



TORRANCE COUNTY
RESOLUTION # 2023- 05

ACCEPTANCE AND APPROVAL OF THE FY2022 AUDIT

WHEREAS, Torrance County is required by statute to contract with an independent auditor to perform the required annual audit or agreed upon procedures for Fiscal Year 2022; and,

WHEREAS, the Torrance County Board of County Commissioners has directed the accomplishment of the audit for FY22 be completed; and,

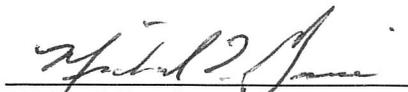
WHEREAS, this audit has been completed and presented to the Torrance County Board of County Commissioners per the January 31, 2023, Letter from the Statue Auditor authorizing release of the FY22 audit.

WHEREAS, NMAC 2.2.2.10 (M) (4) provides in pertinent part that “Once the audit report is officially released to the agency by the state auditor (by a release letter) and the required waiting period of five calendar days has passed, unless waived by the agency in writing as described in Subparagraph (a) of Paragraph (4) of Subsection B of 2.2.2.9 NMAC, the audit report shall be presented by the IPA, to a quorum of the governing authority of the agency at a meeting held in accordance with the Open Meetings Act, if applicable.”

NOW THEREFORE, BE IT RESOLVED, that the Torrance County Board of County Commission does hereby accept and approve the completed audit report and findings as indicated within this document.

ACCEPTED AND APPROVED this 22nd day of February 2023 in regular session by the Torrance County Board of County Commissioners, at Estancia, Torrance County, New Mexico.

Approved as to Form:


Michael Garcia


Kevin McCall, District 1


Ryan Schwebach, Chairman, District 2

Attest:


Linda Jaramillo, County Clerk


Vacant, District 3





State of New Mexico
Office of the State Auditor

CONSISTENT SERVICES
(505) 476-3821

Via: Email

1/31/2023
Janice Barela, County Manager
jbarela@tcnm.us
Torrance County

OSA Ref No. 5030

Re: Authorization to Release 2022 Torrance County Audit Report

The Office of the State Auditor (OSA) received the audit report for your agency on 1/31/2023. The OSA has completed the review of the audit report required by Section 12-6-14(B) NMSA 1978 and any applicable provisions of the Audit Rule. This letter is your authorization to make the final payment to the Independent Public Accountant (IPA) who contracted with your agency to perform the financial and compliance audit. In accordance with the audit contract, the IPA is required to deliver to the agency the number of copies of the report specified in the contract.

Pursuant to Section 12-6-5 NMSA 1978, the audit report does not become a public record until five days after the date of this release letter, unless your agency has already submitted a written waiver to the OSA. Once the five-day period has expired, or upon the OSA's receipt of a written waiver:

- the OSA will send the report to the Department of Finance and Administration, the Legislative Finance Committee and other relevant oversight agencies;
- the OSA will post the report on its public website; and
- the agency and the IPA shall arrange for the IPA to present the report to the governing authority of the agency, per the Audit Rule, at a meeting held in accordance with the Open Meetings Act, if applicable.

The IPA's findings and comments are included in the audit report on page 128-131. It is ultimately the responsibility of the governing authority of the agency to take corrective action on all findings and comments.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brian S. Colón".

Brian S. Colón, Esq. CFE
State Auditor

cc. Kubiak, Melton & Associates, LLC

<h1>OK to Print Communication</h1>		Date: 1/11/2023 Number of pages including cover sheet: 2
Subject: Torrence County Agency #: 5030 Fiscal Year: June 30, 2022	From: Office of the State Auditor 2540 Camino Edward Ortiz, Ste #A Santa Fe, NM 87507	
Attention: Joe Ortiz Firm: Kubiak, Melton & Associates, LLC E-mail: jortiz@kubiakcpa.com	Attention: Laura Wade Telephone: (505) 476-3800	
Attention: Janice Barela, County Manager; Noah Sedillo, CPO E-mail: jbarela@tcnm.us ; njsedillo@tcnm.us		

In accordance with the Audit Act, NMSA 1978, Section 12-6-1 et seq., and the 2021 Audit Rule, NMAC 2.2.2.1 et seq., the Office of the State Auditor (“OSA”) reviewed this financial and compliance audit report or agreed upon procedures report (“Report”). In accordance with Audit Act, the OSA has determined that the Report has been made in accordance with the provisions of the contract and applicable rules promulgated by the OSA. **Therefore this Report is “OK to Print”.** One searchable electronic copy labeled “Final” per 2.2.2.9(B)(3) NMAC should be submitted to the OSA **within five business days** of receipt of this communication. You do not need to submit a hard-copy final Report to the OSA.

The following items, prepared using the most current templates posted on the OSA website in accordance with the instructions provided, must be submitted with the Final Report for financial and compliance audit reports **(these items are not required for agreed upon procedures reports)**:

- The electronic Excel version of the summary of findings report,
- The electronic Excel version of the schedules of asset management costs, if applicable (STO, PERA, ERB and SIC).

Except for any comments contained in this OK to Print Communication, all of which should be addressed before resubmission, the Report should not be changed from what was previously submitted. Please provide **written notification** to the OSA of all changes made and relevant page numbers, including those changes made in response to OSA comments, with the final copy of the Report submitted to the OSA. The written notification must be signed by the audit manager and submitted as a PDF file with the submission of the Final PDF Report in OSA-Connect. **Please note that any changes that do not result from OSA comments may require an additional review of the report and could potentially change the report’s current “OK to Print” status.**

Final reports, any required electronic schedules and any associated documentation should be submitted in OSA-Connect.

This communication does **not** authorize the IPA or the agency to release the Report to the public. Per NMSA 1978, Section 12-6-5 the Report and the information contained in it cannot be released to the public until five calendar days **after** the OSA has officially released the Report. The OSA will send the release letter to the

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Torrance County

Communication with those Charged with Governance
County Commission
June 30, 2022

6747 ACADEMY ROAD NE, STE. A
ALBUQUERQUE, NM 87109
P: 505.822.5100 | F: 505.822.5106
KUBIAKCPA.COM

Auditor's Responsibility

- Form and express an opinion on the financial statements
 - Reasonable Assurance
- Communicate significant matters related to the audit
- Communicate particular matters required by law & regulation
- Consideration of Materiality
- Maintaining Auditor's Independence
 - Management assumes responsibility



Corrected Misstatements

- No misstatements were noted as a result of our audit procedures.

Uncorrected Misstatements

- Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

Disagreements with Management

- No disagreements arose during the audit as it relates to a financial accounting, reporting, or auditing matters.

Consultation with Other Accountants

- None

Accounting Estimates

- Estimate of useful lives of capital assets
- Allowance for Doubtful Accounts
- Net Pension Liability and related Deferred Inflows and Deferred Outflows
- Leases

Opinion

- Financial Statements – Unmodified Opinion

Findings

- 2022
 - None
- 2021
 - 2021-001 (FS 2019-001) – Financial Close and Material Adjustments (Improper Year-End Accruals) (Significant Deficiency) – Resolved
 - 2021-002 (FS 2020-001) – Reporting (Other Noncompliance) – Resolved

**STATE OF NEW MEXICO
TORRANCE COUNTY**

**FINANCIAL STATEMENTS AND SCHEDULES
WITH INDEPENDENT AUDITORS'
REPORT THEREON FOR THE
FISCAL YEAR ENDED JUNE 30, 2022**

**STATE OF NEW MEXICO
TORRANCE COUNTY
FOR THE YEAR ENDED JUNE 30, 2022**

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STATE OF NEW MEXICO
TORRANCE COUNTY

OFFICIAL ROSTER (UNAUDITED)

FOR THE YEAR ENDED JUNE 30, 2022

ELECTED OFFICIALS

Kevin McCall County Commissioner – District 1
Ryan Schwebach County Commissioner – District 2
LeRoy M. Candelaria County Commissioner – District 3
Jesse Lucero County Assessor
Yvonne Otero County Clerk
Martin Rivera County Sheriff
Tracy L. Sedillo County Treasurer
Josie Chavez County Probate Judge

ADMINISTRATIVE OFFICIALS

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



INDEPENDENT AUDITORS' REPORT

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

Opinion

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the respective budgetary comparisons for the general fund and major special revenue funds of the State of New Mexico, Torrance County (County), as of and for the year ended June 30, 2022, and the related notes to the financial statements which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the County as of June 30, 2022, and the respective changes in financial position and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

Accounting principles generally accepted in the United States of America require that the County's *Proportionate Share of the Net Pension Liability* and their *Proportionate Share of the OPEB Liability* on pages 65-66 and 69, the Schedules of the County's Contributions on pages 67-68 and 70, and the notes to the required supplementary information, on page 64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic and historical context.

We have applied certain limited procedures to the Schedule of the *County's Proportionate Share of the Net Pension Liability and County's Proportionate Share of the OPEB Liability and Schedules of the County's Contributions* 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 supplementary information listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 28, 2022 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Kubiak Melton & Associates, LLC

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

Albuquerque, New Mexico
November 28, 2022

STATE OF NEW MEXICO
TORRANCE COUNTY
STATEMENT OF NET POSITION
JUNE 30, 2022

	ASSETS	<u>Governmental Activities</u>
Current Assets:		
Cash and Cash Equivalents		\$ 992,242
Restricted Cash		208
Investments		16,557,171
Receivables:		
Property Tax		1,105,433
Other Taxes		860,965
Other Receivables, Net		3,790,110
Prepaid Expenses		249,978
Total Current Assets		<u>23,556,107</u>
Noncurrent Assets:		
Capital Assets, Net		15,988,026
Lease Right-to-Use Assets, Net		<u>1,030,619</u>
Total Noncurrent Assets		<u>17,018,645</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows - Pension Related		1,964,139
Deferred Outflows - OPEB Related		<u>1,062,964</u>
Total Deferred Outflows of Resources		<u>3,027,103</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		<u>\$ 43,601,855</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TORRANCE COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022**

Functions and Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
PRIMARY GOVERNMENT					
Governmental Activities					
General Government	\$ 6,414,571	\$ 360,521	\$ 1,367,719	\$ -	\$ (4,686,331)
Public Safety	29,402,871	23,689,511	3,110,962	11,127	(2,591,271)
Public Works	2,795,429	30,456	105,804	2,592,060	(67,109)
Culture and Recreation	253,497	-	-	-	(253,497)
Health and Welfare	649,418	-	5,000	-	(644,418)
Lease Interest	9,086	-	-	-	(9,086)
Interest on Long-term Debt	61,887	-	-	-	(61,887)
Total Governmental Activities	<u>\$ 39,586,759</u>	<u>\$ 24,080,488</u>	<u>\$ 4,589,485</u>	<u>\$ 2,603,187</u>	<u>(8,313,599)</u>
General Revenues:					
Taxes:					
Property Taxes levied for general purposes					5,286,707
Gross Receipts Taxes					5,551,321
Gasoline and Motor Vehicle Taxes					705,315
Other Taxes					103,942
Payments in Lieu of Taxes					4,200,184
Investment Income					86,409
Gain on Disposal of Assets					10,008
Miscellaneous Income					491,837
Subtotal, General Revenues					<u>16,435,723</u>
Change in Net Position					8,122,124
Net Position, Beginning					16,082,245
Restatement (Note 21)					(157,459)
Net Position, Beginning, as Restated					<u>15,924,786</u>
Net Position, Ending					<u>\$ 24,046,910</u>

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TORRANCE COUNTY
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2022**

Total Fund Balance - Governmental Funds	\$ 19,034,333
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	15,988,026
Lease right-to-use assets used in governmental activities are not financial resources and therefore are not reported in the funds, (net):	1,030,619
Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in funds:	
Deferred Outflows of Resources Pension Recorded	1,964,139
Deferred Outflows of Resources OPEB Recorded	1,062,964
Deferred Inflows of Resources Pension Recorded	(2,408,910)
Deferred Inflows of Resources OPEB Recorded	(1,687,367)
Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be unavailable revenue in the fund financial statements, but are considered revenue in the Statement of Activities	1,028,579
Long-term and certain other liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term and other liabilities at year end consist of:	
Accrued Interest Payable	(10,085)
Compensated Absences Payable	(186,735)
Notes and Bonds Payable	(1,810,251)
Lease Liability	(1,038,565)
Net Pension Liability	(5,933,186)
Net OPEB Liability	(2,986,651)
Total Net Position of Governmental Activities	\$ 24,046,910

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TORRANCE COUNTY
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022**

Net Changes in Fund Balance - Governmental Funds \$ 4,916,168

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

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

Capital Outlay	4,170,658	
Depreciation Expense	(1,494,722)	
Excess (Deficiency) of Capital Outlay over Depreciation Expense		2,675,936

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

Change in Property Taxes		(129,062)
--------------------------	--	-----------

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

Pension Income		(534,115)
OPEB Expense		361,419

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

(Increase) Decrease in Net Lease Activity		(1,818)
(Increase) Decrease in Compensated Absences Payable		23,894
(Increase) Decrease in Accrued Interest Payable		7,439
Principal Payments on Debt		802,263

Change in Net Position of Governmental Activities **\$ 8,122,124**

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TORRANCE COUNTY
STATEMENT OF REVENUES EXPENDITURES & CHANGES IN FUND BALANCE, BUDGET
(NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) –
INMATE CARE (ICE) FUND 825
FOR THE YEAR ENDED JUNE 30, 2022**

	Original Budget	Final Budget	Actual	Variance With Final Budget Favorable (Unfavorable)
REVENUES				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	25,140,000	25,140,000	23,801,150	(1,338,850)
Miscellaneous Income	-	-	-	-
TOTAL REVENUES	<u>25,140,000</u>	<u>25,140,000</u>	<u>23,801,150</u>	<u>(1,338,850)</u>
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	25,140,000	25,140,000	23,800,563	1,339,437
TOTAL EXPENDITURES	<u>25,140,000</u>	<u>25,140,000</u>	<u>23,800,563</u>	<u>1,339,437</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>587</u>	<u>(2,678,287)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
INCREASE (DECREASE)	<u>-</u>	<u>-</u>	<u>\$ 587</u>	<u>\$ (2,678,287)</u>
PRIOR YEAR CASH BALANCE BUDGETED	<u>\$ -</u>	<u>\$ -</u>		

Reconciliation of Budgetary Basis to GAAP Basis Financial Statements:

Revenues, Actual on a Budget Basis	\$ 23,801,150
Revenues, Actual on Modified Accrual Basis	<u>23,454,116</u>
Adjustments to revenues for property tax and grant revenues	<u>\$ 347,034</u>
Expenditures, Actual on a Budget Basis	\$ 23,800,563
Expenditures, Actual on Modified Accrual Basis	<u>22,789,337</u>
Adjustments to expenditures for general government, and transfers	<u>\$ 1,011,226</u>

See Independent Auditors' Report and Notes to Financial Statements

STATE OF NEW MEXICO
TORRANCE COUNTY
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2022

	Custodial Funds
Assets	
Cash and Cash Equivalents	\$ 243,484
Property Taxes Receivable	1,110,952
Total Assets	\$ 1,354,436
 Liabilities	
Due to Other Taxing Entities	\$ 136,608
Total Liabilities	136,608
 Net Position	
Restricted for:	
Held for Formal Protest	74,786
Local Governments	1,143,042
Total Net Position	1,217,828
Total Liabilities and Net Position	\$ 1,354,436

See Independent Auditors' Report and Notes to Financial Statements

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

A. Financial Reporting Entity

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

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

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

Grants and similar items are recognized as revenue as soon as all eligibility requirements of time, reimbursement and contingencies imposed by the provider are met.

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

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

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

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

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

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

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

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

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

Receivables and Payables: Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting funds and reduces its related cost as a reimbursement.

All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

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

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

Property taxes are levied on November 1 based on the assessed value of property as listed on the previous January 1 and are due in two payments by November 10th and April 10th. Property taxes uncollected after May 10th are considered delinquent. The taxes attach as an enforceable lien on property as of January 1st.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

Deferred Outflow of Resources: *Deferred Outflow of Resources:* In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element represents a use of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until that time. The County has multiple types of items that qualify for reporting in this category related to GASB 68 and GASB 75: changes in proportion, net difference between expected and actual experience and employer contributions subsequent to measurement date. These total \$3,027,103 and have been reported as deferred outflows of resources. These amounts are reported in the Statement of Net Position. These amounts are deferred and recognized as outflows of resources the next period.

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

The County has one item, which arise under the modified accrual basis of accounting, that qualify for reporting in this category. Accordingly, the item, unavailable revenue – property taxes is reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The County has recorded \$1,028,579 related to property taxes considered “unavailable.”

In addition, the County has multiple types of deferred inflows which arise due to the implementation of GASB 68 and GASB 75 and the related net pension liability and net OPEB liability. Accordingly, these items, net difference between projected and actual investment earnings, change in assumptions, and differences between expected and actual experience, are reported on the Statement of Net Position in the amount of \$4,096,277 as of June 30, 2022. Net difference between expected and actual investment earnings are amortized into pension expense over a five-year period. Changes in assumptions are amortized into pension expense over the average remaining service life of the employee participants. Differences between expected and actual experience are amortized into pension expense over the five-year period. Detail is found in the notes and the required supplementary information.

Unearned Revenue: The County recognizes grant revenue at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the special revenue funds are shown as unearned revenues. The County had \$2,851,018 of unearned revenues as of June 30, 2022.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

Nonspendable Fund Balance: At June 30, 2022, the nonspendable fund balance in the governmental funds consists of amounts associated with prepaid expenses in the amount of \$249,978 that are not in spendable form.

Restricted and Committed Fund Balance: At June 30, 2022, the County has presented restricted fund balance on the governmental funds balance sheet in the amount of \$13,876,478 for various County operations as restricted by enabling legislation. The County has no presented committed fund balance on the governmental funds balance sheet.

Required Minimum Fund Balance. According to New Mexico State Statute and the New Mexico Department of Finance and Administration (DFA), the County is required to reserve 3/12ths of the General Fund's budgeted expenditures (\$1,842,489) for subsequent year expenditures to maintain an adequate cash flow until the next significant property tax collection. The DFA also requires that 1/12th of the Road Fund budgeted expenditures be reserved (\$204,700). The County has incorporated this reserve requirement within its financial policies approved by the County Commission. These balances are reported as assigned to subsequent years expenditures in the General Fund. The County is in compliance with these DFA requirements.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

COVID-19 (Coronavirus) Pandemic: In March 2020, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. In response to the COVID-19 Pandemic, there have been variations of federal, state, and local mandates that impacted the County's operations. These mandates resulted in an overall decline in economic activity and a rise in economic uncertainties. However, the related financial impact and duration cannot be reasonably estimated at this time.

The safety and health of our employees as well as the general public that we serve is of great importance to the County. We remain committed to the purpose of our County and ensuring that adequate internal controls over financial transactions and reporting were maintained while complying with federal state, and local mandates.

NOTE 2: Stewardship, Compliance, and Accountability

Budgetary Information

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

These budgets are prepared on the Non-GAAP cash budgetary basis. Budgetary basis expenditures exclude encumbrances. The budget secures appropriation of funds for only one year. Carryover funds must be reappropriated in the budget of the subsequent fiscal year.

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

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

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 3: DEPOSITS AND INVESTMENTS (CONTINUED)

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

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

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

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

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

As of June 30, 2022, the County had the following investments and maturities:

<u>Investment Type</u>	<u>Weighted Average Maturities</u>	<u>Cost Basis</u>	<u>Fair Value</u>	<u>Rating*</u>
New Mexico LGIP	[49] day WAM (R); [89] day WAM (F)	\$ 16,557,171	\$ 16,557,171	AAAM
Total Investments		<u>\$ 16,557,171</u>	<u>\$ 16,557,171</u>	

*Based of Standard & Poor's

The County also has \$208 in NMFA reserve cash that is included as restricted cash on the Statement of Net Position.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 3: DEPOSITS AND INVESTMENTS (CONTINUED)

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

The following table sets forth by level within the fair value hierarchy, the County's assets at fair value as of June 30, 2022:

<u>Investment Type</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
New Mexico LGIP	\$ 16,557,171	\$ -	\$ -
Total	\$ 16,557,171	\$ -	\$ -

NOTE 4: RECEIVABLES

Receivables as of June 30, 2022, are as follows:

	<u>General Fund</u>	<u>ICE Inmate Care</u>	<u>American Rescue Act</u>	<u>Total Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Current Receivables:					
Property Taxes levied for general purposes	\$ 74,692	\$ -	\$ -	\$ 2,162	\$ 76,854
Other Taxes	536,933	-	-	324,032	860,965
Other Receivables	465	3,706,128	-	83,517	3,790,110
Total Current Receivables	612,090	3,706,128	-	409,711	4,727,929
Noncurrent Receivables:					
Property Taxes	981,800	-	-	46,779	1,028,579
Total Receivables	1,593,890	3,706,128	-	456,490	5,756,508
Less: Allowance for Uncollectible Accounts	-	-	-	-	-
Receivables, Net	\$ 1,593,890	\$ 3,706,128	\$ -	\$ 456,490	\$ 5,756,508

Receivables include amounts property taxes, other taxes, and other receivables such as amounts due from other governments. Receivables are reported net of an allowance or uncollectible accounts. The County considered all receivables to be collectable as of June 30, 2022, and therefore, no provision for allowances were made.

In accordance with GASB Statement No. 33, property tax revenues in the amount of \$1,028,579 that were not collected within the period of availability have been reclassified as deferred inflow of resources in the governmental fund financial statements.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 6: CAPITAL ASSETS AND RIGHT-TO-USE ASSETS

The following is a summary of capital assets and changes occurring during the year ended June 30, 2022. Land and right of way, artwork, antiques, and construction in progress are not subject to depreciation.

	Beginning Balance July 1, 2021	Additions	Deletions	Ending Balance June 30, 2022
Governmental Activities				
Capital assets not being depreciated:				
Land & Right of Way	\$ 466,834	\$ -	\$ -	\$ 466,834
Artwork and Antiques	372,500	-	-	372,500
Total Capital Assets not being depreciated	<u>839,334</u>	<u>-</u>	<u>-</u>	<u>839,334</u>
Capital assets being depreciated:				
Buildings and Improvements	9,976,025	354,057	-	10,330,082
Vehicles, Machinery and Equipment	13,405,418	1,578,669	63,365	14,920,722
Infrastructure (Roads)	3,840,719	2,237,932	-	6,078,651
Information Technology	13,328	-	-	13,328
Total Capital Assets being depreciated	<u>27,235,490</u>	<u>4,170,658</u>	<u>63,365</u>	<u>31,342,783</u>
Less: Accumulated Depreciation for:				
Buildings and Improvements	4,570,863	221,836	-	4,792,699
Vehicles, Machinery and Equipment	8,148,977	1,127,444	63,365	9,213,056
Infrastructure (Roads)	2,040,868	140,999	-	2,181,867
Information Technology	2,026	4,443	-	6,469
Total Accumulated Depreciation	<u>14,762,734</u>	<u>1,494,722</u>	<u>63,365</u>	<u>16,194,091</u>
Total Capital Assets being Depreciated, Net	<u>12,472,756</u>	<u>2,675,936</u>	<u>-</u>	<u>15,148,692</u>
Capital Assets, Net	<u>\$ 13,312,090</u>	<u>\$ 2,675,936</u>	<u>\$ -</u>	<u>\$ 15,988,026</u>

Depreciation expense for the year ended June 30, 2022, was charged to the functions of the governmental activities as follows:

<u>Function</u>	<u>Amounts</u>
General Government	\$ 541,840
Public Safety	513,769
Public Works	437,883
Health and Welfare	1,230
Total	<u>\$ 1,494,722</u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 7: LONG-TERM DEBT (CONTINUED)

General Obligation Bonds (GO Bonds)

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

GO bonds					
Description	Date of Issue	Maturity Date	Interest Rate	Original Amount of Issue	Balance, June 30, 2022
Series 2016 GO Bond (NMFA #16 PP - 3641)	Dec-16	Aug-31	1.69%	\$ 2,400,000	\$ 950,000

The annual requirements to amortize the general obligation bonds payable as of June 30, 2022, including interest payments are as follows:

Gross Receipts Revenue Bonds			
Year Ending June 30,	Principal	Interest	Total Requirements
2023	\$ 95,000	\$ 17,025	\$ 112,025
2024	95,000	13,521	108,521
2025	95,000	15,351	110,351
2026	95,000	11,553	106,553
2027	95,000	9,480	104,480
2028-2032	475,000	15,739	490,739
Total	\$ 950,000	\$ 82,669	\$ 1,032,669

Notes Payable – NMFA Loans

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

NMFA Loans					
Description	Date of Issue	Maturity Date	Interest Rate	Original Amount of Issue	Balance, June 30, 2022
NMFA #14 PP - 2748	Aug-12	May-28	2.40%	\$ 203,000	\$ 89,567
NMFA #15 PP - 3406	Jan-16	May-36	3.02%	\$ 503,716	378,036
NMFA #17 PP - 3714	Jul-19	May-33	0.58%	\$ 280,618	222,444
				Total	\$ 690,047

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 7: LONG-TERM DEBT (CONTINUED)

Note Payable – Asphalt Zipper

The County has entered into a note payable to finance an Asphalt Zipper. The note terms are as follows:

Notes Payable - Asphalt Zipper					
Description	Date of Issue	Maturity Date	Interest Rate	Original Amount of Issue	Balance, June 30, 2022
Asphalt Zipper	Jul-18	May-23	4.23%	\$ 180,690	\$ 39,203

The annual requirements to amortize the Asphalt Zipper note as of June 30, 2022, including interest payments are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 39,203	\$ 1,662	\$ 40,865
Total	\$ 39,203	\$ 1,662	\$ 40,865

Note Payable – Wheel Loader

The County has entered into a note payable to finance a Wheel Loader. The note terms are as follows:

Notes Payable - Wheel Loader					
Description	Date of Issue	Maturity Date	Interest Rate	Original Amount of Issue	Balance, June 30, 2022
Wheel Loader	Sep-15	Sep-23	0.75%	\$ 265,317	\$ 131,001

The annual requirements to amortize the Wheel Loader note as of June 30, 2022, including interest payments are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 131,001	\$ 242	\$ 131,243
Total	\$ 131,001	\$ 242	\$ 131,243

Compensated Absences Payable

Employees of the County are able to accrue a limited amount of vacation and other compensatory time during the year. In prior years, the general fund is typically used to liquidate such liabilities.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 9: RISK MANAGEMENT

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

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

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

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 11: PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

Contributions: The contribution requirements of defined benefit plan members and the County are established in state statute under Chapter 10, Article 11, NMSA 1978. The contribution requirements may be amended by acts of the legislature. For the employer and employee contribution rates in effect for fiscal year 2022 for the various PERA coverage options, for both Tier I and Tier II, see the tables available in the note disclosures on page 44 of the PERA fiscal year 2021 annual audit report at <http://s3.amazonaws.com/boardaudio/AGENCY%20366%20-%20NM%20PERA%20ACFR%202021%20-%20FINAL.pdf>

The PERA coverage options that apply to County are Municipal Plan 2 and Municipal Police Plan 4. Statutorily required contributions to the pension plan from the County were \$545,387 and employer paid member benefits that were “picked up” by the employer were \$0 for the year ended June 30, 2022.

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

At June 30, 2022, the County reported a liability of \$5,933,186 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020. The total pension liability was rolled forward from the valuation date to the plan year ending June 30, 2021 using generally accepted actuarial principles. Therefore, the employer’s portion was established as of the measurement date of June 30, 2020. There were no significant events or changes in benefit provision that required an adjustment to the roll-forward liabilities as of June 30, 2021. The County’s proportion of the net pension liability was based on a projection of the County’s long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2021, the County’s proportion was 0.363967% for municipal general and .354336% for municipal police which was an decrease from its proportion measured as of June 30, 2020.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 11: PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

For PERA Fund Municipal Police Division, at June 30, 2022, the County reported a liability of \$1,832,489 for its proportionate share of the net pension liability. At June 30, 2021, the County's proportion was 0.3543% which increased from its proportion measured as of June 30, 2020.

For the year ended June 30, 2022, the County recognized PERA Fund Municipal Police Division pension expense of \$541,607. At June 30, 2022, the County reported PERA Fund Municipal Police Division deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 138,539	\$ -
Changes of assumptions	714	-
Net difference between projected and actual earnings on pension plan investments	-	664,253
Changes in proportion and differences between the County's contributions and proportionate share of contributions	793,784	2,227
The County's contributions subsequent to the measurement date	<u>174,259</u>	<u>-</u>
Total	<u>\$ 1,107,296</u>	<u>\$ 666,480</u>

\$174,259 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended</u>	<u>Amount</u>
2023	\$ 249,732
2024	211,290
2025	76,480
2026	(270,890)
2027	<u>-</u>
Total	<u>\$ 266,612</u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 11: PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (CONTINUED)

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:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Global Equity	35.50%	5.90%
Risk Reduction & Mitigation	19.50%	1.00%
Credit Oriented Fixed Income	15.00%	4.20%
Real Assets to Include Real Estate	20.00%	6.00%
Multi-Risk Allocation	<u>10.00%</u>	6.40%
Total	<u>100.0%</u>	

Discount rate. A single discount rate of 7.25% was used to measure the total pension liability as of June 30, 2021. This single discount rate was based on a long-term expected rate of return on pension plan investments of 7.25%, 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 period 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.

Sensitivity of the County's proportionate share of the net pension liability to changes in the discount rate. The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 7.25 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 (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

<u>PERA Fund Division Municipal Government</u>	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
The County's proportionate share of the net pension liability	\$ 7,355,748	\$ 4,100,697	\$ 1,400,537
<u>PERA Fund Division Municipal Police</u>	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
The County's proportionate share of the net pension liability	\$ 3,208,196	\$ 1,832,489	\$ 706,704

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 12: POST-EMPLOYMENT BENEFITS – OTHER THAN PENSIONS (OPEB) (CONTINUED)

Employees covered by benefit terms. At June 30, 2021, the Fund's measurement date, the following employees were covered by the benefit terms:

Plan membership	
Current retirees and surviving spouses	53,092
Inactive and eligible for deferred benefits	11,754
Current Active Members	<u>92,484</u>
	<u>157,330</u>
Active membership	
State general	18,691
State police and corrections	1,919
Municipal General	20,357
Municipal Police	1,573
Municipal FTRE	756
Educational Retirement Board	<u>49,188</u>
	<u>92,484</u>

Contributions. Employer and employee contributions to the Fund total 3% for non-enhanced retirement plans and 3.75% of enhanced retirement plans of each participating employee's salary as required by Section 10-7C-15 NMSA 1978. The contributions are established by statute and are not based on an actuarial calculation. All employer and employee contributions are non-refundable under any circumstance, including termination of the employer's participation in the Fund. Contributions to the Fund from the County were \$87,672 for the year ended June 30, 2021.

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 12: POST-EMPLOYMENT BENEFITS – OTHER THAN PENSIONS (OPEB) (CONTINUED)

Actuarial assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry age normal, level percent of pay, calculated on individual employee basis
Asset valuation method	Market value of assets
Actuarial assumptions:	
Inflation	2.30% for ERB members; 2.50% for PERA members
Projected payroll increases	3.25% to 13.00%, based on years of service, including inflation
Investment rate of return	7.00%, net of OPEB plan investment expense and margin for adverse deviation including inflation
Health care cost trend rate	8% graded down to 4.5% over 14 years for Non-Medicare medical plan costs and 7.5% graded down to 4.5% over 12 years for Medicare medical plan costs
Mortality	ERB members: 2020 GRS Southwest Region Teacher Mortality Table, set back one year (and scaled at 95% for males). Generational mortality improvements in accordance with the Ultimate MP scales are projected from the year 2020. PERA members: Headcount-Weighted RP-2014 Blue Collar Annuitant Mortality, set forward one year for females, projected generationally with Scale MP-2017 times 60%.

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

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 12: POST-EMPLOYMENT BENEFITS – OTHER THAN PENSIONS (OPEB) (CONTINUED)

Payable Changes in the Net OPEB Liability

At June 30, 2022, the County reported a payable of \$3,307 for outstanding contributions due to NMRHCA for the year ended June 30, 2022.

NOTE 13: JOINT POWERS AGREEMENTS

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

NOTE 14: CONTINGENT LIABILITIES

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

NOTE 15: TAX ABATEMENTS

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

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 15: TAX ABATEMENTS (CONTINUED)

Agency Number	5030
Agency Name	Torrance County
Agency Type	County
Tax Abatement Agreement Name	High Lonesome Mesa, LLC
Recipient(s) of tax abatement	High Lonesome Mesa, LLC (or its successor)
Parent company(ies) of recipient(s) of tax abatement	High Lonesome Mesa, LLC (or its successor)
Tax abatement program (name and brief description)	Industrial Revenue Bond - Renewable Energy (Wind Farm)
Specific Tax(es) Being Abated	Property Tax
Legal authority under which tax abatement agreement was entered into	N.M.S.A. 1978, §4-59-1 et seq. and N.M.S.A. 1978 7-36-3
Criteria that make a recipient eligible to receive a tax abatement	The project is related to the generation, transportation and delivery of electricity that constitutes an industrial development project as defined in the County Industrial Revenue Bond Act NMSA 1978 §§4-59-1 through 4-59
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	Through statutory abatement pursuant to the County Industrial Revenue Bond Act.
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	Through statutory abatement pursuant to the County Industrial Revenue Bond Act.
Are there provisions for recapturing abated taxes? (Yes or No)	Yes
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	Payment in Lieu of Taxes - Annual Payment to County & School Districts
List each specific commitment made by the recipient of the abatement.	Torrance County -\$280,800 & Estancia Municipal Schools - \$239,200
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	This was set up in 2008 through an IRB and Assessor's office has no record of any values used to determine any reductions
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	N.M.S.A. 1978, §4-59-1 et seq. and N.M.S.A. 1978 7-36-3
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$520,000
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	\$239,200
List each specific commitment made by your agency or any other government, other than the tax abatement.	N/A
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Estancia Public Schools, Claunch-Pinto SWCD, and Department of Finance and Administration
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	N/A

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 15: TAX ABATEMENTS (CONTINUED)

Agency Number	5030
Agency Name	Torrance County
Agency Type	County
Tax Abatement Agreement Name	Duran Mesa LLC
Recipient(s) of tax abatement	Duran Mesa LLC
Parent company(ies) of recipient(s) of tax abatement	Duran Mesa LLC
Tax abatement program (name and brief description)	Industrial Revenue Bond - Renewable Energy (Wind Farm)
Specific Tax(es) Being Abated	Property Tax
Legal authority under which tax abatement agreement was entered into	N.M.S.A. 1978, §4-59-1 et seq. and N.M.S.A. 1978 7-36-3
Criteria that make a recipient eligible to receive a tax abatement	The project is related to the generation, transportation and delivery of electricity that constitutes an industrial development project as defined in the County Industrial Revenue Bond Act NMSA 1978 §§4-59-1 through 4-59
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	Through statutory abatement pursuant to the County Industrial Revenue Bond Act.
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	Through statutory abatement pursuant to the County Industrial Revenue Bond Act.
Are there provisions for recapturing abated taxes? (Yes or No)	Yes
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	Payment in Lieu of Taxes - Annual Payment to County, School Districts, & Municipalities
List each specific commitment made by the recipient of the abatement.	N/A
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	This was set up in 2020 through an IRB and Assessor's office has no record of any values used to determine any reductions
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	N.M.S.A. 1978, §4-59-1 et seq. and N.M.S.A. 1978 7-36-3
For any Payments in Lieu of Taxes (PILOTs) or similar payments <u>receivable by your agency</u> in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$191,246
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	Torrance County, Vaughn Municiple Schools, Corona Public Schools No payments scheduled until FY 2022
List each specific commitment made by your agency or any other government, other than the tax abatement.	N/A
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Torrance County, Vaughn Municiple Schools, Corona Public Schools, Soil and Water Conservation District, NM Department of Finance and Administration
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	N/A

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 15: TAX ABATEMENTS (CONTINUED)

Agency Number	5030
Agency Name	Torrance County
Agency Type	County
Tax Abatement Agreement Name	La Joya Wind LLC Project II
Recipient(s) of tax abatement	La Joya Wind LLC Project II
Parent company(ies) of recipient(s) of tax abatement	La Joya Wind LLC Project II
Tax abatement program (name and brief description)	Industrial Revenue Bond - Renewable Energy (Wind Farm)
Specific Tax(es) Being Abated	Property Tax
Legal authority under which tax abatement agreement was entered into	N.M.S.A. 1978, §4-59-1 et seq. and N.M.S.A. 1978 7-36-3
Criteria that make a recipient eligible to receive a tax abatement	The project is related to the generation, transportation and delivery of electricity that constitutes an industrial development project as defined in the County Industrial Revenue Bond Act NMSA 1978 §§4-59-1 through 4-59
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	Through statutory abatement pursuant to the County Industrial Revenue Bond Act.
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	Through statutory abatement pursuant to the County Industrial Revenue Bond Act.
Are there provisions for recapturing abated taxes? (Yes or No)	Yes
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	Payment in Lieu of Taxes - Annual Payment to County, School Districts, & Municipalities
List each specific commitment made by the recipient of the abatement.	N/A
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	This was set up in 2020 through an IRB and Assessor's office has no record of any values used to determine any reductions
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	N.M.S.A. 1978, §4-59-1 et seq. and N.M.S.A. 1978 7-36-3
For any Payments in Lieu of Taxes (PILOTs) or similar payments <u>receivable by your agency</u> in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$229,418
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	Torrance County, Vaughn Municipiple Schools, East Torrance, Soil and Water Conservation District, NM Department of Finance and Administration
List each specific commitment made by your agency or any other government, other than the tax abatement.	N/A
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Schools districts receive direct payments from the project, Torrance County does not have actual verified figures that school districts receive.
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	N/A

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 15: TAX ABATEMENTS (CONTINUED)

Agency Number	5030
Agency Name	Torrance County
Agency Type	County
Tax Abatement Agreement Name	Red Cloud Wind LLC
Recipient(s) of tax abatement	Red Cloud Wind LLC
Parent company(ies) of recipient(s) of tax abatement	Red Cloud Wind LLC
Tax abatement program (name and brief description)	Industrial Revenue Bond - Renewable Energy (Wind Farm)
Specific Tax(es) Being Abated	Property Tax
Legal authority under which tax abatement agreement was entered into	N.M.S.A. 1978, §4-59-1 et seq. and N.M.S.A. 1978 7-36-3
Criteria that make a recipient eligible to receive a tax abatement	The project is related to the generation, transportation and delivery of electricity that constitutes an industrial development project as defined in the County Industrial Revenue Bond Act NMSA 1978 §§4-59-1 through 4-59
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	Through statutory abatement pursuant to the County Industrial Revenue Bond Act.
How is the amount of the tax abatement determined? For example, this could be a specific dollar amount, a percentage of the tax liability, etc.	Through statutory abatement pursuant to the County Industrial Revenue Bond Act.
Are there provisions for recapturing abated taxes? (Yes or No)	Yes
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	Payment in Lieu of Taxes - Annual Payment to County, School Districts, & Municipalities
List each specific commitment made by the recipient of the abatement.	N/A
Gross dollar amount, on an accrual basis, by which the government's tax revenues were reduced during the reporting period as a result of the tax abatement agreement.	This was set up in 2020 through an IRB and Assessor's office has no record of any values used to determine any reductions
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency or another agency in association with the foregone tax revenue, list the authority for and describe the payment, including the agency that is supposed to receive the payment	N.M.S.A. 1978, §4-59-1 et seq. and N.M.S.A. 1978 7-36-3
For any Payments in Lieu of Taxes (PILOTs) or similar payments <u>receivable by your agency</u> in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$477,313
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	\$0
List each specific commitment made by your agency or any other government, other than the tax abatement.	N/A
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Torrance County, Vaughn Municipicle Schools, Corona Public Schools, Soil and Water Conservation District, NM Department of Finance and Administration
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	N/A

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 16: RESTRICTED NET POSITION

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

<u>Restricted For:</u>	<u>Amount</u>
Special Revenue Funds	\$ 11,325,811
Capital Projects	138,333
Debt Service	365,415
Restricted Minimum Fund Balance	<u>2,047,189</u>
Total Restricted Net Position	<u>\$ 13,876,748</u>

NOTE 17: CONCENTRATIONS

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

NOTE 18: COMMITMENTS

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

The County did not have construction commitments outstanding as of June 30, 2022.

NOTE 19: NEW ACCOUNTING STANDARDS

The County conforms to the pronouncements of the GASB, which are the primary authoritative statements of accounting principles generally accepted in the United States of America applicable to state and local governments.

The following pronouncements have been issued but are not yet effective and will be evaluated in year of implementation:

- GASB Statement No. 91, *Conduit Debt Obligations*
- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*
- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*
- GASB Statement No. 97, *Certain Component Unit Criteria*
- GASB Statement No. 99, *Omnibus 2022*
- GASB Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*
- GASB Statement No. 101, *Compensated Absences*

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

NOTE 22: SUBSEQUENT EVENTS

The County has evaluated subsequent events through November 28, 2022, which is the date the financial statements were available to be issued. See *Note 1: Summary of Significant Accounting Policies* for the COVID-19 (Coronavirus) Pandemic disclosure. There are no other matters identified for recognition in the accounts. The County has identified one subsequent event requiring disclosure:

Opioid Settlements

Subsequent to year end, the County received funds related to a Nationwide settlement that was reached to resolve all opioids litigation brought by states, including New Mexico, and local political subdivisions against the three largest pharmaceutical distributors: McKesson, Cardinal Health and AmerisourceBergen ("Distributors"), and manufacturer Janssen Pharmaceuticals, Inc. and its parent company Johnson & Johnson (collectively, "J&J"). The County received the first installments of \$149,218 in the fall of 2022. These settlements will provide substantial funds to states and local governments for abatement of the opioids epidemic across the country and will impose transformative changes in the way the settling defendants conduct their business. Under the terms of the settlement, the Distributors will pay a maximum of \$21 billion over 18 years, while J&J will pay a maximum of \$5 billion over no more than nine years, with approximately \$22.8 billion in settlement proceeds payable to state and local subdivisions. Of the funds going directly to participating states and subdivisions, at least 85% must be used for abatement of the opioid Epidemic, with the overwhelming bulk of the proceeds restricted to funding future abatement efforts by state and local governments.

**STATE OF NEW MEXICO
TORRANCE COUNTY
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY OF PERA FUND - MUNICIPAL GENERAL DIVISION
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) PLAN
LAST 10 FISCAL YEARS***

MUNICIPAL GENERAL FUND

	<u>2022</u>	<u>2021</u>	<u>2020</u>
County's proportion of the net pension liability	0.3640%	0.3468%	0.3217%
County's proportionate share of the net pension liability	\$ 4,100,697	\$ 7,013,085	\$ 5,568,947
County's covered-employee payroll	\$ 3,787,020	\$ 3,432,819	\$ 3,274,107
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	108.28%	204.30%	170.09%
Plan fiduciary net position as a percentage of the total pension liability	77.25%	66.36%	70.52%
	<u>2019</u>	<u>2018</u>	<u>2017</u>
County's proportion of the net pension liability	0.3356%	0.3186%	0.3173%
County's proportionate share of the net pension liability	\$ 5,350,706	\$ 4,377,833	\$ 5,069,386
County's covered-employee payroll	\$ 2,925,428	\$ 2,846,756	\$ 2,824,653
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	182.90%	153.78%	179.47%
Plan fiduciary net position as a percentage of the total pension liability	71.13%	73.74%	69.18%
	<u>2016</u>	<u>2015</u>	
County's proportion of the net pension liability	0.3025%	0.3019%	
County's proportionate share of the net pension liability	\$ 3,084,250	\$ 2,355,144	
County's covered-employee payroll	\$ 2,489,956	\$ 2,348,461	
County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	123.87%	100.28%	
Plan fiduciary net position as a percentage of the total pension liability	76.99%	81.29%	

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

**STATE OF NEW MEXICO
TORRANCE COUNTY
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS TO PERA PLAN –
MUNICIPAL GENERAL DIVISION
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) PLAN
LAST 10 FISCAL YEARS***

MUNICIPAL POLICE FUND

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contribution	\$ 174,259	\$ 163,225	\$ 128,587
Contributions in relation to the contractually required contribution	<u>174,259</u>	<u>163,225</u>	<u>128,587</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 909,969	\$ 942,833	\$ 821,644
Contributions as a percentage of covered-employee payroll	19.15%	17.31%	15.65%
	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 68,717	\$ 69,845	\$ 67,966
Contributions in relation to the contractually required contribution	<u>68,717</u>	<u>69,845</u>	<u>67,966</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 671,582	\$ 653,521	\$ 675,169
Contributions as a percentage of covered-employee payroll	10.23%	10.69%	10.07%
	<u>2016</u>	<u>2015</u>	
Contractually required contribution	\$ 70,218	\$ 62,391	
Contributions in relation to the contractually required contribution	<u>70,218</u>	<u>62,391</u>	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	
County's covered-employee payroll	\$ 600,201	\$ 525,038	
Contributions as a percentage of covered-employee payroll	11.70%	11.88%	

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

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

	<u>2022</u>		<u>2021</u>		<u>2020</u>
County's proportion of the net OPEB liability	0.09078%		0.08514%		0.08449%
County's proportionate share of the net OPEB liability	\$ 2,986,651	\$	3,574,950	\$	2,739,494
County covered employee payroll	\$ 4,188,349	\$	3,659,416	\$	3,525,707
County's proportionate share of the net OPEB liability as a percentage of its covered employee payroll	71.31%		97.69%		77.70%
Plan fiduciary net position as a percentage of the total OPEB liability	25.39%		16.50%		18.92%
	<u>2019</u>		<u>2018</u>		
County's proportion of the net OPEB liability	0.08144%		0.08417%		
County's proportionate share of the net OPEB liability	\$ 3,541,300	\$	3,814,309		
County covered employee payroll	\$ 3,494,278	\$	3,506,225		
County's proportionate share of the net OPEB liability as a percentage of its covered employee payroll	101.35%		108.79%		
Plan fiduciary net position as a percentage of the total OPEB liability	13.14%		11.34%		

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

**STATE OF NEW MEXICO
TORRANCE COUNTY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022**

Pension Plan

Changes of benefit terms: The PERA and COLA and retirement eligibility benefits changes in recent years are described in Note 1 of PERA's ACFR <https://www.nmpera.org/financial-overview/>.

Assumptions: The Public Employees Retirement Association of New Mexico Annual Actuarial Valuations as of June 30, 2020 report is available at <http://www.nmpera.org/>.

OPEB Plan

In the June 30, 2021 actuarial valuation and the total OPEB liability measured as of June 30, 2021, changes in assumptions include adjustments resulting from an decrease in the discount rate from 2.86% to 3.62%.

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINED BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022**

	Nonmajor Funds			Total Nonmajor Funds
	Special Revenue	Capital Projects	Debt Service	
ASSETS				
Cash and Cash Equivalents	\$ 799,423	\$ -	\$ 135,963	\$ 935,386
Restricted Cash	-	-	208	208
Investments	6,995,334	390,281	-	7,385,615
Receivables:				
Property Taxes	-	-	48,941	48,941
Other Taxes	324,032	-	-	324,032
Other Receivables, Net	83,517	-	-	83,517
Prepaid Expenses	-	-	-	-
TOTAL ASSETS	<u>\$ 8,202,306</u>	<u>\$ 390,281</u>	<u>\$ 185,112</u>	<u>\$ 8,777,699</u>
LIABILITIES				
Accounts Payable	\$ 305,472	\$ 24,866	\$ -	\$ 330,338
Accrued Salaries and Benefits	82,787	-	-	82,787
Unearned Revenue	-	-	-	-
TOTAL LIABILITIES	<u>388,259</u>	<u>24,866</u>	<u>-</u>	<u>413,125</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue:				
Property Taxes	-	-	46,779	46,779
TOTAL DEFERRED INFLOWS	<u>-</u>	<u>-</u>	<u>46,779</u>	<u>46,779</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>388,259</u>	<u>24,866</u>	<u>46,779</u>	<u>459,904</u>
FUND BALANCES				
Nonspendable:				
Prepaid Expenses	-	-	-	-
Restricted For:				
Special Revenue Funds	7,619,051	-	-	7,619,051
Debt Service Funds	-	-	138,333	138,333
Capital Projects Funds	-	365,415	-	365,415
Subsequent Year Expenditures	204,700	-	-	204,700
Unassigned	(9,704)	-	-	(9,704)
TOTAL FUND BALANCES	<u>7,814,047</u>	<u>365,415</u>	<u>138,333</u>	<u>8,317,795</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 8,202,306</u>	<u>\$ 390,281</u>	<u>\$ 185,112</u>	<u>\$ 8,777,699</u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
NONMAJOR SPECIAL REVENUE FUND DESCRIPTIONS
FOR THE YEAR ENDED JUNE 30, 2022**

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

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

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

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

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

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

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

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

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

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

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

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

**STATE OF NEW MEXICO
TORRANCE COUNTY
NONMAJOR SPECIAL REVENUE FUND DESCRIPTIONS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022**

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

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

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

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

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

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

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

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

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

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

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

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

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

**STATE OF NEW MEXICO
TORRANCE COUNTY
NONMAJOR SPECIAL REVENUE FUND DESCRIPTIONS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022**

Finance Fund (450) - To account for cash rewards from p card program to be used by the finance department (First \$5,000 for year only/if we ever have that much) state classification is other special revenue.

NM PED SEIP (818) - To account for awards from NM Public Education department for hiring interns, state classification is intergovernmental grants

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

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

Angel Armor (425) - To account for money raised by a non profit to help the Sheriff's Department purchase angel armour for the Sheriff's deputies. Authority is the Commission.

Carrol Petrie Foundation (431) - To account for funding provided by the Carrol Petrie Foundation. It funds the spay/neuter voucher program of Animal Services. Authority is the Commission.

Fire Protection Grant (627) - To account for fire protection grants. These are funded by the NM DHSEM (Department of Homeland Security and Emergency Management, selected by the NM Fire Protection Grant Council. There are multiple grants (one awarded to each district and two to fire admin) to purchase fire apparatus, renovate one substation, purchase radios, and pay stipends). Authority is DHSEM.

CYFD ARP (692) - To account for grant funding provided through Children, Youth and Families Department Bureau of Health Services (CYFD BHS) (additional funding made available through ARPA to CYFD BHS). It assists domestic violence survivors by providing shelter options and more. We have mainly been using to pay hotel bills when necessary. Authority is CYFD.

JAG Grant – Edward Byrne Memorial Justice Assistance Grant (810) - To account for grant funding provided by NM Department of Public Safety acting through the Administrative Services Division – Grants Management Bureau. It is funding our Community Policing Program. Authority is NMDPS.

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

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

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

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
(CONTINUED)
JUNE 30, 2022**

	<u>District 4 Fire</u>	<u>District 5 Fire</u>	<u>District 6 Fire</u>	<u>Fire Pool 1/4% Tax</u>	<u>County Fair Board</u>
ASSETS					
Cash and Cash Equivalents	\$ 20,000	\$ 20,000	\$ 20,000	\$ 50,000	\$ 38,013
Restricted Cash	-	-	-	-	-
Investments	70,609	51,264	120,836	50,340	-
Receivables:					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Other Receivables, Net	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
TOTAL ASSETS	<u>\$ 90,609</u>	<u>\$ 71,264</u>	<u>\$ 140,836</u>	<u>\$ 100,340</u>	<u>\$ 38,013</u>
LIABILITIES					
Accounts Payable	\$ 136	\$ 1,708	\$ 555	\$ 922	\$ 611
Accrued Salaries and Benefits	-	-	-	11,340	-
Unearned Revenue	-	-	-	-	-
TOTAL LIABILITIES	<u>136</u>	<u>1,708</u>	<u>555</u>	<u>12,262</u>	<u>611</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue:					
Property Taxes	-	-	-	-	-
TOTAL DEFERRED INFLOWS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>136</u>	<u>1,708</u>	<u>555</u>	<u>12,262</u>	<u>611</u>
FUND BALANCES					
Nonspendable:					
Prepaid Expenses	-	-	-	-	-
Restricted For:					
Special Revenue Funds	90,473	69,556	140,281	88,078	37,402
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Required Minimum Fund Balance	-	-	-	-	-
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	<u>90,473</u>	<u>69,556</u>	<u>140,281</u>	<u>88,078</u>	<u>37,402</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 90,609</u>	<u>\$ 71,264</u>	<u>\$ 140,836</u>	<u>\$ 100,340</u>	<u>\$ 38,013</u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
(CONTINUED)
JUNE 30, 2022**

	<u>Env. GRT</u>	<u>DWI Smart Choice</u>	<u>WIPP Funding</u>	<u>Volunteer Recruitment</u>	<u>State Animal Care</u>
ASSETS					
Cash and Cash Equivalents	\$ 2,213	\$ 10,999	\$ 951	\$ 20,000	\$ -
Restricted Cash	-	-	-	-	-
Investments	-	-	-	24,178	-
Receivables:					
Property Taxes	-	-	-	-	-
Other Taxes	26,595	-	-	-	-
Other Receivables, Net	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
TOTAL ASSETS	<u>\$ 28,808</u>	<u>\$ 10,999</u>	<u>\$ 951</u>	<u>\$ 44,178</u>	<u>\$ -</u>
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Salaries and Benefits	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue:					
Property Taxes	-	-	-	-	-
TOTAL DEFERRED INFLOWS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable:					
Prepaid Expenses	-	-	-	-	-
Restricted For:					
Special Revenue Funds	28,808	10,999	951	44,178	-
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Required Minimum Fund Balance	-	-	-	-	-
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	<u>28,808</u>	<u>10,999</u>	<u>951</u>	<u>44,178</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 28,808</u>	<u>\$ 10,999</u>	<u>\$ 951</u>	<u>\$ 44,178</u>	<u>\$ -</u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
(CONTINUED)
JUNE 30, 2022**

	<u>Treasurer's Fee</u>	<u>Reappraisal Fund</u>	<u>Clerk's Equipment</u>	<u>RPHCA Grant</u>	<u>Recycling Illegal Dump</u>
ASSETS					
Cash and Cash Equivalents	\$ 950	\$ 10,000	\$ 10,000	\$ 11,016	\$ -
Restricted Cash	-	-	-	-	-
Investments	6,188	89,965	38,794	-	-
Receivables:					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Other Receivables, Net	-	-	-	7,502	-
Prepaid Expenses	-	-	-	-	-
TOTAL ASSETS	<u>\$ 7,138</u>	<u>\$ 99,965</u>	<u>\$ 48,794</u>	<u>\$ 18,518</u>	<u>\$ -</u>
LIABILITIES					
Accounts Payable	\$ -	\$ 6,410	\$ 48	\$ 7,502	\$ -
Accrued Salaries and Benefits	-	1,714	-	-	-
Unearned Revenue	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>8,124</u>	<u>48</u>	<u>7,502</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue:					
Property Taxes	-	-	-	-	-
TOTAL DEFERRED INFLOWS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>8,124</u>	<u>48</u>	<u>7,502</u>	<u>-</u>
FUND BALANCES					
Nonspendable:					
Prepaid Expenses	-	-	-	-	-
Restricted For:					
Special Revenue Funds	7,138	91,841	48,746	11,016	-
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Required Minimum Fund Balance	-	-	-	-	-
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	<u>7,138</u>	<u>91,841</u>	<u>48,746</u>	<u>11,016</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 7,138</u>	<u>\$ 99,965</u>	<u>\$ 48,794</u>	<u>\$ 18,518</u>	<u>\$ -</u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
(CONTINUED)
JUNE 30, 2022**

	<u>Court Forfeiture</u>	<u>Juvenile Justice</u>	<u>Wind PILT</u>	<u>Invest. Interest</u>	<u>Estancia Water Basin Study</u>
ASSETS					
Cash and Cash Equivalents	\$ 14,466	\$ 47,578	\$ -	\$ 163	\$ 22,730
Restricted Cash	-	-	-	-	-
Investments	-	-	1,876,510	305,231	-
Receivables:					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Other Receivables, Net	-	6,006	-	-	-
Prepaid Expenses	-	-	-	-	-
TOTAL ASSETS	<u>\$ 14,466</u>	<u>\$ 53,584</u>	<u>\$ 1,876,510</u>	<u>\$ 305,394</u>	<u>\$ 22,730</u>
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 1,421
Accrued Salaries and Benefits	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,421</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue:					
Property Taxes	-	-	-	-	-
TOTAL DEFERRED INFLOWS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,421</u>
FUND BALANCES					
Nonspendable:					
Prepaid Expenses	-	-	-	-	-
Restricted For:					
Special Revenue Funds	14,466	53,584	1,876,510	305,394	21,309
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Required Minimum Fund Balance	-	-	-	-	-
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	<u>14,466</u>	<u>53,584</u>	<u>1,876,510</u>	<u>305,394</u>	<u>21,309</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 14,466</u>	<u>\$ 53,584</u>	<u>\$ 1,876,510</u>	<u>\$ 305,394</u>	<u>\$ 22,730</u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
(CONTINUED)
JUNE 30, 2022**

	<u>Title III Forest Reserve</u>	<u>U.S. Marshall JLEO</u>	<u>Drug Education</u>	<u>Traffic Safety</u>	<u>Teen Court Donation</u>
ASSETS					
Cash and Cash Equivalents	\$ -	\$ 11,205	\$ -	\$ 3,028	\$ 1,679
Restricted Cash	-	-	-	-	-
Investments	191,582	-	-	-	-
Receivables:					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Other Receivables, Net	-	5,036	-	1,190	-
Prepaid Expenses	-	-	-	-	-
TOTAL ASSETS	<u>\$ 191,582</u>	<u>\$ 16,241</u>	<u>\$ -</u>	<u>\$ 4,218</u>	<u>\$ 1,679</u>
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Salaries and Benefits	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue:					
Property Taxes	-	-	-	-	-
TOTAL DEFERRED INFLOWS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable:					
Prepaid Expenses	-	-	-	-	-
Restricted For:					
Special Revenue Funds	191,582	16,241	-	4,218	1,679
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Required Minimum Fund Balance	-	-	-	-	-
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	<u>191,582</u>	<u>16,241</u>	<u>-</u>	<u>4,218</u>	<u>1,679</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 191,582</u>	<u>\$ 16,241</u>	<u>\$ -</u>	<u>\$ 4,218</u>	<u>\$ 1,679</u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
(CONTINUED)
JUNE 30, 2022**

	Fire EMS Fund	Finance Fund Fund	NM PED SEIP	Doghead Fire	COVID-19
ASSETS					
Cash and Cash Equivalents	\$ -	\$ -	\$ 6,245	\$ -	\$ -
Restricted Cash	-	-	-	-	-
Investments	-	607	-	-	-
Receivables:					
Property Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Other Receivables, Net	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 607</u>	<u>\$ 6,245</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Salaries and Benefits	9,704	-	2,907	-	-
Unearned Revenue	-	-	-	-	-
TOTAL LIABILITIES	<u>9,704</u>	<u>-</u>	<u>2,907</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue:					
Property Taxes	-	-	-	-	-
TOTAL DEFERRED INFLOWS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>9,704</u>	<u>-</u>	<u>2,907</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable:					
Prepaid Expenses	-	-	-	-	-
Restricted For:					
Special Revenue Funds	-	607	3,338	-	-
Debt Service Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Required Minimum Fund Balance	-	-	-	-	-
Unassigned	(9,704)	-	-	-	-
TOTAL FUND BALANCES	<u>(9,704)</u>	<u>607</u>	<u>3,338</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ -</u>	<u>\$ 607</u>	<u>\$ 6,245</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR SPECIAL REVENUE FUNDS
(CONTINUED)
JUNE 30, 2022**

	<u>Emergency 911</u>	<u>Adult Corrections</u>	<u>NMFA Grant</u>	<u>Total Nonmajor Special Revenue Funds</u>
ASSETS				
Cash and Cash Equivalents	\$ 45,000	\$ 207	\$ -	\$ 799,423
Restricted Cash	-	-	-	-
Investments	877,091	169,000	-	6,995,334
Receivables:				
Property Taxes	-	-	-	-
Other Taxes	137,365	-	-	324,032
Other Receivables, Net	9,840	14,047	-	83,517
Prepaid Expenses	-	-	-	-
TOTAL ASSETS	<u>\$ 1,069,296</u>	<u>\$ 183,254</u>	<u>\$ -</u>	<u>\$ 8,202,306</u>
LIABILITIES				
Accounts Payable	\$ 1,231	\$ 93,759	\$ -	\$ 305,472
Accrued Salaries and Benefits	16,000	7,177	-	82,787
Unearned Revenue	-	-	-	-
TOTAL LIABILITIES	<u>17,231</u>	<u>100,936</u>	<u>-</u>	<u>388,259</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue:				
Property Taxes	-	-	-	-
TOTAL DEFERRED INFLOWS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>17,231</u>	<u>100,936</u>	<u>-</u>	<u>388,259</u>
FUND BALANCES				
Nonspendable:				
Prepaid Expenses	-	-	-	-
Restricted For:				
Special Revenue Funds	1,052,065	82,318	-	7,619,051
Debt Service Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Required Minimum Fund Balance	-	-	-	204,700
Unassigned	-	-	-	(9,704)
TOTAL FUND BALANCES	<u>1,052,065</u>	<u>82,318</u>	<u>-</u>	<u>7,814,047</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 1,069,296</u>	<u>\$ 183,254</u>	<u>\$ -</u>	<u>\$ 8,202,306</u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022**

	District 4 Fire	District 5 Fire	District 6 Fire	Fire Pool 1/4% Tax	County Fair Board
REVENUES					
Taxes:					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Federal Operating Grants	-	-	-	-	-
State Operating Grants	56,951	133,731	80,927	-	-
State Capital Grants	-	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-	-
Charges for Services	-	-	-	-	3,010
Investment Income	-	-	-	-	-
Miscellaneous Income	16	21,255	-	-	244,960
TOTAL REVENUES	<u>56,967</u>	<u>154,986</u>	<u>80,927</u>	<u>-</u>	<u>247,970</u>
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	15,145	71,921	17,790	144,776	-
Public Works	-	-	-	-	-
Culture and Recreation	-	-	-	-	253,497
Health and Welfare	-	-	-	-	-
Capital Outlay	-	110,092	-	165,759	-
Debt Service Principal	-	-	-	-	-
Debt Service Interest	-	-	-	-	-
Lease Principal	-	-	-	-	-
Lease Interest	-	-	-	-	-
TOTAL EXPENDITURES	<u>15,145</u>	<u>182,013</u>	<u>17,790</u>	<u>310,535</u>	<u>253,497</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>41,822</u>	<u>(27,027)</u>	<u>63,137</u>	<u>(310,535)</u>	<u>(5,527)</u>
OTHER FINANCING SOURCES (USES)					
Other Financing Uses	-	-	-	-	-
Proceeds From Sale of Assets	-	-	-	-	-
Proceeds From Loans	-	-	-	-	-
Transfers In	-	-	-	115,000	6,000
Transfers Out	-	(16,085)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(16,085)</u>	<u>-</u>	<u>115,000</u>	<u>6,000</u>
NET CHANGE IN FUND BALANCES	41,822	(43,112)	63,137	(195,535)	473
FUND BALANCE, BEGINNING	48,651	112,668	77,144	283,613	36,929
FUND BALANCE, ENDING	<u>\$ 90,473</u>	<u>\$ 69,556</u>	<u>\$ 140,281</u>	<u>\$ 88,078</u>	<u>\$ 37,402</u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Env. GRT</u>	<u>DWI Smart Choice</u>	<u>WIPP Funding</u>	<u>Volunteer Recruitment</u>	<u>State Animal Care</u>
REVENUES					
Taxes:					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	258,754	-	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Federal Operating Grants	-	-	6,551	-	-
State Operating Grants	-	225	-	-	-
State Capital Grants	-	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-	-
Charges for Services	-	-	-	-	-
Investment Income	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-
TOTAL REVENUES	<u>258,754</u>	<u>225</u>	<u>6,551</u>	<u>-</u>	<u>-</u>
EXPENDITURES					
Current:					
General Government	230,482	-	-	74,935	-
Public Safety	-	1,000	(6,000)	-	-
Public Works	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Health and Welfare	-	-	-	-	-
Capital Outlay	-	-	12,000	-	-
Debt Service Principal	-	-	-	-	-
Debt Service Interest	-	-	-	-	-
Lease Principal	-	-	-	-	-
Lease Interest	-	-	-	-	-
TOTAL EXPENDITURES	<u>230,482</u>	<u>1,000</u>	<u>6,000</u>	<u>74,935</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>28,272</u>	<u>(775)</u>	<u>551</u>	<u>(74,935)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Other Financing Uses	-	-	-	-	-
Proceeds From Sale of Assets	-	-	-	-	-
Proceeds From Loans	-	-	-	-	-
Transfers In	-	-	-	80,000	-
Transfers Out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>80,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	28,272	(775)	551	5,065	-
FUND BALANCE, BEGINNING	536	11,774	400	39,113	-
FUND BALANCE, ENDING	<u>\$ 28,808</u>	<u>\$ 10,999</u>	<u>\$ 951</u>	<u>\$ 44,178</u>	<u>\$ -</u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Treasurer's Fee</u>	<u>Reappraisal Fund</u>	<u>Clerk's Equipment</u>	<u>RPHCA Grant</u>	<u>Recycling Illegal Dump</u>
REVENUES					
Taxes:					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-	-
Other Taxes	-	103,767	-	-	-
Federal Operating Grants	-	-	-	-	-
State Operating Grants	-	-	27,313	97,024	-
State Capital Grants	-	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-	-
Charges for Services	21,416	20,600	-	-	-
Investment Income	-	-	-	-	-
Miscellaneous Income	310	-	-	-	-
TOTAL REVENUES	<u>21,726</u>	<u>124,367</u>	<u>27,313</u>	<u>97,024</u>	<u>-</u>
EXPENDITURES					
Current:					
General Government	18,926	53,912	19,676	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	104,526	-
Culture and Recreation	-	-	-	-	-
Health and Welfare	-	-	-	-	-
Capital Outlay	-	37,233	-	-	-
Debt Service Principal	-	-	-	-	-
Debt Service Interest	-	-	-	-	-
Lease Principal	-	-	3,522	-	-
Lease Interest	-	-	11	-	-
TOTAL EXPENDITURES	<u>18,926</u>	<u>91,145</u>	<u>23,209</u>	<u>104,526</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>2,800</u>	<u>33,222</u>	<u>4,104</u>	<u>(7,502)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Other Financing Uses	-	-	-	-	-
Proceeds From Sale of Assets	-	-	-	-	-
Proceeds From Loans	-	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	(23,474)	-	-	(14,979)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(23,474)</u>	<u>-</u>	<u>-</u>	<u>(14,979)</u>
NET CHANGE IN FUND BALANCES	2,800	9,748	4,104	(7,502)	(14,979)
FUND BALANCE, BEGINNING	4,338	82,093	44,642	18,518	14,979
FUND BALANCE, ENDING	<u>\$ 7,138</u>	<u>\$ 91,841</u>	<u>\$ 48,746</u>	<u>\$ 11,016</u>	<u>\$ -</u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Court Forfeiture</u>	<u>Juvenile Justice</u>	<u>Wind PILT</u>	<u>Investment Interest</u>	<u>Estancia Water Basin Study</u>
REVENUES					
Taxes:					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Federal Operating Grants	-	-	-	-	-
State Operating Grants	-	71,229	-	-	3,000
State Capital Grants	-	-	-	-	-
Payments in Lieu of Taxes	-	-	3,814,500	-	-
Charges for Services	1,653	-	-	-	-
Investment Income	-	-	-	16,628	-
Miscellaneous Income	-	-	-	-	5,250
TOTAL REVENUES	<u>1,653</u>	<u>71,229</u>	<u>3,814,500</u>	<u>16,628</u>	<u>8,250</u>
EXPENDITURES					
Current:					
General Government	-	-	-	1,538	-
Public Safety	9,201	75,777	-	-	-
Public Works	-	-	-	-	7,143
Culture and Recreation	-	-	-	-	-
Health and Welfare	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service Principal	-	-	-	-	-
Debt Service Interest	-	-	-	-	-
Lease Principal	-	-	-	-	-
Lease Interest	-	-	-	-	-
TOTAL EXPENDITURES	<u>9,201</u>	<u>75,777</u>	<u>-</u>	<u>1,538</u>	<u>7,143</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(7,548)</u>	<u>(4,548)</u>	<u>3,814,500</u>	<u>15,090</u>	<u>1,107</u>
OTHER FINANCING SOURCES (USES)					
Other Financing Uses	-	-	-	-	-
Proceeds From Sale of Assets	10,008	-	-	-	-
Proceeds From Loans	-	-	-	-	-
Transfers In	-	-	321,120	-	-
Transfers Out	(1,733)	-	(2,483,109)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>8,275</u>	<u>-</u>	<u>(2,161,989)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	727	(4,548)	1,652,511	15,090	1,107
FUND BALANCE, BEGINNING	<u>13,739</u>	<u>58,132</u>	<u>223,999</u>	<u>290,304</u>	<u>20,202</u>
FUND BALANCE, ENDING	<u>\$ 14,466</u>	<u>\$ 53,584</u>	<u>\$ 1,876,510</u>	<u>\$ 305,394</u>	<u>\$ 21,309</u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Title III Forest Reserve</u>	<u>U.S. Marshall JLEO</u>	<u>Drug Education</u>	<u>Traffic Safety</u>	<u>Teen Court Donation</u>
REVENUES					
Taxes:					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Federal Operating Grants	-	16,311	-	-	-
State Operating Grants	10,448	-	-	7,117	-
State Capital Grants	-	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-	-
Charges for Services	-	-	-	-	-
Investment Income	-	-	-	-	-
Miscellaneous Income	-	-	-	-	29
TOTAL REVENUES	<u>10,448</u>	<u>16,311</u>	<u>-</u>	<u>7,117</u>	<u>29</u>
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	15,244	1,171	6,729	63
Public Works	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Health and Welfare	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service Principal	-	-	-	-	-
Debt Service Interest	-	-	-	-	-
Lease Principal	-	-	-	-	-
Lease Interest	-	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>15,244</u>	<u>1,171</u>	<u>6,729</u>	<u>63</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>10,448</u>	<u>1,067</u>	<u>(1,171)</u>	<u>388</u>	<u>(34)</u>
OTHER FINANCING SOURCES (USES)					
Other Financing Uses	-	-	-	-	-
Proceeds From Sale of Assets	-	-	-	-	-
Proceeds From Loans	-	-	-	-	-
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	10,448	1,067	(1,171)	388	(34)
FUND BALANCE, BEGINNING	181,134	15,174	1,171	3,830	1,713
FUND BALANCE, ENDING	<u>\$ 191,582</u>	<u>\$ 16,241</u>	<u>\$ -</u>	<u>\$ 4,218</u>	<u>\$ 1,679</u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022**

	Fire EMS Fund	Finance Fund	NM PED SEIP	Doghead Fire	COVID-19
REVENUES					
Taxes:					
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	-	-	-	-	-
Gasoline and Motor Vehicle Taxes	-	-	-	-	-
Other Taxes	-	-	-	-	-
Federal Operating Grants	-	-	-	-	-
State Operating Grants	-	-	57,494	-	-
State Capital Grants	-	-	-	-	-
Payments in Lieu of Taxes	-	-	-	-	-
Charges for Services	-	-	-	-	-
Investment Income	-	-	-	-	-
Miscellaneous Income	-	290	-	-	-
TOTAL REVENUES	<u>-</u>	<u>290</u>	<u>57,494</u>	<u>-</u>	<u>-</u>
EXPENDITURES					
Current:					
General Government	-	-	72,358	-	-
Public Safety	434,136	-	-	-	560
Public Works	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Health and Welfare	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Debt Service Principal	-	-	-	-	-
Debt Service Interest	-	-	-	-	-
Lease Principal	-	-	-	-	-
Lease Interest	-	-	-	-	-
TOTAL EXPENDITURES	<u>434,136</u>	<u>-</u>	<u>72,358</u>	<u>-</u>	<u>560</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(434,136)</u>	<u>290</u>	<u>(14,864)</u>	<u>-</u>	<u>(560)</u>
OTHER FINANCING SOURCES (USES)					
Other Financing Uses	-	-	-	-	-
Proceeds From Sale of Assets	-	-	-	-	-
Proceeds From Loans	-	-	-	-	-
Transfers In	297,665	-	35,000	-	-
Transfers Out	-	-	(34,000)	-	(227,141)
TOTAL OTHER FINANCING SOURCES (USES)	<u>297,665</u>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>(227,141)</u>
NET CHANGE IN FUND BALANCES	(136,471)	290	(13,864)	-	(227,701)
FUND BALANCE, BEGINNING	<u>126,767</u>	<u>317</u>	<u>17,202</u>	<u>-</u>	<u>227,701</u>
FUND BALANCE, ENDING	<u>\$ (9,704)</u>	<u>\$ 607</u>	<u>\$ 3,338</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Emergency 911</u>	<u>Adult Corrections</u>	<u>NMFA Grant</u>	<u>Total Nonmajor Special Revenue Funds</u>
REVENUES				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Gross Receipts Taxes	1,007,109	-	-	1,504,312
Gasoline and Motor Vehicle Taxes	-	-	-	646,351
Other Taxes	-	-	-	103,942
Federal Operating Grants	-	-	-	22,862
State Operating Grants	-	36,547	-	3,410,205
State Capital Grants	-	-	-	2,594,078
Payments in Lieu of Taxes	-	-	-	3,814,500
Charges for Services	149,093	83,149	-	291,052
Investment Income	-	-	-	16,628
Miscellaneous Income	14,030	22,990	-	404,914
TOTAL REVENUES	<u>1,170,232</u>	<u>142,686</u>	<u>-</u>	<u>12,808,844</u>
EXPENDITURES				
Current:				
General Government	-	-	-	589,941
Public Safety	907,380	1,578,710	-	4,043,348
Public Works	-	-	-	1,616,600
Culture and Recreation	-	-	-	253,497
Health and Welfare	-	-	-	648,188
Capital Outlay	38,150	-	-	3,060,549
Debt Service Principal	-	-	-	57,938
Debt Service Interest	-	-	-	4,321
Lease Principal	-	-	-	229,246
Lease Interest	-	-	-	8,950
TOTAL EXPENDITURES	<u>945,530</u>	<u>1,578,710</u>	<u>-</u>	<u>10,512,578</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>224,702</u>	<u>(1,436,024)</u>	<u>-</u>	<u>2,296,266</u>
OTHER FINANCING SOURCES (USES)				
Other Financing Uses	-	-	-	-
Proceeds From Sale of Assets	-	-	-	10,008
Proceeds From Loans	-	-	-	-
Transfers In	200,000	1,600,000	-	4,098,787
Transfers Out	(248,065)	-	-	(3,472,916)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(48,065)</u>	<u>1,600,000</u>	<u>-</u>	<u>635,879</u>
NET CHANGE IN FUND BALANCES	176,637	163,976	-	2,932,145
FUND BALANCE, BEGINNING	875,428	(81,658)	-	4,881,902
FUND BALANCE, ENDING	<u>\$ 1,052,065</u>	<u>\$ 82,318</u>	<u>\$ -</u>	<u>\$ 7,814,047</u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
COMBINING BALANCE SHEET – NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2022**

	County Infra. GRT	Capital Outlay GRT	Legis. Approp.	Total Nonmajor Capital Projects Funds
ASSETS				
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
Restricted Cash	-	-	-	-
Investments	349,788	-	40,493	390,281
Receivables:				
Property Taxes	-	-	-	-
Other Taxes	-	-	-	-
Other Receivables, Net	-	-	-	-
Prepaid Expenses	-	-	-	-
TOTAL ASSETS	<u>\$ 349,788</u>	<u>\$ -</u>	<u>\$ 40,493</u>	<u>\$ 390,281</u>
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ 24,866	\$ 24,866
Accrued Salaries and Benefits	-	-	-	-
Unearned Revenue	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>24,866</u>	<u>24,866</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue:				
Property Taxes	-	-	-	-
TOTAL DEFERRED INFLOWS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>24,866</u>	<u>24,866</u>
FUND BALANCES				
Nonspendable:				
Prepaid Expenses	-	-	-	-
Restricted For:				
Special Revenue Funds	-	-	-	-
Debt Service Funds	-	-	-	-
Capital Projects Funds	349,788	-	15,627	365,415
Subsequent Year Expenditures	-	-	-	-
Unassigned	-	-	-	-
TOTAL FUND BALANCES	<u>349,788</u>	<u>-</u>	<u>15,627</u>	<u>365,415</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 349,788</u>	<u>\$ -</u>	<u>\$ 40,493</u>	<u>\$ 390,281</u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
NONMAJOR DEBT SERVICE FUND DESCRIPTION
FOR THE YEAR ENDED JUNE 30, 2022**

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

**STATE OF NEW MEXICO
TORRANCE COUNTY
RECONCILIATION OF PROPERTY TAX ROLLS
FOR THE YEAR ENDED JUNE 30, 2022**

Property Taxes Receivable, Beginning of Year	\$ 2,482,471
Changes to Tax Roll:	
Net Taxes Charged to Treasurer for Fiscal Year	10,157,666
Adjustments:	
Less: Charge Off of Taxes Receivable	<u>(46,663)</u>
Total Receivables Prior to Collections	12,593,474
Less: Collections for the Fiscal Year Ended June 30, 2022	<u>(10,377,089)</u>
Property Taxes Receivable, End of Year	<u><u>\$ 2,216,385</u></u>
Property Taxes Receivable by years:	
2012 - 2015	\$ 501,242
2016	174,752
2017	193,250
2018	220,774
2019	(125,150)
2020	379,681
2021	<u>871,836</u>
Total Property Taxes Receivable	<u><u>\$ 2,216,385</u></u>
<u>Property taxes receivable reported in the financial statements as follows:</u>	
Statement of Net Position	\$ 1,105,433
Statement of Fiduciary Net Position	<u>1,110,952</u>
Total Property Taxes Receivable	<u><u>\$ 2,216,385</u></u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2022**

Year	Type	ADJUSTED TAX CHARGED PRIOR JUL 1, 2021	TAX COLLECTED PRIOR TO JUL 1, 2021	TOTAL TAX COLLECTED	DISTRIBUTED JUL 1, 2021 -JUN 30, 2022	TOTAL DISTRIBUTED	UNDISTRIBUTED JUL 1, 2021 -JUN 30, 2022	OUTSTANDING RECEIVABLE AS JUN 30, 2022
2021	SCH LEVY	\$ 201,303	\$ -	\$ -	\$ (184,989)	\$ (180,888)	\$ (4,101)	\$ 16,328
2020	SCH LEVY	192,887	(179,049)	(175,376)	(8,157)	(11,364)	(466)	6,922
2019	SCH LEVY	192,000	(184,948)	(184,495)	(8,468)	(8,503)	(419)	(2,072)
2018	SCH LEVY	186,098	(181,380)	(181,175)	(825)	(985)	(46)	3,887
2017	SCH LEVY	179,551	(175,580)	(175,482)	(577)	(658)	(17)	3,388
2016	SCH LEVY	169,833	(166,307)	(166,255)	(439)	(478)	(13)	3,081
2015	SCH LEVY	166,331	(163,303)	(163,267)	(321)	(340)	(17)	2,702
2014	SCH LEVY	157,764	(155,193)	(155,164)	(241)	(263)	(7)	2,325
2013	SCH LEVY	152,350	(150,107)	(150,087)	(172)	(188)	(3)	2,067
2012	SCH LEVY	147,159	(145,228)	(145,212)	(147)	(158)	(5)	1,784
	Total	1,745,276	(1,501,095)	(1,496,513)	(204,336)	(203,825)	(5,094)	40,412
2021	SCH DEBT SERV	2,623,564	-	-	(2,391,984)	(2,331,780)	(60,204)	241,791
2020	SCH DEBT SERV	2,663,478	(2,447,947)	(2,391,320)	(114,388)	(163,671)	(7,343)	110,620
2019	SCH DEBT SERV	2,625,075	(2,511,773)	(2,504,578)	(120,221)	(121,470)	(5,946)	(15,822)
2018	SCH DEBT SERV	2,566,999	(2,488,555)	(2,485,105)	(13,771)	(16,437)	(785)	64,579
2017	SCH DEBT SERV	2,576,425	(2,509,565)	(2,507,966)	(9,521)	(10,844)	(276)	57,246
2016	SCH DEBT SERV	2,477,727	(2,417,305)	(2,416,422)	(7,422)	(8,115)	(189)	52,906
2015	SCH DEBT SERV	2,523,002	(2,469,542)	(2,468,942)	(5,796)	(6,082)	(315)	47,566
2014	SCH DEBT SERV	2,504,665	(2,457,224)	(2,456,746)	(4,429)	(4,766)	(140)	42,912
2013	SCH DEBT SERV	2,388,307	(2,347,743)	(2,347,328)	(3,225)	(3,575)	(65)	37,250
2012	SCH DEBT SERV	1,946,678	(1,916,677)	(1,916,367)	(2,374)	(2,598)	(87)	27,627
	Total	24,895,920	(21,566,331)	(21,494,774)	(2,673,131)	(2,669,338)	(75,350)	666,675
2021	SCH CAPT IMPRV	781,470	-	-	(717,604)	(701,249)	(16,355)	63,756
2020	SCH CAPT IMPRV	768,727	(713,768)	(699,275)	(32,692)	(45,333)	(1,851)	27,242
2019	SCH CAPT IMPRV	774,890	(747,050)	(745,259)	(38,305)	(38,395)	(1,701)	(13,569)
2018	SCH CAPT IMPRV	768,149	(749,043)	(748,183)	(3,325)	(3,991)	(193)	15,760
2017	SCH CAPT IMPRV	750,923	(734,606)	(734,192)	(2,334)	(2,671)	(77)	13,961
2016	SCH CAPT IMPRV	725,374	(710,812)	(710,596)	(1,756)	(1,912)	(59)	12,785
2015	SCH CAPT IMPRV	706,169	(693,600)	(693,458)	(1,346)	(1,415)	(74)	11,202
2014	SCH CAPT IMPRV	717,625	(705,928)	(705,802)	(1,111)	(1,204)	(32)	10,563
2013	SCH CAPT IMPRV	700,906	(690,562)	(690,467)	(798)	(877)	(16)	9,525
2012	SCH CAPT IMPRV	681,578	(672,619)	(672,542)	(678)	(730)	(25)	8,281
	Total	\$ 7,375,811	\$ (6,417,988)	\$ (6,399,774)	\$ (799,949)	\$ (797,777)	\$ (20,383)	\$ 159,506

**STATE OF NEW MEXICO
TORRANCE COUNTY
PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2022**

Year	Type	ADJUSTED TAX CHARGED PRIOR JUL 1, 2021	TAX COLLECTED PRIOR TO JUL 1, 2021	TOTAL TAX COLLECTED	DISTRIBUTED JUL 1, 2021 -JUN 30, 2022	TOTAL DISTRIBUTED	UNDISTRIBUTED JUL 1, 2021 -JUN 30, 2022	OUTSTANDING RECEIVABLE AS JUN 30, 2022
2021	EQUINE LEVY	\$ 1,431	\$ -	\$ -	\$ (1,289)	\$ (1,226)	\$ (63)	\$ 141
2020	EQUINE LEVY	1,462	(1,222)	(1,198)	(158)	(181)	-	82
2019	EQUINE LEVY	1,541	(1,497)	(1,497)	(4)	(4)	-	40
2018	EQUINE LEVY	1,370	(1,324)	(1,324)	-	-	-	46
2017	EQUINE LEVY	1,406	(1,289)	(1,289)	-	-	-	116
2016	EQUINE LEVY	1,432	(1,313)	(1,313)	-	-	-	119
2015	EQUINE LEVY	1,287	(1,186)	(1,186)	-	-	-	101
2014	EQUINE LEVY	1,155	(1,138)	(1,138)	-	-	-	17
2013	EQUINE LEVY	1,231	(1,204)	(1,204)	-	-	-	27
2012	EQUINE LEVY	1,181	(1,168)	(1,168)	-	-	-	13
	Total	13,496	(11,341)	(11,317)	(1,451)	(1,411)	(63)	702
2021	DAIRY CTL LEVY	1,555	-	-	(1,550)	(1,505)	(46)	5
2020	DAIRY CTL LEVY	1,934	(1,218)	(1,218)	(712)	(712)	-	4
2019	DAIRY CTL LEVY	1,513	(1,509)	(1,509)	-	-	-	4
2018	DAIRY CTL LEVY	7,285	(7,279)	(7,279)	-	-	-	5
2017	DAIRY CTL LEVY	9,008	(9,005)	(9,005)	-	-	-	3
2016	DAIRY CTL LEVY	7,669	(7,669)	(7,669)	-	-	-	-
2015	DAIRY CTL LEVY	8,112	(8,112)	(8,112)	-	-	-	-
2014	DAIRY CTL LEVY	8,953	(8,952)	(8,952)	-	-	-	2
2013	DAIRY CTL LEVY	8,960	(8,960)	(8,960)	-	-	-	-
2012	DAIRY CTL LEVY	8,369	(8,369)	(8,369)	-	-	-	-
	Total	63,358	(61,073)	(61,073)	(2,262)	(2,217)	(46)	23
2021	SWINE LEVY	35	-	-	(35)	(34)	(1)	-
2020	SWINE LEVY	28	(24)	(24)	(3)	(3)	-	1
2019	SWINE LEVY	12	(12)	(12)	-	-	-	-
2018	SWINE LEVY	8	(7)	(7)	-	-	-	1
2017	SWINE LEVY	13	(12)	(12)	-	-	-	1
2016	SWINE LEVY	10	(10)	(10)	-	-	-	-
2015	SWINE LEVY	12	(12)	(12)	-	-	-	-
2014	SWINE LEVY	11	(11)	(11)	-	-	-	-
2013	SWINE LEVY	16	(16)	(16)	-	-	-	-
	Total	145	(104)	(104)	(38)	(37)	(1)	3
2021	BISON LEVY	3,287	-	-	(3,193)	(3,120)	(73)	94
2020	BISON LEVY	-	-	-	-	-	-	-
2019	BISON LEVY	172	(172)	(172)	-	-	-	-
2018	BISON LEVY	89	(89)	(89)	-	-	-	1
2017	BISON LEVY	471	(470)	(470)	-	-	-	-
2016	BISON LEVY	484	(484)	(484)	-	-	-	-
2015	BISON LEVY	517	(517)	(517)	-	-	-	-
2014	BISON LEVY	317	(317)	(317)	-	-	-	-
2013	BISON LEVY	352	(346)	(346)	-	-	-	7
2012	BISON LEVY	467	(467)	(467)	-	-	-	-

**STATE OF NEW MEXICO
TORRANCE COUNTY
PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2022**

Year	Type	ADJUSTED TAX CHARGED PRIOR - JUL 1, 2021	TAX COLLECTED PRIOR TO JUL 1, 2021	TOTAL TAX COLLECTED	DISTRIBUTED JUL 1, 2021 -JUN 30, 2022	TOTAL DISTRIBUTED	UNDISTRIBUTED JUL 1, 2021 -JUN 30, 2022	OUTSTANDING RECEIVABLE AS JUN 30, 2022
2021	CLAUNCH PINTO	\$ 67,902	\$ -	\$ -	\$ (69,532)	\$ (68,227)	\$ (1,304)	\$ 2,879
2020	CLAUNCH PINTO	75,354	(72,751)	(72,048)	(2,232)	(2,844)	(90)	1,308
2019	CLAUNCH PINTO	73,869	(72,870)	(72,827)	(454)	(272)	(224)	543
2018	CLAUNCH PINTO	73,791	(73,219)	(73,219)	(40)	(26)	(15)	529
2017	CLAUNCH PINTO	70,632	(70,194)	(70,193)	(26)	(11)	(15)	411
2016	CLAUNCH PINTO	68,062	(67,711)	(67,711)	(20)	(6)	(15)	329
2015	CLAUNCH PINTO	64,636	(64,353)	(64,352)	(7)	(5)	(2)	275
2014	CLAUNCH PINTO	60,716	(60,484)	(60,484)	-	(1)	-	230
2013	CLAUNCH PINTO	59,783	(59,570)	(59,570)	-	-	-	213
2012	CLAUNCH PINTO	59,542	(59,251)	(59,251)	-	-	-	291
	Total	674,287	(600,403)	(599,655)	(72,311)	(71,392)	(1,665)	7,008
2021	EAST TORRANCE	138,719	-	-	(145,414)	(142,476)	(2,938)	10,935
2020	EAST TORRANCE	145,598	(135,152)	(132,646)	(4,871)	(7,094)	(284)	5,575
2019	EAST TORRANCE	157,249	(152,378)	(151,986)	(15,867)	(16,006)	(252)	(12,532)
2018	EAST TORRANCE	155,203	(152,003)	(151,878)	(468)	(581)	(13)	2,732
2017	EAST TORRANCE	140,749	(138,062)	(137,988)	(284)	(357)	(2)	2,403
2016	EAST TORRANCE	137,948	(135,554)	(135,509)	(223)	(264)	(3)	2,171
2015	EAST TORRANCE	131,409	(129,229)	(129,206)	(192)	(203)	(12)	1,988
2014	EAST TORRANCE	126,933	(125,298)	(125,276)	(180)	(199)	(3)	1,456
2013	EAST TORRANCE	124,105	(122,644)	(122,644)	(98)	(97)	(1)	1,363
2012	EAST TORRANCE	119,436	(118,171)	(118,171)	(83)	(82)	(1)	1,183
	Total	1,377,349	(1,208,491)	(1,205,304)	(167,680)	(167,359)	(3,509)	17,274
2021	CARRIZOZO SWCD	279	-	-	(279)	(279)	-	-
2020	CARRIZOZO SWCD	339	(181)	(181)	(157)	(157)	-	-
2019	CARRIZOZO SWCD	322	(322)	(322)	-	-	-	-
2018	CARRIZOZO SWCD	267	(267)	(267)	-	-	-	-
2017	CARRIZOZO SWCD	153	(153)	(153)	-	-	-	-
2016	CARRIZOZO SWCD	11	(11)	(11)	-	-	-	-
2015	CARRIZOZO SWCD	11	(11)	(11)	-	-	-	-
2014	CARRIZOZO SWCD	8	(8)	(8)	-	-	-	-
2013	CARRIZOZO SWCD	8	(8)	(8)	-	-	-	-
2012	CARRIZOZO SWCD	8	(8)	(8)	-	-	-	-
	Total	\$ 1,406	\$ (969)	\$ (969)	\$ (436)	\$ (436)	\$ -	\$ -

**STATE OF NEW MEXICO
TORRANCE COUNTY
PROPERTY TAX SCHEDULE (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022**

GRAND TOTAL									
Year	County	ADJUSTED TAX CHARGED PRIOR - JUL 1, 2021	TAX COLLECTED PRIOR TO JUL 1, 2021	TOTAL TAX COLLECTED	GRAND TOTAL DISTRIBUTED JUL 1, 2021 -JUN 30, 2022	TOTAL DISTRIBUTED	UNDISTRIBUTED JUL 1, 2021 -JUN 30, 2022	OUTSTANDING RECEIVABLE AS JUN 30, 2022	
2021	Torrance County	\$ 10,157,666	\$ -	\$ -	\$ (9,312,777)	\$ (9,203,115)	\$ (109,663)	\$	871,836
2020	Torrance County	10,021,301	(9,266,339)	(9,164,775)	(426,346)	(514,903)	(13,002)		379,681
2019	Torrance County	10,239,252	(9,843,064)	(9,830,464)	(483,721)	(485,463)	(10,856)		(125,150)
2018	Torrance County	10,078,556	(9,809,940)	(9,803,717)	(47,536)	(52,430)	(1,330)		220,774
2017	Torrance County	9,820,009	(9,594,062)	(9,591,130)	(32,393)	(34,851)	(476)		193,250
2016	Torrance County	9,334,691	(9,135,357)	(9,133,853)	(24,282)	(25,445)	(337)		174,752
2015	Torrance County	9,165,291	(8,993,363)	(8,992,367)	(18,338)	(18,839)	(495)		153,296
2014	Torrance County	8,812,750	(8,665,363)	(8,664,567)	(13,808)	(14,396)	(208)		133,284
2013	Torrance County	8,484,207	(8,356,273)	(8,355,639)	(9,899)	(10,432)	(100)		117,778
2012	Torrance County	7,784,708	(7,679,835)	(7,679,362)	(7,989)	(8,323)	(139)		96,884
		<u>\$ 93,898,431</u>	<u>\$ (81,343,596)</u>	<u>\$ (81,215,874)</u>	<u>\$ (10,377,089)</u>	<u>\$ (10,368,197)</u>	<u>\$ (136,606)</u>		<u>\$ 2,216,385</u>

**STATE OF NEW MEXICO
TORRANCE COUNTY
SCHEDULE OF PLEDGED COLLATERAL
JUNE 30, 2022**

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity</u>	<u>LOC Number</u>	<u>Fair Market Value at June 30, 2022</u>	<u>Name and Location of Safekeeper</u>
US Bank	Letter of Credit	10/3/2022	567103	\$ 8,000,000	FHLB Cincinnati, Cincinnati, OH
Total Pledged Collateral				<u>\$ 8,000,000</u>	

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying schedule of findings and responses as item 2022-001.

County's Response to Findings

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

Purpose of this Report

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

Kubiak Melton & Associates, LLC

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

Albuquerque, New Mexico
November 28, 2022

**STATE OF NEW MEXICO
TORRANCE COUNTY
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022**

Section II. Financial Statement Findings

None

**STATE OF NEW MEXICO
TORRANCE COUNTY
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2022**

Section IV. Status of Prior Year Findings

2021-001 (FS 2019-001) - Financial Close and Material Adjustments (Improper Year-End Accruals) (Significant Deficiency) - Resolved

2021-002 (FS 2020-001) - Reporting (Other Noncompliance) – Resolved