1	-	-
Solid Waste										
Water/Wastewater	2	2	13	14	14	-	-	-	-	-
Graffiti Program	4	4	5	5	5	-	-	-	-	-
Culture and Recreation										
Administration	4	5	6	7	8	8	10	10	9	8.5
Aquatics Program	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	5	6
Community Center Program	73	66	63	63.5	59	56	56	56	50.25	53.5
Land Management-Parks and Open	41	48	46	43.5	43	41	43	43	45	41.5
Recreation Enrichment Program	-	-	-	-	-	-	-	-	8.5	13
Sports Program	5	5	5	5	7.5	8.5	9.5	9.5	8	10
Youth and Senior Services Program	-	-	-	7	7.5	7	7	7	7	5
Open Space	12.5	13.5	11	11	9	8	7	7	7	9
Public Arts	1	1	1	1	1	1	-	-	-	-
Capital Development	-	-	3	3.5	4.5	2.5	2.5	2.5	-	-
Community Services Administration	4	4	9	4	3	-	-	-	-	-
Social Services	-	-	-	2	2	-	-	-	-	-
Cultural Services	4	4	3	5	6	-	-	-	-	-
ABC Schools	6	4	4	4	4	-	-	-	-	-
Health and Welfare										
Protection and Promotion	9	19	19	18	17	16	16	16	24	23
Enterprise Funds-Business Type										
Solid Waste										
Solid Waste	11	11	7	11	11	13	13	13	13	13
Housing										
Housing	33	32	32	32	32	31	31	31	32	33
Youth Services Center										
Youth Services Center	16	16	15	15	14	14	14	14	14	24
	<u>2,543</u>	<u>2,524</u>	<u>2,488</u>	<u>2,486</u>	<u>2,469</u>	<u>2,324</u>	<u>2,297</u>	<u>2,297</u>	<u>2,242</u>	<u>2,238</u>

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

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Sheriffs Office										
911 Calls (1)	75,947	74,979	77,328	65,265	68,900	74,619	70,328	73,960	75,369	73,159
Traffic Offenses(2) (5)	3,200	3,067	2,110	1,996	1,867	2,013	2,067	2,107	NA	NA
Fire Department										
Number of calls answered (1) (8)	18,390	17,886	16,288	14,725	13,306	15,594	11,349	11,919	11,180	11,541
Inspections (1)	1,385	1,612	1,280	1,276	1,376	1,331	1,151	1,070	1,839	1,985
Public Works										
Street resurfacing (miles) (2)	4.65	5.76	3.5	14.6	17.1	19.9	12.4	13.5	11.9	15.7
Traffic signs	24,762	24,516	24,571	24,275	23,443	21,175	21,174	20,910	19,991	21,742
Storm Sewer	3,023	2,980	2,680	2,739	2,602	2,518	2,416	2,346	2,183	2,167
Parks and Recreation										
Aquatics Program Attendance (7)	86,796	78,523	59,164	72,009	83,403	81,594	75,857	46,437	38,560	47,643
Number of Attendees at Dance Events	2,050	2,270	1,331	265	720	2,409	1,818	-	59	247
Youth Basketball Participation Program	1,537	1,584	1,862	1,739	1,617	1,581	1,759	2,190	1,133	1,950
Zoning, Building, and Planning										
Residential Building Permits	671	942	593	430	573	379	460	532	518	756
Commercial Building Permits	170	148	121	122	141	81	95	100	79	116
Electrical Permits	1,818	1,853	1,612	1,480	1,518	1,402	1,506	1,313	1,452	2,000
Mechanical Permits	973	901	806	768	809	728	749	691	801	484
Plumbing Permits	979	957	846	813	894	865	859	876	1,222	1,127
Sanitation										
Refuse Collected (Tons/Year) (3)(6)	37,910	39,793	47,433	47,175	41,789	40,285	39,942	39,383	38,338	37,762
Metropolitan Detention Center (4)										
DWI Bookings	2,241	2,213	2,774	5,511	3,987	4,213	4,750	5,435	6,599	6,867
Total Bookings	26,645	24,817	28,604	30,046	33,245	41,784	37,374	39,171	40,303	41,597
Community Custody Program (Avg Daily Population)	105	144	325	325	216	217	251	487	489	434

(1) Fiscal Year

(2) Calendar Year -includes offenses within APD Jurisdiction starting in 2016

(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.

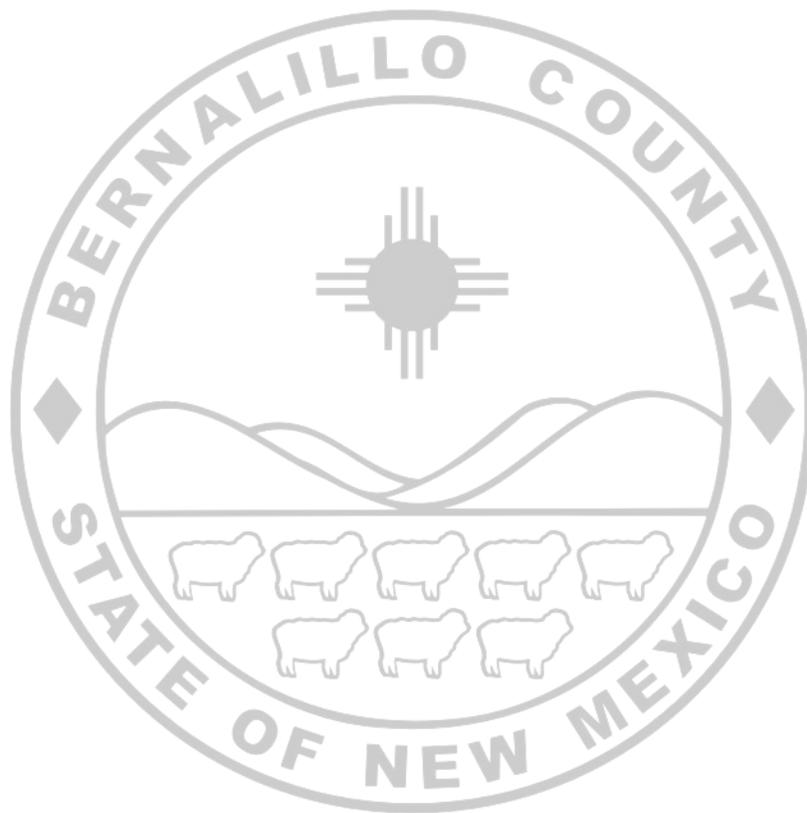
COUNTY OF BERNALILLO, NEW MEXICO
 CAPITAL ASSET STATISTICS BY FUNCTION
 LAST TEN FISCAL YEARS

	Fiscal Year									
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Public Safety										
Sheriff										
Sheriff Stations	4	4	4	4	4	4	4	4	4	4
Fire Department										
Fire Stations	12	12	12	12	12	12	11	11	10	10
Public Works										
Streets (miles) (2)	731	731	731	731	730	730	728	726	724	724
Streetlights (1)	544	544	514	514	501	501	483	409	388	370
Traffic Signals	56	56	56	56	56	56	55	53	51	51
Traffic Flashers (Count)	84	82	82	80	80	77	73	60	60	130
Culture and Recreation										
Parks	34	34	34	34	25	25	24	23	20	18
Swimming pools	5	5	5	5	5	5	5	5	5	5
Tennis courts	5	9	9	9	9	9	9	9	9	7
Community centers	8	7	7	7	8	8	7	7	7	8
Walking trails	14	14	14	18	18	18	18	17	17	14
Basketball courts	13	13	13	19	19	19	19	17	17	18
Volleyball Amenities	6	6	6	10	10	10	10	9	9	9
Baseball Fields	10	10	10	39	37	37	35	35	35	35
Soccer Fields	9	9	9	25	27	27	26	26	23	24
Playgrounds	25	25	25	25	40	40	27	25	25	24
Picnic Areas	25	25	25	37	37	35	24	23	23	20

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

(2) Calendar year

Source: All data provided by Bernalillo County departments.



SINGLE AUDIT SECTION



COUNTY OF BERNALILLO, NEW MEXICO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For The Year Ended June 30, 2017

Grantor Agency and Grant Title	CFDA Number	Grant Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Agriculture				
Summer Food Service Program for Children				
Pass-Through Programs From				
NM Children, Youth and Families Department				
Summer Food Service Program for Children 17	10.559		3004-2017	\$ 201,074
Summer Food Service Program for Children 16	10.559		3004-2016	267,448
Summer Food Service Program for Children 15	10.559		3004-2015	13,757
				<u>482,279</u>
NM Department of Finance and Administration				
National Forest Reserve Distribution	10.665			4,516
				<u>486,795</u>
				<u>486,795</u>
Total Indirect Assistance				
Total U.S. Department of Agriculture				
U.S. Department of Housing and Urban Development				
Pass-Through Programs From				
HOME Investments Partnership Program				
2016 Homes	14.239		16-01-BCH-HOR-001	235,553
				<u>235,553</u>
Total Indirect Assistance				
Direct				
Low Income Housing Assistance Programs				
Supportive Housing Program	14.267	NM0051L6B001506		49,383
Operating Fund Grant (Seybold)	14.850	NM057-00000116D and 117D		78,218
Section 8 Housing Choice Vouchers	14.871	NM057		14,707,134
Section 8 Housing Operating Administrative	14.871	NM057		980,053
				<u>15,687,187</u>
Capital Fund Grant (Seybold)	14.872	NM02P057501-14		8,282
Section 8 FSS - Homeownership	14.877	NM057 /FSS		128,789
				<u>15,951,859</u>
				<u>16,187,412</u>
Total Direct Assistance				
Total U.S. Department of Housing and Urban Development				
U.S. Department of Interior				
Direct				
Partners for Fish and Wildlife	15.631	F13AC00970		23,121
				<u>23,121</u>
Total U.S. Department of Interior				

COUNTY OF BERNALILLO, NEW MEXICO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For The Year Ended June 30, 2017

Grantor Agency and Grant Title	CFDA Number	Grant Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Justice Direct				
Joint Law Enforcement Operations (JLEO)	16.111	M-16-D51-O-000066		14,000
Bureau of Justice Assistance				
SCAAP-State Criminal Alien Assist. Program	16.606	2016-AP-BX-0382		271,597
US Marshall's Office				
Equitable Sharing	16.922			432,566
Total Direct Assistance				<u>718,163</u>
Pass-Through Programs From				
New Mexico Dept. of Public Safety				
Project Safe Neighborhoods (PSN)				
PSN Anti-Gang Grant	16.609	2013-GP-BX-0013	13-PSN-BCSO-SFY16	6,112
JAG Program Cluster				
City of Albuquerque				
E. Byrne Justice Assistance Grant (JAG)2016	16.738	2016-DJ-BX-0488	IGA PT201600237	60,517
E. Byrne Justice Assistance Grant (JAG)2015	16.738	2015-DJ-BX-0641	IGA PT201600237	45,222
E. Byrne Justice Assistance Grant (JAG)2013	16.738	2013-DJ-BX-0944	2013 JAG FORMULA-BASED	8,293
New Mexico Dept. of Public Safety				
Edward Byrne Memorial Justice Assist. Grant Prg.				
E. Byrne Justice Assistance Grant (JAG)SWIFT17	16.738	2014-DI-BX-1204	14-JAG-SWIFT-SFY17	67,077
E. Byrne Justice Assistance Grant (JAG)SWIFT16	16.738	'13DIBX0031 '12-DIBX0503	13-JAG-SWIFT-SFY16, 12-JAG-SWIFT-SFY16	46,480
Total JAG Program Cluster				<u>227,589</u>
Office of Justice Programs				
Office of Justice Programs	16.750	2016-AW-BX-0008	16-AWA-BCSO-SFY17	31,192
Total Indirect Assistance				<u>264,893</u>
Total U.S. Department of Justice				<u>983,056</u>
U.S. Department of Transportation				
Pass-Through Programs From				
NM Department of Transportation				
Highway Planning and Construction				
Sage/Coors Project	20.205	A300652	D13557/2	18,430
2nd St. Multi-use Trl.	20.205	A301030	D14384	160,853
2nd St. Valle de Oro	20.205	A301520	D14984	427,346
Sunport Blvd.	20.205	A300160	D13112	58,500
Bridge Blvd.	20.205	A301501	D15499	52,001
Bridge Blvd.	20.205	A300503	D15407	129,137
Intersection at Coors and Blake	20.205	A301790	D15158	270,000
Rio Grande Bike Lane	20.205	A300051	D15255	459,378
Sunset Road	20.205	A301740	D14789	110,000
Total Highway Planning Cluster				<u>1,685,645</u>

COUNTY OF BERNALILLO, NEW MEXICO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 For The Year Ended June 30, 2017

Grantor Agency and Grant Title	CFDA Number	Grant Number	Pass-Through Entity Identifying Number	Federal Expenditures
State and Community Highway Safety	20.600		TS04162 (16-DS-PT-008 EXHIBIT D)	22,068
S.T.E.P. 100 Days	20.600		TS04249 (PROJ:17-ST-02-008 EXHIBIT C)	19,313
S.T.E.P. 100 Days	20.600		TS04162 EXHIBIT E (PROJ: 16-DD-02-008)	10,391
Distracted Driving				51,772
Minimum Penalties for Repeat Offenders for Driving While Intoxicated				
Operation DWI 17	20.608		TS04249 17-AL-64-008	109,942
Operation DWI 16	20.608		TS04162 16-AL-64-008	440,866
				550,808
NM Department of Homeland Security				
2016 HAZMAT TRAINING	20.703	HM-HMP-0579-16-01-00	HM-HMP-0579-16-01-00-BERNALILLO	3,530
2014 HAZMAT TRAINING	20.703	DOT/HM-HMP-0519-15-01-00	DOT/HM-HMP-0519-15-01-00-BERNALILLO	253
				3,783
Total Indirect Assistance				2,292,008
Total U.S. Department of Transportation				2,292,008
U.S. Department of Health and Human Services				
Pass-Through Programs From				
State of New Mexico Department of Health				
DOH Cities Readiness Initiative (CRI)	93.074	5U90TP000537-05-00	MOA# 17/665.0300.20410	19,000
State of New Mexico Human Services Department				
SAPT Block Grant	93.959		GSA 15-630-7903-0008 amend 1	7,437
				26,437
Total Indirect Assistance				26,437
Total U.S. Department of Health and Human Services				
U.S. Department of Homeland Security				
Pass-Through Programs From				
NM Department of Homeland Security				
EMPG 2015	97.042	EMW-2015-EP-00066-S01	EMW-2015-EP-00066-S01-BERNALILLO COUNTY	1,404
EMPG 2016	97.042	EMT-2016-EP-0005-S01	EMT-2016-EP-0005-S01-BERNALILLO COUNTY	133,062
2015 Per Diem Grant	97.042	EMW-2015-EP-00066-S01	EMW-2015-EP-00066-S01-Bernalillo County Per Diem	48,653
				183,119
FMAG(Fire Mgmt. Assistance Grant)	97.046	FEMA-5127-FM-NM	FEMA-5127	31,606
2016 Homeland Security Equipment	97.067	EMW-2016-SS-00105	EMW-2016-SS-00105-BERNALILLO COUNTY	124,636
2015 Homeland Security Equipment	97.067	EMW-2015-SS-00110	EMW-2015-SS-00110-BERNALILLO COUNTY	140
				124,776
Total Indirect Assistance				339,501
Total U.S. Department of Homeland Security				339,501
Total Expenditures of Federal Awards				\$ 20,338,330

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, 2017

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, 2017. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. 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 *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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. The County of Bernalillo has no sub recipients for federal awards, no loan or loan guarantee programs, and no indirect costs with an election to use the 10% de minimis rate this fiscal year.

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

Commission Chairman
Members of the County Commission
Bernalillo County and
Mr. Tim Keller, State Auditor
Albuquerque, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information and the budgetary comparisons of the general fund and major special revenue funds of Bernalillo County, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Bernalillo County's basic financial statements, and have issued our report thereon dated November 9, 2017.

Internal Control Over Financial Reporting

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

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

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

Commission Chairman
Members of the County Commission
Bernalillo County and
Mr. Tim Keller, State Auditor

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bernalillo 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* listed as items 2016-001, 2013-007, and 2017-001 in the schedule of findings and questioned costs.

Bernalillo County's Response to Findings

Bernalillo County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Bernalillo County's response was 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Albuquerque, New Mexico
November 9, 2017



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

Commission Chairman
Members of the County Commission
Bernalillo County and
Mr. Tim Keller, State Auditor
Albuquerque, New Mexico

Report on Compliance for Each Major Federal Program

We have audited Bernalillo County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Bernalillo County's major federal programs for the year ended June 30, 2017. Bernalillo County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Bernalillo 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Bernalillo 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 Bernalillo County's compliance.

Opinion on Each Major Federal Program

In our opinion, Bernalillo 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, 2017.

Commission Chairman
Members of the County Commission
Bernalillo County and
Mr. Tim Keller, State Auditor

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance that are required to be reported in accordance with the Uniform Guidance. Our opinion on each major federal program is not modified with respect to these matters.

Report on Internal Control Over Compliance

Management of Bernalillo 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 Bernalillo 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 the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Bernalillo 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



CliftonLarsonAllen LLP

Albuquerque, New Mexico
November 9, 2017

Section I - Summary of Auditors' 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 that are not considered to be material weaknesses? 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 deficiencies identified that are not considered to be material weakness(es)? yes none reported

Type of auditor's report issued on compliance for major program: Unmodified

Any audit findings, disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes no

Identification of major programs:

CFDA Numbers

14.871

Name of Federal Program

Section 8 Choice Housing Voucher Program

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? yes no

SECTION II – FINDINGS – FINANCIAL STATEMENT AUDIT

2016-001 CASH DESK RECEIPTS - TIMELY DEPOSITS AND SUPPORTING DOCUMENTATION (NONCOMPLIANCE WITH STATE AUDIT RULE, FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT DEFICIENCY)

Condition: During our internal control testwork over cash receipts, we noted that 2 out of 22 cash receipts tested, totaling \$70, were not deposited by the next business day, rather were deposited within 48 hours of receipt.

Criteria: The County's Administrative Instruction No. AD 02 and State statute require all money collected to be deposited by the following business day. The County's Administrative Instruction.

Effect: Non-compliance with State statute and County policies.

Cause: During the year, the County was in the process of updating its policies and procedures surrounding cash handling.

Recommendation: We recommend the County continue to train employees on the State and County policies surrounding cash handling.

Management's Response:

Management concurs with the comment and has created an action plan to remediate the situation. Accounting Office will incorporate an amendment in the Collection of Monies and Handling Requirements; Administrative Instruction AI AD02; to include disciplinary action for noncompliance with monies handling. All cash handlers will be required to read and acknowledge the amended AI training. Remediation will be completed by June 30, 2018.

2013-07 IMPROVE IT GENERAL CONTROLS (FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT DEFICIENCY)

Condition: During our IT related procedures for the County, we noted the following observations that could be strengthened by the County.

1. A formal IT risk assessment has not been performed.
2. The network and SAP password policies do not meet best practice.

Criteria:

1. 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.

SECTION II – FINDINGS – FINANCIAL STATEMENT AUDIT, Continued

2013-07 IMPROVE IT GENERAL CONTROLS (FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT DEFICIENCY), Continued

Criteria, Continued:

2. In accordance with ISACA's Control Objectives for Information and related Technology (COBIT) 4.1, 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 maintaining vendor relationship and vendor management.

Cause: The organization has not contracted out or internally performed an IT risk assessment and password policies have not been evaluated for enhancement.

Effect:

1. Not performing a risk assessment could leave BC open to possible preventable threats or attacks to their data and information.
2. Unauthorized or malicious activity is performed on the County's technical infrastructure due to unauthorized workstation access and remains undetected for an extended period.

Recommendation:

1. BC should perform a comprehensive IT risk assessment to identify reasonably foreseeable threats to data and information that could negatively affect the confidentiality, integrity, and availability of the organization's systems and data. Results of the risk assessment should be used as a basis for establishing and implementing appropriate administrative, technical, and physical controls to reduce or eliminate the impact of the threat.
2. Windows / Active Directory Group / SAP policy should enforce the following password requirements:
 - Minimum 9 characters
 - Full complexity
 - Expiration of 120 days
 - Password history of 12-24 passwords remembered
 - 3 to 5 unsuccessful login attempts before the account is locked out

Management's Response:

1. A formal IT risk assessment has not been performed.

The IT Department will partner with the Finance Division to define a strategy for conducting a formal IT Risk Assessment. The Strategy and Plan for the formal Risk Assessment will be completed by the end of February 2018. The Risk Assessment process will begin in March 2018 with a stretch goal to complete by end of June 2018. The baseline goal for completion is the end of September 2018.

SECTION II – FINDINGS – FINANCIAL STATEMENT AUDIT, Continued

2013-07 IMPROVE IT GENERAL CONTROLS (FINDING THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT DEFICIENCY), Continued

Management's Response, Continued:

2. The network and SAP password policies do not meet best practice.

The IT Department will update the password policy to reflect best practices. The scope will include both network and SAP. Additionally, the scope will include differentiation between general users, high security users, and admins. The new policy and an implementation plan will be defined by the end of February 2018.

2017-001 NON-ADHERENCE TO CONTRACT TERMS (NONCOMPLIANCE/MATTER THAT DOES NOT RISE TO THE LEVEL OF A SIGNIFICANT DEFICIENCY)

Condition: During our internal control testwork over procurement, we noted that 1 out of 20 purchased goods or service tested had a charge for 1 hour of service at an hourly rate that was not the agreed-upon rate under the purchase order.

Criteria: Rates charged by vendors should agree to the underlying agreed-upon rates in purchase orders and contracts.

Cause: Lack of review of invoice compared to the purchase order before payment was rendered.

Effect: The County overpaid by approximately \$90.

Recommendation: We recommend the County continue to train employees on detailed level of review that is necessary when they receive invoices from vendors.

Management's Response:

Management agrees with the finding. County departments are responsible for ensuring that vendors are accurately charging the County in accordance with established pricing. In the 3rd quarter of FY18, Procurement and Business Services (PBS) department will deliver training to include detail of review and verification that invoiced price is in accordance with established pricing, i.e., contract, purchase order, and/or written quoted price, prior to approval of the invoice.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

STATUS OF PRIOR YEAR FINDINGS

Financial Statement Findings:

Finding Reference		Status
2013-007	Improve IT General Controls, Significant Deficiency	Repeated and modified
2016-001	Cash Desk Receipts	Repeated and modified
2016-002	Risk Management Fund	Resolved

**COUNTY OF BERNALILLO, NEW MEXICO
EXIT CONFERENCE
YEAR ENDED JUNE 30, 2017**

An exit conference was held on November 3, 2017 and attended by the following:

Audit Committee

Mandy Funchess, CPA, Chair
Armando Sanchez, CPA, Member
JoHanna Cox, Attorney, Member

External Auditors – CliftonLarsonAllen

Georgie Ortiz, CPA
Laura Beltran-Schmitz, CPA

County Personnel

Shirley Ragin, Deputy County Manager, Finance Division
Vincent Murphy, Deputy County Manager, Community Service Division
Lisa Sedillo-White, Deputy County Manager, General Services Division
Roger Paul, Deputy County Manager, Public Works Division
Pamela Moon, CPA, Director of Accounting & Budget Department
Jacqueline Sanchez, MBA, Assistant Director of Accounting & Budget Department
Trudy McGregor, CPA, Principal Accountant, Accounting & Budget Department
Anthony Infantino, MBA, Principal Accountant, Accounting & Budget Department
Nataliya Rubinchik, Senior Financial Accountant, Accounting & Budget Department
Cindy Torres, Audit Liaison, Financial Accountant, Accounting & Budget Department
Lucy White, Senior Financial Accountant, Housing Department
Leticia Carreon, Financial Accountant, Accounting & Budget Department
Brandee Pacheco Martinez, Principal Accountant, Housing Department
Ryan Travelstead, Senior Financial Account, Accounting & Budget Department
Dinah Esquivel, Director of Procurement & Business Services
Justin Salazar, Investment Banking Officer, Treasurer's Office
Geraldine Maestas, Financial Projects Coordinator, Payroll Department
Cynthia Keaveny, Senior Accountant, Payroll Department
Christopher Sanchez, Principal Accountant, Treasurer's Office
Yolanda Ulibarri, Employment Manager, Human Resources Department
Denise Benavidez, Senior Financial Accountant, Finance Division
Marilyn Sanchez, Administrative Officer III, Accounting & Budget Department



RATINGS

Standard & Poor's has assigned a municipal bond rating of "AAA" to the Bonds.

Moody's Investors Service, Inc. has assigned a municipal bond rating of "Aaa" to the Bonds.

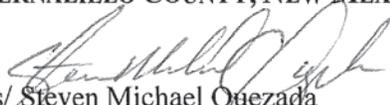
Fitch Rating has assigned a municipal bond rating of "AAA" to the Bonds.

These ratings reflect only the view of such rating agencies, and an explanation of the significance of such ratings may be obtained from the respective rating agency. There is no assurance that such ratings will remain for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agencies, if in their judgments, circumstances so warrant. Any such downward revision or withdrawal may have an adverse effect on the market price for the Bonds.

COUNTY APPROVAL OF OFFICIAL STATEMENT

This Official Statement is deemed final; has been authorized and approved by the County; is considered to be true, complete and correct in all material aspects; and does not contain any untrue statements of material fact or omit to state a material fact necessary to make the statements made herein, in light of the circumstances under which they were made, not misleading.

BERNALILLO COUNTY, NEW MEXICO


/s/ Steven Michael Quezada
Chair, Board of County Commissioners