



HINKLE + LANDERS

Certified Public Accountants + Business Consultants

DOÑA ANA COUNTY

INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS

For the Year Ended June 30, 2021

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
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DOÑA ANA COUNTY
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**STATE OF NEW MEXICO
DOÑA ANA COUNTY
OFFICIAL ROSTER
AS OF JUNE 30, 2021**

County Officials

<u>Name</u>	<u>Title</u>
Lynn Ellins	Commissioner – District 1
Diana Murillo-Trujillo	Vice-Chair, Commissioner – District 2
Shannon Reynolds	Commissioner – District 3
Susana Chaparro	Commissioner – District 4
Manuel Sanchez	Chair, Commissioner – District 5

Administrative Officials

<u>Name</u>	<u>Title</u>
Fernando R. Macias	County Manager
Chuck McMahon	Assistant County Manager

INDEPENDENT AUDITOR'S REPORT

The Board of County Commissioners
State of New Mexico, Doña Ana County
Las Cruces, New Mexico
Mr. Brian Colón, State Auditor
State of New Mexico, Office of the State Auditor
Santa Fe, New Mexico

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue fund of Doña Ana County (the County), as of and for the year ended June 30, 2021, and the related notes to the financial statements which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2021, and the respective changes in financial position and where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

Restatements

As discussed in Note 20 to the financial statements, the 2021 beginning balance of equity has been restated due to the implementation of GASB 84 for fiduciary funds and a change in accounting methodology for the accrued self-funded insurance payroll liability. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements, that collectively comprise the County's basic financial statements. The Supplementary Information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal

Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, as listed in the table of contents under the Federal Compliance Section, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Other Supplementary Information, as required by 2.2.2 NMAC, as listed in the table of contents, is also presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such supplementary 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 was 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 30, 2021 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.



Hinkle + Landers, P.C.
Albuquerque, NM
November 30, 2021

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

Doña Ana County's management discussion and analysis presents an overview of the County's financial activities for the fiscal year ended June 30, 2021. Please read it in conjunction with Doña Ana County's financial statements, as identified in the table of contents.

FINANCIAL HIGHLIGHTS

- The County completed fiscal year 2021 with \$381,807,598 in total assets; this is roughly a 12% increase in assets when compared to the \$342,035,797 in fiscal year 2020. Total liabilities increased by roughly 35% or \$51,615,546 to \$198,053,618; while total net position increased by roughly 4% or \$7,468,911 to complete the fiscal year at \$216,527,664.
- Net Position for Governmental Activities increased 4% or \$6,751,916 to end the fiscal year at \$181,901,723; while Business-Type Activities increased by 2% or \$716,995 for a fiscal year net position balance of \$34,625,941. Overall revenues increased by 1% to \$160,762,519 and expenditures decreased by roughly 1% to \$154,126,576.
- The County's financial analysis of County Governmental Funds indicates an increase in total assets of \$17,425,366 or 13% to \$148,838,235; total liabilities increased by \$7,375,962 or 34%, while total fund balance increased by \$10,049,404.
- Total bonded debt at June 30, 2021 for the County was \$13,141,000.
- The County has received grant funding to provide additional resources during the pandemic.
 - Received \$4,439,750 in Coronavirus Aid, Relief and Economic Security (CARES) Act
 - Received \$9,365,356 U.S. Treasury Emergency Rental Assistance
 - Received \$2,847,068 U.S. Treasury Emergency Rental Assistance II
 - Received \$21,190,910 American Rescue Plan Act of 2021

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

The *government-wide financial statements* consist of two statements and are designed to provide readers with a broad overview of the County's finances in a manner similar to a private-sector business.

The *Statement of Position* presents information on all the County's assets and liabilities, with the difference between the two reported as net position.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

The *Statement of Activities* presents information showing how the County's net position changed during fiscal year 2021. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned and unused vacation leave).

Both of these financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include General Government, Public Safety, Public Works, Health and Welfare, and Community Development. The business-type activities of the County include Water, Wastewater, and Fleet Funds.

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

Governmental Funds

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County's near-term financing requirements.

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

The County adopts an annual appropriated budget for its general, special revenue, debt service and capital projects funds. A budgetary comparison statement has been provided for these funds to demonstrate budgetary compliance.

The basic governmental fund financial statements are identified in the table of contents of this report.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

Proprietary Fund

The County maintains two types of proprietary funds. *Enterprise funds* are used to report the same function presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the fiscal activities relating to various Water and Wastewater Utilities, as well as operations. An internal service fund is utilized to charge costs of fleet maintenance to individual funds.

The basic proprietary fund financial statements are identified in the table of contents of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs.

The basic fiduciary fund financial statements are identified in the table of contents of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are identified in the table of contents of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Required supplementary information can be found in this report, as identified in the table of contents.

The combining statements referred to earlier in connection with Nonmajor funds and Nonmajor proprietary funds are presented in the supplementary information section of this report. Combining schedules are identified in the table of contents of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Broad Overview of Finances)

The County implemented the new financial reporting model required by Accounting Standards Board Statement No. 34 in fiscal year ended June 30, 2003. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the County, as a whole.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

Doña Ana County
Condensed Schedule of Net Position
As of June 30, 2021 and 2020

	2021	2020	2021	2020	2021	2020
	Governmental	Governmental	Business-	Business-	Total	Total
	Activities	Activities	Type	Type	Primary	Primary
			Activities	Activities	Government	Government
Assets						
Current and other assets	\$ 174,970,556	129,285,993	2,553,505	1,942,410	177,524,061	131,228,403
Capital assets	169,068,368	175,510,611	35,215,169	35,296,783	204,283,537	210,807,394
Total assets	<u>344,038,924</u>	<u>304,796,604</u>	<u>37,768,674</u>	<u>37,239,193</u>	<u>381,807,598</u>	<u>342,035,797</u>
Deferred outflows of resources	36,799,055	20,209,556	-	-	36,799,055	20,209,556
Total assets and deferred outflows of resources	<u>\$ 380,837,979</u>	<u>325,006,160</u>	<u>37,768,674</u>	<u>37,239,193</u>	<u>418,606,653</u>	<u>362,245,353</u>
Liabilities						
Current liabilities	\$ 51,086,165	16,872,593	644,890	605,894	51,731,055	17,478,487
Non-current liabilities	143,824,720	126,235,232	2,497,843	2,724,353	146,322,563	128,959,585
Total liabilities	<u>194,910,885</u>	<u>143,107,825</u>	<u>3,142,733</u>	<u>3,330,247</u>	<u>198,053,618</u>	<u>146,438,072</u>
Deferred inflows of resources	4,025,371	6,748,528	-	-	4,025,371	6,748,528
Net Position						
Net investment in capital assets	149,823,979	155,017,450	32,501,391	32,344,403	182,325,370	187,361,853
Restricted	77,340,072	66,089,812	-	-	77,340,072	66,089,812
Unrestricted	(45,262,328)	(45,957,455)	2,124,550	1,564,543	(43,137,778)	(44,392,912)
Total net position	<u>181,901,723</u>	<u>175,149,807</u>	<u>34,625,941</u>	<u>33,908,946</u>	<u>216,527,664</u>	<u>209,058,753</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 380,837,979</u>	<u>325,006,160</u>	<u>37,768,674</u>	<u>37,239,193</u>	<u>418,606,653</u>	<u>362,245,353</u>

The largest portion of the County's net position reflects its investment in capital assets (i.e., land, land improvements, buildings, equipment, and utility infrastructure); less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although, the County's investment in its capital assets is reported net of related debt, it should be noted that their debt needed to be repaid must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Governmental Activities

Governmental activities increased the County's net position by \$6,751,916 to \$181,901,723.

Business-Type Activities

Net position of business-type activities increased by \$716,995 to \$34,625,941 at June 30, 2021. There were no significant changes to the types of services provided by the County's enterprise funds during fiscal year 2021.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

Doña Ana County
Condensed Statement of Activities
For the Years Ended June 30, 2021 and 2020

	2021	2020	2021	2020	2021	2020
	Governmental	Governmental	Business-	Business-	Total	Total
	Activities	Activities	Type	Type	Primary	Primary
			Activities	Activities	Government	Government
Revenues						
Program Revenues						
Changes for services	\$ 17,477,699	18,316,392	2,149,675	2,093,058	19,627,374	20,409,450
Operating grants and contributions	15,080,260	9,284,319	-	-	15,080,260	9,284,319
Capital grants and contributions	5,669,900	11,875,257	1,607,129	287,690	7,277,029	12,162,947
General Revenue						
Taxes, penalties and interest	115,099,429	111,561,114	-	-	115,099,429	111,561,114
Investment income	285,450	2,359,273	10,896	19,407	296,346	2,378,680
Other revenue	3,341,935	3,380,949	76,052	139,641	3,417,987	3,520,590
Gain(loss) on disposition of capital assets	(35,906)	(38,696)	-	-	(35,906)	(38,696)
Total Revenue	<u>156,918,767</u>	<u>156,738,608</u>	<u>3,843,752</u>	<u>2,539,796</u>	<u>160,762,519</u>	<u>159,278,404</u>
Expenses						
General governmental	47,966,017	46,238,658	-	-	47,966,017	46,238,658
Public safety	62,363,485	73,814,244	-	-	62,363,485	73,814,244
Public works	20,891,509	12,531,801	-	-	20,891,509	12,531,801
Health and welfare	15,277,589	17,770,148	-	-	15,277,589	17,770,148
Economic development	3,187,644	51,525	-	-	3,187,644	51,525
Bond interest	565,467	508,392	43,803	46,516	609,270	554,908
Fiscal agent's fees	728	11,096	-	-	728	11,096
Wastewater	-	-	3,423,733	3,927,399	3,423,733	3,927,399
Other utility services	-	-	406,601	403,449	406,601	403,449
Total Expenses	<u>150,252,439</u>	<u>150,925,864</u>	<u>3,874,137</u>	<u>4,377,364</u>	<u>154,126,576</u>	<u>155,303,228</u>
Increase in net position before transfers	6,666,328	5,812,744	(30,385)	(1,837,568)	6,635,943	3,975,176
Transfers	<u>(747,380)</u>	<u>(947,486)</u>	<u>747,380</u>	<u>947,486</u>	<u>-</u>	<u>-</u>
Change in net assets	5,918,948	4,865,258	716,995	(890,082)	6,635,943	3,975,176
Net Position-Beginning of year	175,149,807	166,604,620	33,908,946	34,799,028	209,058,753	201,403,648
Restatements of net position	<u>832,968</u>	<u>3,679,929</u>	<u>-</u>	<u>-</u>	<u>832,968</u>	<u>3,679,929</u>
Net Position-Beginning of year, restated	<u>175,982,775</u>	<u>170,284,549</u>	<u>33,908,946</u>	<u>34,799,028</u>	<u>209,891,721</u>	<u>205,083,577</u>
Net Position-End of year	<u>\$ 181,901,723</u>	<u>175,149,807</u>	<u>34,625,941</u>	<u>33,908,946</u>	<u>216,527,664</u>	<u>209,058,753</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

GOVERNMENTAL FUNDS

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements.

Doña Ana County Condensed Balance Sheet of Governmental Funds As of June 30, 2021 and 2020				
	2021 General Fund	2020 General Fund	2021 Federal Grants	2020 Federal Grants
Assets and deferred outflows of resources				
Pooled cash and investment	\$ 58,751,444	55,349,014	3,058,562	85,072
Interest receivable	249,814	195,650	489	-
Taxes receivable, net allowance	10,565,016	8,661,774	-	-
Accounts receivable, net	7,595,798	7,251,917	-	-
Grants receivables	512,869	8,885	1,892,489	1,997
Due from other funds	314,595	2,252,718	-	-
Inventories and prepaids	7,475	7,265	-	-
Total assets	<u>\$ 77,997,011</u>	<u>73,727,223</u>	<u>4,951,540</u>	<u>87,069</u>
Liabilities and Fund Balance				
Liabilities and deferred inflows of resources				
A/P, accruals and other liabilities	\$ 5,229,309	4,027,192	4,791,771	1
Deferred inflows of resources	10,095,496	8,214,707	-	-
Total liabilities	<u>15,324,805</u>	<u>12,241,899</u>	<u>4,791,771</u>	<u>1</u>
Fund Balance				
Nonspendable	7,475	7,265	-	-
Restricted	24,440,701	24,262,213	159,769	87,068
Committed	4,013,869	3,770,877	-	-
Assigned	13,024,031	9,994,079	-	-
Unassigned	21,186,130	23,450,890	-	-
Total fund balances	<u>62,672,206</u>	<u>61,485,324</u>	<u>159,769</u>	<u>87,068</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 77,997,011</u>	<u>73,727,223</u>	<u>4,951,540</u>	<u>87,069</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

Doña Ana County
Condensed Balance Sheet of Governmental Funds
As of June 30, 2021 and 2020

	2021 Debt Service Fund	2020 Debt Service Fund	2021 Nonmajor Governmental Funds	2020 Nonmajor Governmental Funds	2021 Total Governmental Funds	2020 Total Governmental Funds
Assets and deferred outflows of resources						
Pooled cash and investment	\$ 825,707	822,736	56,474,356	45,996,403	119,110,069	102,253,225
Interest receivable	65	120	6,447	10,847	256,815	206,617
Taxes receivable, net allowance	38,599	39,391	313,373	294,970	10,916,988	8,996,135
Accounts receivable, net	40,715	-	4,244,321	4,361,857	11,880,834	11,613,774
Grants receivables	-	-	3,541,635	6,072,253	5,946,993	6,083,135
Due from other funds	-	-	404,466	-	719,061	2,252,718
Inventories and prepaids	-	-	-	-	7,475	7,265
Total assets	<u>\$ 905,086</u>	<u>862,247</u>	<u>64,984,598</u>	<u>56,736,330</u>	<u>148,838,235</u>	<u>131,412,869</u>
Liabilities and Fund Balance						
Liabilities and deferred inflows of resources						
A/P, accruals and other liabilities	\$ 84,019	-	8,835,907	9,410,144	18,941,006	13,437,337
Deferred inflows of resources	33,972	35,278	255,966	263,156	10,385,434	8,513,141
Total liabilities	<u>117,991</u>	<u>35,278</u>	<u>9,091,873</u>	<u>9,673,300</u>	<u>29,326,440</u>	<u>21,950,478</u>
Fund Balance						
Nonspendable	-	-	-	-	7,475	7,265
Restricted	782,823	822,856	52,089,354	40,917,675	77,472,647	66,089,812
Committed	4,272	4,113	4,207,698	6,469,533	8,225,839	10,244,523
Assigned	-	-	23,930	14,086	13,047,961	10,008,165
Unassigned	-	-	(428,257)	(338,264)	20,757,873	23,112,626
Total fund balances	<u>787,095</u>	<u>826,969</u>	<u>55,892,725</u>	<u>47,063,030</u>	<u>119,511,795</u>	<u>109,462,391</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 905,086</u>	<u>862,247</u>	<u>64,984,598</u>	<u>56,736,330</u>	<u>148,838,235</u>	<u>131,412,869</u>

As of the end of fiscal year 2021, the County's governmental funds reported combined ending fund balances of \$119,511,795 an increase of \$10,049,404 in comparison with the prior year. The general fund ending fund balance at the end of fiscal year 2021 is reported at \$62,672,206, which is an increase of \$1,186,882.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

Doña Ana County
Condensed Statement of Revenues, Expenditures, And Changes In Fund Balances
For the Years Ended June 30, 2021 and 2020

		2021 General Fund	2020 General Fund	2021 Federal Grants	2020 Federal Grants		
Operating							
Total revenues	\$	107,658,297	106,172,658	3,380,320	19,719		
Total expenditures		(96,674,280)	(93,818,135)	(3,373,568)	(19,719)		
Other Financing Sources							
Transfers in		43,416,547	43,211,017	-	87,068		
Transfers out		(54,046,650)	(46,478,893)	-	-		
Total other financing sources/(uses)		(10,630,103)	(3,267,876)	-	87,068		
Net changes in fund balance		353,914	9,086,647	6,752	87,068		
Fund balance-beginning of year		61,485,324	52,398,677	153,017	-		
Restatements of fund balance		832,968	-	-	-		
Fund balance-beginning of year, restated		62,318,292	52,398,677	153,017	-		
Fund balance-end of year	\$	<u>62,672,206</u>	<u>61,485,324</u>	<u>159,769</u>	<u>87,068</u>		
		2021 Debt Service Fund	2020 Debt Service Fund	2021 Nonmajor Governmental Funds	2020 Nonmajor Governmental Funds	2021 Total Governmental Funds	2020 Total Governmental Funds
Operating							
Total revenues	\$	534,850	664,076	41,944,738	47,717,588	153,518,205	154,574,041
Total expenditures		(1,843,601)	(2,128,325)	(40,872,418)	(47,899,839)	(142,763,867)	(143,866,018)
Other Financing Sources							
Issuance of long-term debt		-	157,704	-	4,434,441	-	4,592,145
Transfers in		1,268,877	1,421,040	12,096,144	4,451,188	56,781,568	49,170,313
Transfers out		-	(696,890)	(4,338,769)	(3,210,521)	(58,385,419)	(50,386,304)
Total other financing sources/(uses)		1,268,877	881,854	7,757,375	5,675,108	(1,603,851)	3,376,154
Net changes in fund balance		(39,874)	(582,395)	8,829,695	5,492,857	9,150,487	14,084,177
Fund balance-beginning of year		826,969	1,409,364	47,063,030	41,570,173	109,528,340	95,378,214
Restatements of fund balance		-	-	-	-	832,968	-
Fund balance-beginning of year, restated		826,969	1,409,364	47,063,030	41,570,173	110,361,308	95,378,214
Fund balance-end of year	\$	<u>787,095</u>	<u>826,969</u>	<u>55,892,725</u>	<u>47,063,030</u>	<u>119,511,795</u>	<u>109,462,391</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

Proprietary Funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Proprietary funds are business-type funds, which include Water and Wastewater Systems. The County's Internal Service Fund is also included as a proprietary fund; however, it is considered part of governmental activities for the government-wide financial statements.

Total net position of proprietary funds at the end of the year amounted to \$34,625,941.

Other factors concerning the finances of these funds have been addressed in the discussion of the County's business-type activities and capital assets.

Doña Ana County Condensed Statement of Revenues, Expenditures, And Changes In Fund Net Position For The Years Ended June 30, 2021 and 2020				
	2021 South Central Wastewater	2020 South Central Wastewater	2021 Non-Major Enterprise Funds	2020 Non-Major Enterprise Funds
Total operating revenues	\$ 1,583,190	1,570,731	642,537	661,968
Total operating expenditures	<u>(2,031,461)</u>	<u>(2,374,738)</u>	<u>(1,798,873)</u>	<u>(1,956,110)</u>
Net income from operations	(448,271)	(804,007)	(1,156,336)	(1,294,142)
Non-operating revenue (expenses)	<u>1,612,603</u>	<u>280,784</u>	<u>(38,381)</u>	<u>(20,203)</u>
Net income	1,164,332	(523,223)	(1,194,717)	(1,314,345)
Net transfers in/(out)	<u>331,980</u>	<u>292,192</u>	<u>415,400</u>	<u>655,294</u>
Change in net position	1,496,312	(231,031)	(779,317)	(659,051)
Net position-beginning of year	<u>17,125,529</u>	<u>17,356,560</u>	<u>16,783,417</u>	<u>17,442,468</u>
Net position-end of year	<u><u>\$ 18,621,841</u></u>	<u><u>17,125,529</u></u>	<u><u>16,004,100</u></u>	<u><u>16,783,417</u></u>
	2021 Total Enterprise Funds	2020 Total Enterprise Funds	2021 Internal Service Fund	2020 Internal Service Fund
Total operating revenues	\$ 2,225,727	2,232,699	1,616,099	1,652,202
Total operating expenditures	<u>(3,830,334)</u>	<u>(4,330,848)</u>	<u>(2,844,245)</u>	<u>(2,857,605)</u>
Net income from operations	(1,604,607)	(2,098,149)	(1,228,146)	(1,205,403)
Non-operating revenue (expenses)	<u>1,574,222</u>	<u>260,581</u>	<u>-</u>	<u>199</u>
Net income	(30,385)	(1,837,568)	(1,228,146)	(1,205,204)
Net transfers in/(out)	<u>747,380</u>	<u>947,486</u>	<u>747,200</u>	<u>268,505</u>
Change in net position	716,995	(890,082)	(480,946)	(936,699)
Net position-beginning of year	<u>33,908,946</u>	<u>34,799,028</u>	<u>1,292,438</u>	<u>2,229,137</u>
Net position-end of year	<u><u>\$ 34,625,941</u></u>	<u><u>33,908,946</u></u>	<u><u>811,492</u></u>	<u><u>1,292,438</u></u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

GENERAL FUND BUDGETARY ANALYSIS

- The General Fund revenue budget increased \$6,928,697 from \$101,296,020 to a final budget of \$108,224,717.
- The County's General Fund actual revenues at fiscal year-end totaled \$106,838,957 were under budget by \$1,385,760.
- The General Fund expenditure budget increased \$5,599,882 from \$100,551,821 to a final budget of \$106,151,703.
- The County's General Fund actual expenditures at fiscal year-end totaled \$97,516,441 and were under budget by \$8,635,262.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

- Capital asset projects completed this fiscal year include:
 - LEDA/Border Industrial Authority re: CRRUA Well 14
- Road projects completed this fiscal year include:
 - Roads Initiative
 - Berry Patch Lane
 - Chamberino Secondary Access Road
 - Three Saints Road
 - Shalem Colony Trail
 - Estancia Road
 - Corpening Road
 - Peaceful Pines Lane Road
 - Quiet Pine Drive
 - Jeanne Lane
 - Saint Michaels Road
 - McCombs Drive Road
 - Moonview Road and Drainage
 - Palmas Street
 - Tierra Alta UAV
 - Ortega Road
 - Grouse Run Road
 - La Reina Road & Drainage
 - Via Emma Roadway

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

- Boone Circle (Anthony Area) Roadway
- El Centro Road & Drainage
- Johnson Lane
- Sunny Lane
- Tellbrook Road
- Sanderling Drive
- Organ Roads

Long-Term Debt

The County's outstanding long-term debt increased by \$17,657,479 or 13% during the fiscal year 2021. Notes payable decreased by \$283,613 or 3%. Bonded debt decreased by \$1,176,000 or 8% during the fiscal year.

At the end of fiscal year 2021 the County had total long-term debt outstanding to various agencies of \$151,620,374.

Additional information on the County's debt can be found in Note 7 in the Notes to the Financial Statements section of the report, as identified in the table of contents.

Doña Ana County
Condensed Schedule of Outstanding Debt
As of June 30, 2021 and 2020

	Governmental Activities		Business-Type Activities		Total Activity	
	2021	2020	2021	2020	2021	2020
Compensated absences	\$ 6,400,613	6,187,456	135,774	126,424	6,536,387	6,313,880
General obligation bonds	5,050,000	5,340,000	-	-	5,050,000	5,340,000
Revenue bonds	7,790,000	8,670,000	301,000	307,000	8,091,000	8,977,000
Notes payable	6,141,502	6,192,513	2,412,778	2,645,380	8,554,280	8,837,893
Pollution remediation	632,500	632,500	-	-	632,500	632,500
Net Pension Liability	90,365,125	77,429,888	-	-	90,365,125	77,429,888
Net OPEB Liability	32,391,082	26,431,734	-	-	32,391,082	26,431,734
Total Outstanding Debt	\$ 148,770,822	130,884,091	2,849,552	3,078,804	151,620,374	133,962,895

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

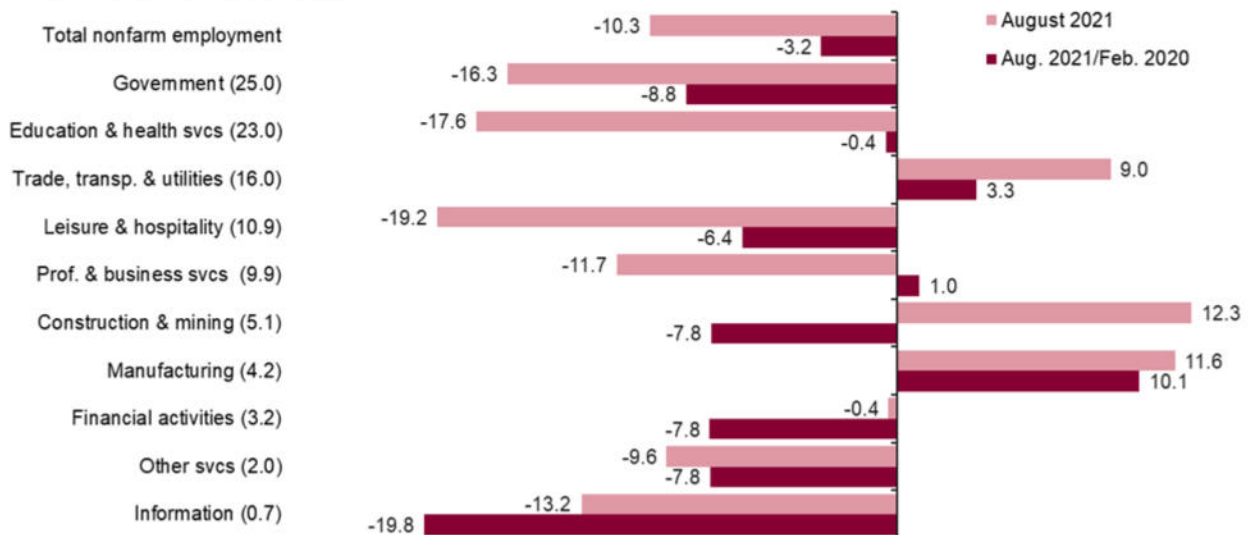
Economic Outlook

Southern New Mexico's economy recovery from the pandemic-induced recession stumbled in August 2021. Payrolls contracted sharply after seven consecutive months of growth, and mobility and consumer spending in Doña Ana County lagged behind the rest of southern New Mexico. Monthly trade volumes continue to trend below pre-pandemic levels and were down year over year in July. The monthly rig count rose, and daily oil production in New Mexico reached a new high.

Employment:

- In May 2021, the unemployment rate was 6.7% for the City of Las Cruces, down from 9.9% from May 2020.
- Average monthly number of unemployed individuals in 2021 for the City of Las Cruces was 3,469, lower than the 2019 average of 3,919 by 11.4%.
- Between May 2020 and May 2021, employment in the Leisure and Hospitality industry increased by 35%.
- Unemployment rate in Las Cruces fell from 7.5% in July 2021 to 6.5% in August 2021. New Mexico's unemployment rate fell from 7.6% in July 2021 to 7.2% in August 2021.

**Chart 1
Employment Growth by Sector**



NOTE: Data show seasonally adjusted and annualized percentage employment growth by sector for the Las Cruces metropolitan statistical area. Numbers in parentheses represent share of total nonfarm employment.

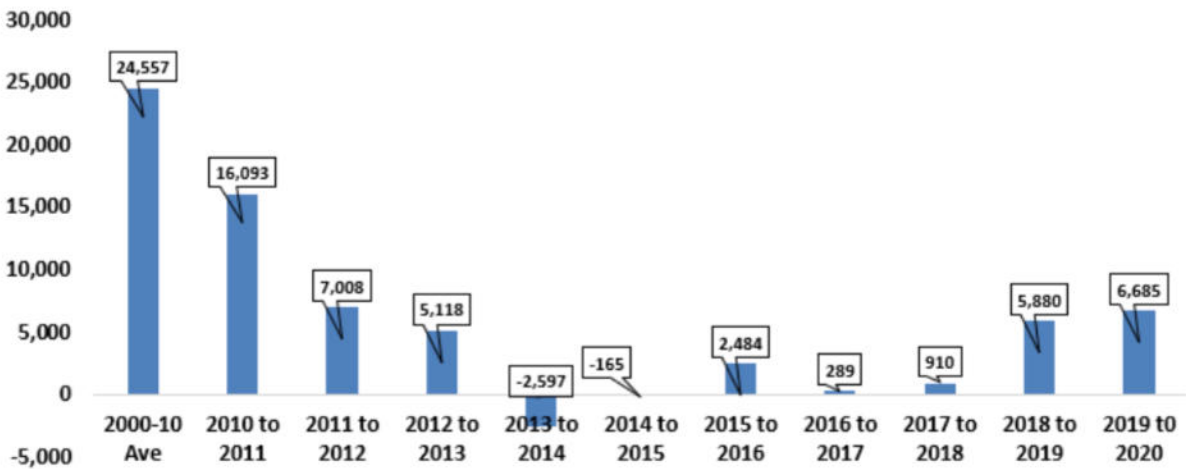
SOURCE: Bureau of Labor Statistics; adjustments by the Dallas Fed.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2021**

Employment:

- 2020 Census reports indicate a population of 219,561 for Doña Ana, remaining the second largest county in the state
- In 2019, the City of Las Cruces had a relatively high proportion of its population between ages 18 and 24, largely due to New Mexico State University being located within the county.
- Most new move-ins into the County continue to come from outside New Mexico yet from within the United States.

Population Change in New Mexico



Source: U.S. Bureau of the Census, Population Estimates Program

REQUEST FOR INFORMATION

The financial report is designed to present users with a general overview of the County's finances and to demonstrate the County's accountability. If you have questions concerning any of the information provided in this report or need additional information, contact the County's Financial Services Director, 845 N Motel Blvd., Las Cruces, New Mexico, 88007.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
STATEMENT OF NET POSITION
AS OF JUNE 30, 2021**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 14,993,047	159,384	15,152,431
Investments	132,728,578	2,015,483	134,744,061
Accounts receivables, net	11,886,148	252,194	12,138,342
Taxes receivables	10,916,988	-	10,916,988
Grants receivables	4,054,543	126,193	4,180,736
Interest receivables	256,326	251	256,577
Inventory and prepaid expenses	134,926	-	134,926
Total current assets	<u>174,970,556</u>	<u>2,553,505</u>	<u>177,524,061</u>
Non-current assets:			
Land and construction in progress	31,115,356	2,575,902	33,691,258
Other capital assets, net of accumulated depreciation	137,953,012	32,639,267	170,592,279
Total non-current assets	<u>169,068,368</u>	<u>35,215,169</u>	<u>204,283,537</u>
Total assets	<u>344,038,924</u>	<u>37,768,674</u>	<u>381,807,598</u>
Deferred outflows of resources			
Pension deferral	27,548,689	-	27,548,689
OPEB deferral	9,250,366	-	9,250,366
Total deferred outflows of resources	<u>36,799,055</u>	<u>-</u>	<u>36,799,055</u>
Total assets and deferred outflows of resources	<u>\$ 380,837,979</u>	<u>37,768,674</u>	<u>418,606,653</u>
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 6,312,879	203,982	6,516,861
Accrued payroll liabilities	2,619,470	15,193	2,634,663
Accrued interest payable	106,814	18,169	124,983
Bonds and notes payable	1,565,719	266,850	1,832,569
Compensated absences	4,000,383	84,859	4,085,242
Unearned revenue	36,194,797	-	36,194,797
Bond premium, net	262,887	-	262,887
Other liabilities	23,216	55,837	79,053
Total current liabilities	<u>51,086,165</u>	<u>644,890</u>	<u>51,731,055</u>
Long-term liabilities:			
Compensated absences - long-term portion	2,400,230	50,915	2,451,145
Bonds and notes payable - long-term portion	17,415,783	2,446,928	19,862,711
Pollution remediation	632,500	-	632,500
Net pension liability	90,365,125	-	90,365,125
Net OPEB liability	32,391,082	-	32,391,082
Contingent liability	620,000	-	620,000
Total long-term liabilities	<u>143,824,720</u>	<u>2,497,843</u>	<u>146,322,563</u>
Total liabilities	<u>194,910,885</u>	<u>3,142,733</u>	<u>198,053,618</u>
Deferred inflows of resources			
Pension deferral	2,072,673	-	2,072,673
OPEB deferral	1,952,698	-	1,952,698
Total deferred inflows of resources	<u>4,025,371</u>	<u>-</u>	<u>4,025,371</u>
NET POSITION			
Net investment in capital assets	149,823,979	32,501,391	182,325,370
Restricted for:			
Other purposes	77,340,072	-	77,340,072
Unrestricted	<u>(45,262,328)</u>	<u>2,124,550</u>	<u>(43,137,778)</u>
Total net position	<u>181,901,723</u>	<u>34,625,941</u>	<u>216,527,664</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 380,837,979</u>	<u>37,768,674</u>	<u>418,606,653</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

Functions/Program	Expenses	Program Revenues			Net (Expenses), Revenues, and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary Government							
Governmental Activities:							
General government	\$ 47,966,017	16,718,217	4,660,612	-	(26,587,188)	-	(26,587,188)
Public safety	62,363,485	257,219	4,767,238	2,466,020	(54,873,008)	-	(54,873,008)
Public works	20,891,509	320,106	45,807	2,629,130	(17,896,466)	-	(17,896,466)
Health and welfare	15,277,589	182,157	2,891,484	-	(12,203,948)	-	(12,203,948)
Economic development	3,187,644	-	2,715,119	574,750	102,225	-	102,225
Debt service interest	565,467	-	-	-	(565,467)	-	(565,467)
Fiscal agent's fees	728	-	-	-	(728)	-	(728)
Total governmental activities	<u>150,252,439</u>	<u>17,477,699</u>	<u>15,080,260</u>	<u>5,669,900</u>	<u>(112,024,580)</u>	<u>-</u>	<u>(112,024,580)</u>
Business-Type Activities:							
Wastewater services	3,423,733	2,149,675	-	-	-	(1,274,058)	(1,274,058)
Other utility services	406,601	-	-	1,607,129	-	1,200,528	1,200,528
Debt service interest	43,803	-	-	-	-	(43,803)	(43,803)
Total Business-type activities	<u>3,874,137</u>	<u>2,149,675</u>	<u>-</u>	<u>1,607,129</u>	<u>-</u>	<u>(117,333)</u>	<u>(117,333)</u>
Total primary government	<u>\$ 154,126,576</u>	<u>19,627,374</u>	<u>15,080,260</u>	<u>7,277,029</u>	<u>(112,024,580)</u>	<u>(117,333)</u>	<u>(112,141,913)</u>
General Revenues:							
Taxes:							
Property taxes				\$ 50,765,520	-		50,765,520
Gas tax				665,149	-		665,149
Gross receipts				57,446,245	-		57,446,245
Payment in lieu of tax				3,384,673	-		3,384,673
Penalties and interest				1,460,608	-		1,460,608
Other taxes				1,377,234	-		1,377,234
License and permits				698,095	-		698,095
Rent and royalties				446,842	-		446,842
Miscellaneous				2,196,998	76,052		2,273,050
Gain/(loss) on disposition of capital assets				(35,906)	-		(35,906)
Investment earnings				285,450	10,896		296,346
Operating transfers, net				(747,380)	747,380		-
Total general revenues and transfers				<u>117,943,528</u>	<u>834,328</u>		<u>118,777,856</u>
Change in net position				5,918,948	716,995		6,635,943
Net position, beginning				175,149,807	33,908,946		209,058,753
Restatements				832,968	-		832,968
Net position, beginning restated				<u>175,982,775</u>	<u>33,908,946</u>		<u>209,891,721</u>
Net position, ending				<u>\$ 181,901,723</u>	<u>34,625,941</u>		<u>216,527,664</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2021**

	General Fund	21135 Federal Grants	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 6,361,050	2,317,528	100,711	6,210,348	14,989,637
Investments	52,390,394	29,306,061	724,996	50,264,008	132,685,459
Receivables					
Accounts receivables, net	7,595,798	-	40,715	4,244,321	11,880,834
Taxes receivable	10,565,016	-	38,599	313,373	10,916,988
Grants receivable	512,869	39	-	3,541,635	4,054,543
Interest receivable	249,814	-	65	6,447	256,326
Total receivables	18,923,497	39	79,379	8,105,776	27,108,691
Due from other funds	314,595	-	-	404,466	719,061
Prepaid expenses & inventories	7,475	-	-	-	7,475
Total assets	<u>\$ 77,997,011</u>	<u>31,623,628</u>	<u>905,086</u>	<u>64,984,598</u>	<u>175,510,323</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 2,047,479	895,306	84,019	3,176,320	6,203,124
Accrued payroll liabilities	2,484,218	349	-	120,904	2,605,471
Due to other funds	-	-	-	719,061	719,061
Unearned revenue	677,896	30,700,779	-	4,816,122	36,194,797
Other liabilities	19,716	-	-	3,500	23,216
Total liabilities	5,229,309	31,596,434	84,019	8,835,907	45,745,669
Deferred inflows of resources					
Property taxes	3,332,374	-	33,972	255,966	3,622,312
Derived tax revenues	6,763,122	-	-	-	6,763,122
Total deferred inflows of resources	10,095,496	-	33,972	255,966	10,385,434
FUND BALANCES					
Nonspendable	7,475	-	-	-	7,475
Restricted	24,440,701	27,194	782,823	52,089,354	77,340,072
Committed	4,013,869	-	4,272	4,207,698	8,225,839
Assigned	13,024,031	-	-	23,930	13,047,961
Unassigned	21,186,130	-	-	(428,257)	20,757,873
Total fund balance	<u>62,672,206</u>	<u>27,194</u>	<u>787,095</u>	<u>55,892,725</u>	<u>119,379,220</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 77,997,011</u>	<u>31,623,628</u>	<u>905,086</u>	<u>64,984,598</u>	<u>175,510,323</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
TO STATEMENT OF NET POSITION
AS OF JUNE 30, 2021**

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

Total fund balance - total governmental funds	\$ 119,379,220
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet (less Internal Service Funds).	168,208,977
Internal service funds are used by management to charge the cost of certain activities, such as insurance and fleet management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the government-wide statement of net position. Internal Service Fund balances not included in other reconciling items:	811,492
Long-term liabilities are not due and payable in the current period and, therefore, they are not reported in the governmental funds balance sheet:	
Bonds and notes payable	(17,415,783)
Compensated absences (less Internal Service Funds)	(2,361,441)
Contingent liabilities	(620,000)
Pollution remediation	(632,500)
Bond underwriter premium, net of accumulated amortization	(262,887)
Net pension related deferrals and liability	(64,889,109)
Net OPEB related deferrals and liability	(25,093,414)
Other current liabilities are not available to pay for current period expenditures and therefore are deferred in the funds:	
Accrued interest payable	(106,814)
Bonds payable	(1,565,719)
Compensated absences (less Internal Service Funds)	(3,935,733)
Revenues not collected within sixty days after year end are considered "available" revenues and are considered to be "unavailable" revenues in the fund financial statements, but are considered revenue in the Statement of Activities:	
Property taxes	3,622,312
Derived tax revenue	6,763,122
Net position of governmental activities	\$ <u><u>181,901,723</u></u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	General Fund	21135 Federal Grants	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes					
Property taxes	\$ 47,529,126	-	471,384	2,810,003	50,810,513
Gas tax	665,149	-	-	-	665,149
Gross receipts	35,692,486	-	61,605	19,774,867	55,528,958
Payment in lieu of tax	3,384,673	-	-	-	3,384,673
Penalties and interest	1,460,608	-	-	-	1,460,608
Other taxes	-	-	-	1,377,234	1,377,234
Licenses and permits	698,095	-	-	-	698,095
Intergovernmental					
State operating grants	13,705	-	-	5,039,517	5,053,222
State capital grants	786,954	574,750	-	4,043,795	5,405,499
Federal operating grants	693,971	2,702,636	-	6,630,431	10,027,038
Federal capital grants	-	-	-	264,401	264,401
Charges for services	15,068,314	-	-	795,258	15,863,572
Contributions/donations	-	-	-	506	506
Investment earnings	(102,053)	-	1,861	385,642	285,450
Rents and royalties	119,804	-	-	325,488	445,292
Other revenue	1,647,465	-	-	497,596	2,145,061
Total revenues	<u>107,658,297</u>	<u>3,277,386</u>	<u>534,850</u>	<u>41,944,738</u>	<u>153,415,271</u>
EXPENDITURES					
Current:					
General government	35,802,611	-	84,635	7,898,300	43,785,546
Public safety	50,171,564	-	-	4,297,280	54,468,844
Public works	7,916,791	-	-	1,691,523	9,608,314
Health and welfare	107,728	-	-	15,059,719	15,167,447
Economic development	-	2,841,531	-	4,434	2,845,965
Debt service:					
Principal payments	-	-	1,170,000	-	1,170,000
Interest payments	-	-	588,238	-	588,238
Fiscal agent's fees	-	-	728	-	728
Capital outlay:					
Capital outlay	2,675,586	605,000	-	11,921,162	15,201,748
Total expenditures	<u>96,674,280</u>	<u>3,446,531</u>	<u>1,843,601</u>	<u>40,872,418</u>	<u>142,836,830</u>
Excess (deficiency) of revenues over expenditures	10,984,017	(169,145)	(1,308,751)	1,072,320	10,578,441
OTHER FINANCING SOURCES (USES)					
Transfers in	43,416,547	109,271	1,268,877	12,096,144	56,890,839
Transfers out	(54,046,650)	-	-	(4,338,769)	(58,385,419)
Total other financing sources (uses)	<u>(10,630,103)</u>	<u>109,271</u>	<u>1,268,877</u>	<u>7,757,375</u>	<u>(1,494,580)</u>
Net change in fund balance	353,914	(59,874)	(39,874)	8,829,695	9,083,861
Fund balances-beginning of year	61,485,324	87,068	826,969	47,063,030	109,462,391
Restatements	832,968	-	-	-	832,968
Fund balances-beginning of year, as restated	<u>62,318,292</u>	<u>87,068</u>	<u>826,969</u>	<u>47,063,030</u>	<u>110,295,359</u>
Fund balances-end of the year	<u>\$ 62,672,206</u>	<u>27,194</u>	<u>787,095</u>	<u>55,892,725</u>	<u>119,379,220</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

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

Net change in fund balance - total governmental funds	\$	9,083,861
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital expenditures recorded in capital outlay		15,201,748
Capital expenditures recorded in other expense lines		92,227

In the Statement of Activities, a (loss)/gain is recorded for assets that are removed from service that are not fully depreciated. Thus, the change in net position differs from the change in fund balance by the amount of (loss)/gain recorded for deleted capital assets.		(35,906)
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Depreciation expense on capital assets, excluding internal service fleet fund, is reported in the government-wide statement of activities and changes in net position, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditure in governmental funds.		(21,214,512)
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Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet management to individual funds. The net change of the internal service funds resulting from transactions not recorded with governmental funds.		(480,946)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities.

Amortization of bond premiums		27,761
Change in accrued interest		(4,990)
Change in noncurrent and current compensated absences		(205,170)
Principal payments on long-term debt payable from CRRUA		51,011
Principal payments on long-term debt payable		1,170,000

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Pension expense		1,235,927
OPEB expense		(817,856)

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

Change in deferred inflows related to property taxes		(44,994)
Change in deferred inflows related to derived tax revenue		1,917,287
Change in contingent liability		(56,500)
Change in net position of governmental activities	\$	5,918,948

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ 76,841,236	82,689,237	85,131,382	2,442,145
Payment in lieu of tax	3,140,000	3,140,000	3,384,673	244,673
Licenses and permits	430,100	430,100	698,095	267,995
Intergovernmental revenue and grants	1,613,961	2,694,657	1,196,299	(1,498,358)
Charges for services	17,209,855	17,209,855	14,376,586	(2,833,269)
Investment earnings	491,992	491,992	(95,474)	(587,466)
Rent and royalties	168,000	168,000	119,804	(48,196)
Other revenue	1,400,876	1,400,876	2,027,592	626,716
Total revenues	<u>101,296,020</u>	<u>108,224,717</u>	<u>106,838,957</u>	<u>(1,385,760)</u>
EXPENDITURES				
Current:				
General government	37,049,125	38,082,128	35,623,779	2,458,349
Public safety	52,547,225	54,729,872	51,303,263	3,426,609
Public works	9,187,249	8,975,969	7,858,886	1,117,083
Health and welfare	120,000	120,000	107,728	12,272
Capital outlay	1,648,222	4,243,734	2,622,785	1,620,949
Total expenditures	<u>100,551,821</u>	<u>106,151,703</u>	<u>97,516,441</u>	<u>8,635,262</u>
Excess (deficiency) of revenues over (under) expenditures	744,199	2,073,014	9,322,516	7,249,502
OTHER FINANCING SOURCES (USES)				
Transfers in	39,693,477	43,363,747	43,363,747	-
Transfers out	<u>(49,786,512)</u>	<u>(54,167,893)</u>	<u>(54,046,650)</u>	<u>121,243</u>
Total other financing sources (uses)	<u>(10,093,035)</u>	<u>(10,804,146)</u>	<u>(10,682,903)</u>	<u>121,243</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(9,348,836)	(8,731,132)	<u>(1,360,387)</u>	<u>7,370,745</u>
Budgeted cash carryover	<u>9,348,836</u>	<u>8,731,132</u>		
Total	\$ <u>-</u>	\$ <u>-</u>		
RECONCILIATION FROM BUDGET/ACTUAL TO GAAP				
Change in fund balance (Budget Basis)			\$ (1,360,387)	
To adjust applicable revenue accruals and deferrals			819,339	
To adjust applicable expenditure accruals			842,162	
Transfer in of capital asset			<u>52,800</u>	
Change in fund balance (GAAP basis)			\$ <u>353,914</u>	

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEDERAL GRANTS (21135) - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2021**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Intergovernmental revenue and grants	\$ 1,064,540	31,732,791	33,980,121	2,247,330
Total revenues	<u>1,064,540</u>	<u>31,732,791</u>	<u>33,980,121</u>	<u>2,247,330</u>
EXPENDITURES				
Current:				
Economic development	-	30,668,251	1,946,185	28,722,066
Capital outlay	1,220,331	1,220,331	605,000	615,331
Total expenditures	<u>1,220,331</u>	<u>31,888,582</u>	<u>2,551,185</u>	<u>29,337,397</u>
Excess (deficiency) of revenues over (under) expenditures	(155,791)	(155,791)	31,428,936	31,584,727
OTHER FINANCING SOURCES (USES)				
Transfers in	109,271	109,271	109,271	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>109,271</u>	<u>109,271</u>	<u>109,271</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(46,520)	(46,520)	<u>31,538,207</u>	<u>31,584,727</u>
Budgeted cash carryover	<u>46,520</u>	<u>46,520</u>		
Total	\$ <u>-</u>	<u>-</u>		
RECONCILIATION FROM BUDGET/ACTUAL TO GAAP				
Change in fund balance (Budget Basis)			\$ 31,538,207	
To adjust applicable revenue accruals and deferrals			(30,702,736)	
To adjust applicable expenditure accruals			<u>(895,345)</u>	
Change in fund balance (GAAP basis)			\$ <u>(59,874)</u>	

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

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
PROPRIETARY FUNDS
STATEMENTS OF NET POSITION
AS OF JUNE 30, 2021**

	Business-Type Activities			Governmental Activities
	50044 South Central Wastewater	Total Non-Major Enterprise Funds	Total Enterprise Funds	60020 Internal Service Fund Fleet
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 72,181	87,203	159,384	3,410
Investments	912,754	1,102,729	2,015,483	43,119
Receivables				
Accounts receivables, net	198,686	53,508	252,194	5,314
Grants receivables	126,193	-	126,193	-
Interest receivable	148	103	251	-
Total receivables	325,027	53,611	378,638	5,314
Prepaid expenses & inventories	-	-	-	127,451
Total current assets	1,309,962	1,243,543	2,553,505	179,294
Non-current assets:				
Capital assets, net	19,285,297	15,929,872	35,215,169	859,391
Total non-current assets	19,285,297	15,929,872	35,215,169	859,391
Total assets	\$ 20,595,259	17,173,415	37,768,674	1,038,685
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 190,550	13,432	203,982	109,755
Accrued interest payable	8,537	9,632	18,169	-
Accrued payroll liabilities	8,863	6,330	15,193	13,999
Compensated absences	47,185	37,674	84,859	64,650
Bonds and notes payable	185,385	81,465	266,850	-
Other liabilities	26,238	29,599	55,837	-
Total current liabilities	466,758	178,132	644,890	188,404
Non-current liabilities:				
Bonds and notes payable	1,478,349	968,579	2,446,928	-
Compensated absences	28,311	22,604	50,915	38,789
Total non-current liabilities	1,506,660	991,183	2,497,843	38,789
Total liabilities	1,973,418	1,169,315	3,142,733	227,193
NET POSITION				
Net investment in capital assets	17,621,563	14,879,828	32,501,391	859,391
Unrestricted	1,000,278	1,124,272	2,124,550	(47,899)
Total net position	18,621,841	16,004,100	34,625,941	811,492
Total liabilities and net position	\$ 20,595,259	17,173,415	37,768,674	1,038,685

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
PROPRIETARY FUNDS
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021**

	Business-Type Activities			Governmental Activities
	50044 South Central Wastewater	Total Non-Major Enterprise Funds	Total Enterprise Funds	60020 Internal Service Fund Fleet
OPERATING REVENUES				
Charges for services	\$ 141,733	27,233	168,966	1,614,127
Charges for sewage service	1,389,886	590,823	1,980,709	-
Other revenue	51,571	24,481	76,052	1,972
Total operating revenues	<u>1,583,190</u>	<u>642,537</u>	<u>2,225,727</u>	<u>1,616,099</u>
OPERATING EXPENSES				
Personnel services - salaries and wages	317,232	234,343	551,575	501,217
Personnel services - employee benefits	172,076	128,636	300,712	294,168
Professional and technical services	526,523	42,568	569,091	2,175
Utilities	124,698	73,713	198,411	17,223
Other operating expenses	262,238	261,399	523,637	1,540,806
Bad debt expense	(209,056)	(58,592)	(267,648)	-
Depreciation	837,750	1,116,806	1,954,556	488,656
Total operating expenses	<u>2,031,461</u>	<u>1,798,873</u>	<u>3,830,334</u>	<u>2,844,245</u>
Operating income (loss)	(448,271)	(1,156,336)	(1,604,607)	(1,228,146)
NON-OPERATING REVENUES (EXPENSES)				
Intergovernmental				
State capital grants	1,462,638	-	1,462,638	-
Federal capital grants	144,491	-	144,491	-
Investment earnings	5,474	5,422	10,896	-
Interest expense	-	(43,803)	(43,803)	-
Total non-operating revenues (expenses)	<u>1,612,603</u>	<u>(38,381)</u>	<u>1,574,222</u>	<u>-</u>
Income (loss) before transfers	1,164,332	(1,194,717)	(30,385)	(1,228,146)
Transfers in	519,500	533,173	1,052,673	800,000
Capital transfer out	-	-	-	(52,800)
Transfers out	(187,520)	(117,773)	(305,293)	-
Total transfers in (out)	<u>331,980</u>	<u>415,400</u>	<u>747,380</u>	<u>747,200</u>
Change in net position	1,496,312	(779,317)	716,995	(480,946)
Beginning net position	17,125,529	16,783,417	33,908,946	1,292,438
Net position-end of the year	<u>\$ 18,621,841</u>	<u>16,004,100</u>	<u>34,625,941</u>	<u>811,492</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021**

	Business-Type Activities			Governmental Activities
	50044 South Central Wastewater	Total Non-Major Enterprise Funds	Total Enterprise Funds	60020 Internal Service Fund Fleet
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 1,385,813	683,838	2,069,651	1,612,166
Payments to employees	(481,235)	(361,704)	(842,939)	(787,398)
Payments to suppliers	(443,941)	(387,349)	(831,290)	(1,530,433)
Other receipts/(payments)	51,571	24,481	76,052	1,972
<i>Net cash provided (used) by operating activities</i>	<u>512,208</u>	<u>(40,734)</u>	<u>471,474</u>	<u>(703,693)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Transfers from other funds	519,500	332,597	852,097	800,000
Transfers to other funds	(187,520)	82,803	(104,717)	-
<i>Net cash provided by (used for) noncapital financing activities</i>	<u>331,980</u>	<u>415,400</u>	<u>747,380</u>	<u>800,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Purchase of capital assets	(1,865,838)	(7,104)	(1,872,942)	(2,857)
Proceeds from issuance of debt	40,424	-	40,424	-
Principal payments	(170,907)	(108,119)	(279,026)	-
Interest payments	-	(43,803)	(43,803)	-
Intergovernmental capital grants	1,607,129	-	1,607,129	-
Capital transfer out	-	-	-	(52,800)
<i>Net cash provided by (used for) capital and related financing activities</i>	<u>(389,192)</u>	<u>(159,026)</u>	<u>(548,218)</u>	<u>(55,657)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Proceeds from sales and maturities of investments	-	(95,218)	(95,218)	-
Purchase of investments	(701,852)	(592,166)	(1,294,018)	(43,119)
Interest and dividends	5,474	5,422	10,896	-
<i>Net cash provided by (used for) investing activities</i>	<u>(696,378)</u>	<u>(681,962)</u>	<u>(1,378,340)</u>	<u>(43,119)</u>
Net increase/(decrease) in cash and cash equivalents	(241,382)	(466,322)	(707,704)	(2,469)
Balances - beginning of year	313,563	553,525	867,088	5,879
Balances - end of year	<u>\$ 72,181</u>	<u>87,203</u>	<u>159,384</u>	<u>3,410</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021**

	Business-Type Activities			Governmental Activities
	50044 South Central Wastewater	Total Non-Major Enterprise Funds	Total Enterprise Funds	60020 Internal Service Fund Fleet
Reconciliation of operating income/(loss) to net cash provided/(used) by operating activities:				
Operating income/(loss)	\$ (448,271)	(1,156,336)	(1,604,607)	(1,228,146)
Adjustments:				
Depreciation expense	837,750	1,116,806	1,954,556	488,656
Bad debt expense	209,056	(58,592)	150,464	-
Change in assets and liabilities:				
Receivables	(145,806)	65,782	(80,024)	(1,961)
Inventories and prepaid expenses	-	-	-	(10,841)
Accounts payable	87,063	(10,988)	76,075	41,011
Accrued expenses and other liabilities	(35,657)	1,319	(34,338)	(399)
Compensated absences	8,073	1,275	9,348	7,987
Net cash provided by (used for) operating activities	\$ <u>512,208</u>	<u>(40,734)</u>	<u>471,474</u>	<u>(703,693)</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Total Custodial Funds
ASSETS	
Cash and cash equivalents	\$ 168,106
Investments	2,125,767
Property taxes receivable, net	<u>7,279,371</u>
Total assets	<u>\$ 9,573,244</u>
LIABILITIES	
Accounts payable	\$ 176
Due to other taxing units	<u>9,500,718</u>
Total liabilities	<u>9,500,894</u>
NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	<u>72,350</u>
Total net position	<u>\$ 72,350</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Total Custodial Funds
ADDITIONS	
Property tax collections for other governments	\$ 165,494,412
Funds collected for others	1,862,658
Funds collected on behalf of other governments	<u>48,197</u>
Total additions	167,405,267
DEDUCTIONS	
Payments of property tax to other governments	165,494,412
Disbursements to other governments	48,197
Disbursements to others	<u>1,847,103</u>
Total deductions	167,389,712
Net change in net position	15,555
Beginning net position	-
Restatement	<u>56,795</u>
Beginning net position-as restated	<u>56,795</u>
Net position-end of the year	<u><u>\$ 72,350</u></u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

NOTE 1 – ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

The function of Doña Ana County is briefly addressed in the grant of powers provided to all New Mexico counties pursuant to state statute 4-37-1 NMSA 1978. The function is "...to provide for the safety, preserve the health, promote the prosperity, and improve the morals, order, comfort, and convenience of the county or its inhabitants..." The County operates under a Commission form of government rule, which oversees:

- the assessment, collection, and distribution of ad valorem taxes by an elected assessor and treasurer;
- law enforcement by an elected sheriff;
- recording and filing by an elected county clerk and elected probate judge;
- fire protection by volunteer fire departments;
- road maintenance by an appointed road superintendent;
- purchasing by an appointed purchasing agent;
- indigent hospital care by an appointed indigent coordinator;
- administrative services by an appointed county manager, and
- planning, health, welfare, recreation, and cultural affairs by appointed citizen advisory boards.

The financial statements of the County have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The County's most significant accounting policies are described below.

A. Reporting Entity

The financial statements of the County encompass the activities of the County Commission, County Clerk, Tax Assessor, County Treasurer, Sheriff, and Probate Judge. The commission activity includes the function of the County Manager's office, the County Road Superintendent, the County Purchasing Agent, the Indigent Claims Coordinator, and the volunteer fire districts throughout the county.

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 Statements No. 39, No. 61, No. 80, and No. 90 as well as other applicable GASB Statements. Blended component units, although 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,

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based upon the application of these criteria, there were no component units identified as needing to be disclosed or presented as part of the reporting entity.

B. Basis of Presentation

Government-Wide Statements – The Statement of Net Position and the Statement of Activities display information about the government (the County). These statements include the financial activities of the overall government, except for fiduciary activities. The statements also distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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

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

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position (sources, uses, and balances of financial resources) rather than upon net income.

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The following is a description of the governmental funds of the County:

General Fund — General Fund is the general operating fund and, accordingly, it is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds — Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

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

Capital Projects Funds — Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds).

In addition to the General Fund, the County reports the following major governmental funds:

- Special Revenue Fund – *Federal Grants (21135)* accounts for federal reimbursements related to the Community Development.
- Debt Service Fund – accounts for the County's accumulation of resources for, and the payment of governmental fund debt principal and interest.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds.

Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities. The following is a description of the proprietary funds of the County:

Enterprise Funds — Enterprise Funds are used to account for operations: (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the cost (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily

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through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The County reports the following major proprietary fund:

- Enterprise Fund – *South Central Wastewater (50044)* accounts for the activities of the wastewater utility, which provides service to the residents in Vado/Del Cerro, Chamberino, Berino and south-central areas of the County.

Internal Service Fund

To account for fleet maintenance services provided to other departments of the government. Services are provided on a cost reimbursement basis.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The statements of fiduciary activities are presented using the economic resources measurement focus and the accrual basis of accounting. The statement of fiduciary net position reports assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position of custodial funds. The statement of changes in fiduciary net position is used to report additions and deductions from the County's custodial funds. The County has no pension, employee benefit trust funds, investment trust funds, or private-purpose funds.

Recently Issued and Adopted Accounting Pronouncements

In January 2017, the GASB issued Statement No. 84, Fiduciary Activities. GASB 84 establishes criteria for identifying fiduciary activities of all state and local governments. The Statement identifies four types of fiduciary funds that should be reported, as applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. It also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. This statement is effective for periods beginning after December 15, 2019. The County has activities that meet the criteria for GASB 84; therefore, GASB 84 is applicable to the County.

C. Measurement Focus and Basis of Accounting

Government-Wide, Proprietary, and Fiduciary Fund Financial Statements – The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide, proprietary and fiduciary fund financial statements are

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reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenues in the year for which they are billed net of estimated refunds and uncollectible amounts.

Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements – Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Revenue from derived taxes (sales taxes, gas taxes, and motor vehicle taxes) is recognized when the underlying transaction takes place (when the retail sale is generated). Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

D. Cash Equivalents

The County pools idle cash from all funds for the purpose of increasing income through investment activities. A "Pooled Cash" concept is used in maintaining the cash and investment accounts in the accounting records. Under this method, all cash is pooled for investment purposes and each fund has equity in the pooled amount. All amounts included in pooled cash and investments are considered to be cash equivalents for the purposes of the statement of cash flows, except for certificates of deposit or other investments that have original maturities of more than 90 days.

E. Investments

The County's investments are regulated by state law as well as by guidelines and rules promulgated by the State Investment Council and the State Treasurer. All investments are generally highly liquid in nature and are integrated with cash on the financial statements with appropriate disclosure. Investments are stated at fair value, which is determined using selected bases. Certificates of deposit

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are reported at carrying amount, which reasonably estimates fair value. Investments in a U.S. Treasury Fund are valued at the last reported sales price at current exchange rates. Additional cash, investment information, and fair values are presented in Note 2.

The County also participates in the State Treasurer Local Government Investment Pool. State law and regulations regulate this pool. Investment in the pool is reported at carrying amount, which reasonably estimates fair value.

F. Receivables and Payables

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.

G. Inventories and Prepaid Items

Inventories in governmental funds consist of expendable supplies held for consumption and are valued at cost using a first-in, first-out (FIFO) method. Expendable supplies are accounted for using the consumption method. Proprietary fund inventories are recorded at the lower of cost or market on a first-in, first-out basis, and consist of operating supplies held for use in operations and are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are included as part of the governmental capital assets reported in the government wide statements. Information technology equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5). Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

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

Asset Type	Years
Land improvements	10
Buildings and improvements	10 - 40
Furniture, fixtures, and equipment	3-15
Vehicles	5 - 15
Infrastructure	5-50

I. Unearned Revenue

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

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or the balance sheet for governmental funds will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position/fund balance that applies to a future period and so will not be recognized as an expense or expenditure until then.

The County has the following deferred outflows of resources during fiscal year 2021 on the government wide financials:

Deferred Outflows of Resources - Government-Wide	
Pension deferrals	\$ 27,548,689
OPEB deferrals	9,250,366
Total deferred outflows of resources	\$ <u>36,799,055</u>

In addition to liabilities, the statement of net position and/or the balance sheet for the governmental funds will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position/fund balance that applied to a future period and so will not be recognized until then. The County has the following deferred inflows of resources during fiscal year 2021 on the fund financials:

Deferred Inflows of Resources - Fund Financials	
Property tax revenue	\$ 3,622,312
Derived tax revenues	6,763,122
Total deferred inflows of resources	\$ <u>10,385,434</u>

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The County has the following deferred inflows of resources during fiscal year 2021 on the government wide financials:

Deferred Inflows of Resources - Government-Wide	
Pension deferrals	\$ 2,072,673
OPEB deferrals	1,952,698
Total deferred inflows of resources	\$ 4,025,371

K. Compensated Absences

Accrued annual leave, sick leave, and compensatory time are the components of accrued compensated absences. An employee may not carry over more than 240 hours of vacation leave into a new calendar year, nor receive payment for more than 288 hours upon separation. Under a human resources policy adopted November 27, 1999, employees retiring under PERA, with a minimum of 15 years of County service, shall be paid for accrued sick leave hours, limited to a maximum of 600 hours, subject to a maximum cash payment of \$15,000. In addition, such employees shall be compensated for any unused sick leave hours accrued as of November 27, 1999, at the employee's pay rate in effect on that date. Compensatory time is accrued in full for non-exempt employees under the Fair Labor Standards Act.

L. Long-term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. For bonds issued after GASB 34 was implemented, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. For fund financial reporting, bond premiums, discounts as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

M. Net Position

Equity is classified as net position and displayed in three components on the government-wide financial statements as well as the proprietary and fiduciary fund financial statements:

- *Net investment in capital assets* – Net position invested in capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- *Restricted Net Position* – Consist of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation.

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- *Unrestricted Net Position* – All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

N. Governmental Fund Balances

Beginning with fiscal year 2011, the County implemented GASB Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions.” This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- *Nonspendable* – Amounts not in a spendable form, such as prepaid expenses, inventories, or long-term portion of receivables or property held for resale, if the use of the proceeds from the collection/sale of property held for resale is not otherwise constrained. Nonspendable amounts also include amounts legally or contractually required to remain intact, such as the principal of a permanent fund.
- *Restricted* – Amounts constrained to specific purposes that are externally imposed or imposed by law through constitutional provisions or enabling legislation (such as taxpayers, grantors, bondholders, and higher levels of government).
- *Committed* – Amounts constrained to specific purposes by the governmental entity’s highest level of decision-making authority (the County Commission). To be reported as committed, amounts cannot be used for any other purpose unless the County Commission takes the same highest-level action to remove or change the constraint.
- *Assigned* – Amounts constrained by the County intends to be used for a specific purpose. Intent can be expressed by the governing body (County Commission) or an official or body to which the governing body delegates authority.
- *Unassigned* – Balances available for any purpose. Positive amounts are reported only in the general fund.

The New Mexico Department of Finance and Administration (DFA) requires that 3/12 of the FY2022 budgeted expenditures in the General Fund be restricted as subsequent-year expenditures to provide adequate cash reserves. Additionally, the DFA imposes a County Road Fund Reserve requirement for the County of 1/12 of the FY2022 total Road Fund budgeted expenditures. The General Fund includes the Road Fund, which has been reserved at 3/12.

The County Commission establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). The County assigns 2021 fund balance for

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FY2022 projected budgetary deficit per GASB 54, Par 16. FY2021 and FY2022 budget (estimated revenues and expenditures) have no effect on GASB 54 net fund balance.

See the Schedule of Governmental Fund Balances as listed in the table of contents for additional information about fund balances.

When an expense is incurred for purposes for which both restricted and unrestricted fund balance is available, the County considers restricted funds to have been spent first. When an expense is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless County Commission or the finance department has provided otherwise in its commitment or assignment actions.

O. Budgets and Budgetary Accounting

The County adopts budgets for each individual fund (governmental and proprietary). In late winter or early spring, the County prepares a budget calendar, thus starting the budgetary process for the upcoming July 1 fiscal year. Budget request forms are distributed to County departments and local service agencies with a specified completion date. Legally mandated advance notices are formally published for grant availability and other purposes once budget hearings have been scheduled. The budget hearings are then held with all County department heads and local service agency representatives. Generally, in late May or early June, a budget meeting is held for tentative approval of the completed budget. After tentative approval at the County level, the budget is submitted to the New Mexico Department of Finance and Administration (DFA) for approval of a temporary operational budget beginning July 1.

Immediately after July 1, when ending cash balances for the preceding fiscal year have been accurately ascertained, a final hearing is convened for finalization of the budget, and it is resubmitted to DFA for formal approval. None of the above budgetary processes are legally required to occur at any specified time; however, DFA requires that the time frame be such that they (DFA) render their final budget approval no later than September 1 of the budget year in question.

During the course of the fiscal year, the County prepares monthly budget reports. Under New Mexico State law, each year's budget appropriation legally lapses at year-end.

Budgetary Compliance – Budgetary control is required to be maintained at the individual fund level.

Actual fund revenues may be either over or under the budgeted amounts; however, the variance is required to be reasonable, particularly in the case of over-budgeted revenues. Major over-budgeted revenues require a budget amendment as soon as the extent of the shortage is reasonably ascertainable.

Budget Amendments – Budget increases and decreases can only be accomplished by Commission resolution, followed by DFA approval. Similarly, budget transfers must follow the same procedure.

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Budgetary Basis – State law prescribes that the County's budget be prepared on the basis of cash receipts and cash expenditures. Therefore, budgetary comparisons shown in exhibits are prepared on a cash basis to compare actual revenues and expenditures with a cash basis budget as amended.

The accompanying Statements of Revenue, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual, for the general fund and major special revenue funds, present comparisons of the legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) a reconciliation of resultant basis, perspective, equity and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2021 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.

P. Income Taxes

As a local government entity, the County is not subject to federal or state income taxes.

Q. Interfund Activity

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 fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or between proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

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

R. Pensions

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

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NOTE 2 – CASH AND INVESTMENTS

The County's cash balances consist of demand deposits. The majority of County's cash and investments are pooled. All interest income is accounted for in the related funds. The County's cash and cash equivalents and investments are listed in this report as listed in the table of contents.

The following is a summary of the County's cash and investment balances as of June 30, 2021:

<u>Cash and investments</u>	<u>Amount</u>
Cash and cash equivalents	
Cash on hand	\$ 8,912
Cash	10,810,289
Debt service reserve - held in trust	4,501,336
Subtotal cash and cash equivalents	<u>15,320,537</u>
Investments	
Money markets and savings	46,653,296
Certificates of deposit	38,591,703
County bond	4,560,000
Municipal bond	2,897,977
US treasury notes and bonds	3,589,817
US agency securities	40,577,035
Subtotal investments	<u>136,869,828</u>
Total cash and investments	<u>\$ 152,190,365</u>
<u>Fund Type</u>	<u>Amount</u>
Cash and equivalents	
Governmental funds	\$ 14,989,637
Internal service fund	3,410
Total governmental activities	14,993,047
Business-type activities	159,384
Fiduciary funds	168,106
Subtotal cash and cash equivalents	<u>15,320,537</u>
Investments	
Governmental funds	132,685,459
Internal service fund	43,119
Total governmental activities	132,728,578
Business-type activities	2,015,483
Fiduciary funds	2,125,767
Subtotal investments	<u>136,869,828</u>
Total cash and investments	<u>\$ 152,190,365</u>

State regulations require that uninsured demand deposits and deposit-type investments such as certificates of deposit be collateralized by the depository thrift or banking institution. At present, state statutes require that a minimum of fifty percent of uninsured balances on deposit with anyone institution must be collateralized, with higher requirements up to 100% for financially troubled institutions. Investments in repurchase agreements must be collateralized at 102% of the contract. In addition, some

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bond covenants require debt service reserve amounts to be collateralized at 105%. The County's Schedule of Collateral is presented in this report, as stated in the table of contents.

The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, County, or political subdivision of the State of New Mexico.

A summary of the County's investments as of June 30, 2021 is as follows:

Investment Type	Cost	Market	Rating*	Weighted Average Maturity (Years)	Fair Value**
CD's	\$ 38,334,208	38,591,703	***	< 9	N/A
Money Market and Savings	46,396,880	46,653,296	***	N/A	N/A
US Treasury Notes and Bonds	3,320,814	3,589,817	Not Rated	< 7	1
County Bond	4,560,000	4,560,000	Not Rated	< 13	2
Municipal Bond	2,927,126	2,897,977	Aaa	< 8	2
Federal Farm Credit	21,290,069	21,236,020	Aaa	< 8	2
Federal Home Loan Bank	8,977,375	8,935,106	Aaa	< 8	2
Federal Home Loan Mortgage Corp	4,065,500	4,055,442	Aaa	< 5	2
Federal Agricultural Mortgage Corp	2,000,000	1,994,520	Aaa	< 3	2
Federal National Mortgage	3,019,975	3,005,393	Aaa	< 5	2
Fannie Mae/Freddie Mac	1,340,476	1,350,554	Aaa	< 5	2
	<u>\$ 136,232,423</u>	<u>136,869,828</u>			

*Based on Moody's rating

**Fair Market Measurements Using:

Quoted Prices in Active Markets for Identical Assets (Level 1)

Significant Other Observable Inputs (Level 2)

***Certificate of Deposit, Money Market, Savings, FDIC insured and/or collateralized

Custodial Credit Risk Deposits - Custodial credit risk is the risk that in the event of a bank failure, the County funds may not be returned. The County does not have a deposit policy for custodial credit risk, other than following state statutes as set forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978).

As of June 30, 2021, the County's bank and investment balances of \$54,435,690 were exposed to custodial credit risk as follows:

Uninsured, collateralized with securities held by pledging financial institution's trust department or agent in the County's name.	\$ 27,915,249
Uninsured and uncollateralized	-
Total uninsured deposits	<u>\$ 27,915,249</u>

Custodial Credit Risk Investments - Custodial Credit Risk is the risk that, in the event of failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities

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that are in the possession of an outside party. The County's investments are not exposed to custodial credit risk. All are fully collateralized, and the collateral is held in the County's name.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer, of more than 5%. The County's investments are diversified to avoid including concentration of credit risk. With the exception of authorized pools, no more than 50% of the total investment portfolio is in one single security type or financial institution.

Credit Risk - The County's investments shall be in accordance with State Law 6-10-10 and 6-10-10.1 NMSA 1978, including but not limited to the following: Treasury Bills, Notes, Bonds, Strips, and US Government securities which are backed by the full faith and credit of the U.S. Government. Negotiable securities of the State of New Mexico or any county, municipality, or school district with the advice and consent of the Board of Finance per 6-10-44 NMSA 1978, 6-10-10 NMSA 1978, 6-10-10 NMSA 1978.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the County investments. The County's investment policy follows New Mexico State Statute Section 6-10-36E (NMSA, 1978 Comp) requiring the interest rate on time deposits shall not be less than the rate fixed by the State Board of Finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States Treasury bills of the same maturity on the day of deposit.

Foreign Currency Risk - Deposits and Investments - The County is not exposed to the risk that exchange rates will adversely affect the fair value of an investment as none of the investments pools or certificates of deposit are dominated in a foreign currency.

NOTE 3 – FAIR VALUE MEASUREMENT

The County holds investments that are measured at fair value on a recurring basis. Because investing is not a core part of the County's mission, the County determines that the disclosures related to these investments only need to be disaggregated by major type. The County chooses a table format for the fair value disclosures.

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. In determining this amount, three valuation techniques are available:

- Market approach: this uses prices generated for identical or similar assets or liabilities. The most common example is an investment in a public security traded in an active exchange such as the NYSE.
- Cost approach: this technique determines the amount required to replace the current asset. This approach may be ideal for valuing donations of capital assets or historical treasures.
- Income approach: this approach converts future amounts (such as cash flows) into a current

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discounted amount.

Each of these valuation techniques requires inputs to calculate a fair value. Valuation techniques should be applied consistently, though a change may be appropriate in certain circumstances. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. GASB 72 establishes a hierarchy of inputs to the valuation techniques listed above.

The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy's three levels are as follows:

Level 1

Inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date. (Examples: equity securities traded on an open market, actively traded mutual funds, and US treasuries)

Level 2

Are significant other observable inputs

- a) Quoted prices for similar assets or liabilities in active markets.
- b) Quoted prices for identical or similar assets or liabilities in markets that are not active.
- c) Inputs other than quoted prices that are observable for the asset or liability, such as:
 - 1. Interest rates and yield curves observable at commonly quoted intervals,
 - 2. Implied volatilities, and
 - 3. Credit spreads.
- d) Market-corroborated inputs.

(Examples: a bond valued using market corroborated inputs such as yield curves, a bond valued using matrix pricing, and an interest rate swap valued using the LIBOR swap rate observed at commonly quoted intervals for the full term of the swap)

Level 3

Are significant unobservable inputs for an asset or liability (Examples: Commercial real estate valued using a forecast of cash flows based on a university's own data and an interest rate swap valued using data that is neither directly observable nor corroborated by observable market data)

See Note 2 for the County's recurring fair value measurements as of June 30, 2021.

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NOTE 4 – RECEIVABLES

Receivables at year-end of the County's major individual funds and nonmajor and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

GOVERNMENTAL ACTIVITIES

	General Fund	Federal Grants	Debt Service	Nonmajor Funds	Internal Service Fund	Total Receivables
Accounts	\$ 8,025,526	-	41,070	4,268,956	5,314	12,340,866
Taxes	10,565,016	-	38,599	313,373	-	10,916,988
Grants	512,869	39	-	3,541,635	-	4,054,543
Interest	249,814	-	65	6,447	-	256,326
Subtotal	19,353,225	39	79,734	8,130,411	5,314	27,568,723
Less: Allowance for uncollectibles	(429,728)	-	(355)	(24,635)	-	(454,718)
Net Receivables	<u>\$ 18,923,497</u>	<u>39</u>	<u>79,379</u>	<u>8,105,776</u>	<u>5,314</u>	<u>27,114,005</u>

BUSINESS-TYPE ACTIVITIES

	South Central Wastewater	Non-Major Enterprise Funds	Total Receivables
Accounts	\$ 500,893	277,382	778,275
Grants	126,193	-	126,193
Interest	148	103	251
Subtotal	627,234	277,485	904,719
Less: Allowance for uncollectibles	(302,207)	(223,874)	(526,081)
Net Receivables	<u>\$ 325,027</u>	<u>53,611</u>	<u>378,638</u>

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NOTE 5 – PROPERTY TAXES

Property taxes attach as an unsubordinated enforceable lien on property as of January 1 of the assessment year. Current year taxes are levied within five days of the rate setting order received from New Mexico Department of Finance and Administration (7-38-32 thru 7-38-36). Tax bills are mailed by November 1, unless the Doña Ana County Assessor obtains a formal extension of time from the New Mexico Property Tax Division. Taxpayers have the option to pay in two equal installments due by the close of business November 10th and April 10th. Penalty and interest will be accrued after the delinquency due dates of December 10th and May 10th. In the event of a formal extension, the respective dates are correspondingly extended.

The County bills and collects its own taxes, as well as taxes for the State of New Mexico, city governments (Las Cruces, Hatch, Mesilla and Sunland Park), Doña Ana Branch Community College, Public School Districts (Las Cruces, Hatch and Gadsden) and Flood Districts (Lower Rio Grande and Hueco). In tax year 2021, the County charged the following mil rates:

<u>Tax District</u>	<u>Residential</u>	<u>Non-residential</u>
02 (Las Cruces-In)	0.031258	0.034573
03 (Las Cruces-Out)	0.023750	0.026691
04 Mesilla	0.024758	0.029031
11 (Hatch-In)	0.031951	0.034910
12 (Hatch-Out)	0.026509	0.029410
16 (Sunland Park-In)	0.036861	0.041007
17 Unincorporated (Anthony/Chaparral)	0.030337	0.033357
18 Incorporated (Anthony)	0.032745	0.035765

The County's share of the property taxes equal approximately 35.62% of the total property taxes levied and is used for general governmental services and retirement of long-term debt. The statutory maximum rate for servicing long-term debt with property tax revenue is unlimited, although the total amount of outstanding debt at any one time is restricted by other factors.

The County is required to report all real property delinquencies in excess of three years to the New Mexico Property Tax Division. The State, in turn administers all subsequent collection actions and proceedings.

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NOTE 6 – CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2021 follows. Land and construction in progress are not subject to depreciation.

GOVERNMENTAL ACTIVITIES <i>includes Internal Service Funds</i>	Balance June 30, 2020	Additions	Deletions	Transfers	Balance June 30, 2021
Non-depreciable capital assets:					
Land	\$ 8,715,401	38,176	-	-	8,753,577
Construction in progress	16,563,297	13,071,199	-	(7,272,714)	22,361,782
Total non-depreciable capital assets	25,278,698	13,109,375	-	(7,272,714)	31,115,359
Capital assets being depreciated:					
Land improvements	8,785,535	181,648	-	9,814	8,976,997
Buildings and improvements	111,209,131	49,325	(70,325)	100,000	111,288,131
Furniture, fixtures, & equipment	34,827,535	934,212	(17,041)	124,323	35,869,029
Vehicles	38,121,125	1,022,271	(185,301)	-	38,958,095
Infrastructure	329,007,873	-	-	7,038,577	336,046,450
Total capital assets being depreciated	521,951,199	2,187,456	(272,667)	7,272,714	531,138,702
Less accumulated depreciation for:					
Land improvements	(7,079,263)	(289,972)	-	-	(7,369,235)
Buildings and improvements	(67,243,311)	(4,700,298)	-	-	(71,943,609)
Furniture, fixtures, & equipment	(25,080,636)	(2,807,591)	51,460	-	(27,836,767)
Vehicles	(26,719,675)	(3,046,155)	185,301	-	(29,580,529)
Infrastructure	(245,596,401)	(10,859,152)	-	-	(256,455,553)
Total accumulated depreciation	(371,719,286)	(21,703,168)	236,761	-	(393,185,693)
Total capital assets being depreciated	150,231,913	(19,515,712)	(35,906)	7,272,714	137,953,009
Total capital assets, net of depreciation \$	175,510,611	(6,406,337)	(35,906)	-	169,068,368
 BUSINESS-TYPE ACTIVITIES	 Balance June 30, 2020	 Additions	 Deletions	 Transfers	 Balance June 30, 2021
Non-depreciable capital assets:					
Land	\$ 279,095	16,956	-	-	296,051
Construction in progress	445,618	1,834,233	-	-	2,279,851
Total non-depreciable capital assets	724,713	1,851,189	-	-	2,575,902
Capital assets being depreciated:					
Land improvements	25,578	-	-	-	25,578
Buildings and improvements	135,204	-	-	-	135,204
Furniture, fixtures, & equipment	900,935	21,753	-	-	922,688
Vehicles	772,535	-	-	-	772,535
Infrastructure	57,361,560	-	-	-	57,361,560
Total capital assets being depreciated	59,195,812	21,753	-	-	59,217,565
Less accumulated depreciation for:					
Land improvements	(5,116)	(2,558)	-	-	(7,674)
Buildings and improvements	(97,036)	(12,733)	-	-	(109,769)
Furniture, fixtures, & equipment	(869,116)	(19,479)	-	-	(888,595)
Vehicles	(542,416)	(52,060)	-	-	(594,476)
Infrastructure	(23,110,058)	(1,867,726)	-	-	(24,977,784)
Total accumulated depreciation	(24,623,742)	(1,954,556)	-	-	(26,578,298)
Total capital assets being depreciated	34,572,070	(1,932,803)	-	-	32,639,267
Total capital assets, net of depreciation \$	35,296,783	(81,614)	-	-	35,215,169

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Depreciation expense for the year ended June 30, 2021 was charged to the following functions and funds:

Governmental activities:	
General government	\$ 2,666,679
Public safety	6,537,608
Public works	11,363,770
Health and welfare	174,330
Economic development	472,125
Total	21,214,512
Internal service fund	488,656
Total governmental activities	\$ 21,703,168
Business type activities	\$ 1,954,556

NOTE 7 – LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2021, was as follows:

	Balance June 30, 2020	Increases	Decreases	Balance June 30, 2021	Amount due within one year
GOVERNMENTAL ACTIVITIES					
<i>includes Internal Service Funds</i>					
Compensated absences	\$ 6,187,456	4,071,028	(3,857,871)	6,400,613	4,000,383
General obligation bonds	5,340,000	-	(290,000)	5,050,000	300,000
Revenue bonds	8,670,000	-	(880,000)	7,790,000	905,000
Notes payable	6,192,513	-	(51,011)	6,141,502	360,719
Pollution remediation	632,500	-	-	632,500	-
Net pension liability	77,429,888	17,228,401	(4,293,164)	90,365,125	-
Net OPEB liability	26,431,734	5,959,348	-	32,391,082	-
Total governmental activities	\$ 130,884,091	27,258,777	(9,372,046)	148,770,822	5,566,102
BUSINESS-TYPE ACTIVITIES					
Compensated absences	\$ 126,424	54,211	(44,861)	135,774	84,859
Revenue bonds	307,000	-	(6,000)	301,000	6,000
Notes payable	2,645,380	40,424	(273,026)	2,412,778	260,850
Total business-type activities	\$ 3,078,804	94,635	(323,887)	2,849,552	351,709
Total County	\$ 133,962,895	27,353,412	(9,695,933)	151,620,374	5,917,811

Pollution remediation is discussed further in Note 8. Net pension liability is discussed further in Note 11. Net OPEB liability is discussed further in Note 12.

Bonds are liquidated from the debt service funds and other long-term liabilities are liquidated from the general fund and special revenue funds. No short-term debt was incurred during fiscal year 2021.

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The annual principal and interest requirements on long-term debt outstanding as of June 30, 2021 are as follows:

Governmental Activities:

General Obligation Bonds

The County has the following GO bonds to service in governmental activities:

Description	Date	Due	Original Issue	Outstanding	Rates
General Obligation Bond, Series 2013	10/22/2013	9/1/2033	\$ 6,800,000	5,050,000	2.13%
			<u>\$ 6,800,000</u>	<u>5,050,000</u>	

On October 22, 2013, the County issued \$6,800,000 in General Obligation Bonds with an average interest rate of 3% that will be used to (1) acquire, construct, equip, furnish and otherwise improve an E-911 emergency dispatch center, and (2) acquire, replace, construct, equip, furnish and otherwise improve a facility(s) for the purpose of housing and caring for animals that are the subject of pending prosecutions involving animal cruelty (collectively, the “2013 Project”). The qualified electors of the County approved issuance of the Bonds at a special meeting held on July 30, 2013. Payments toward the debt began in 9/1/2014.

This debt is secured with legally pledged revenues. There are no finance-related default consequences, termination event consequences, or subjective acceleration clauses specified in the debt agreement.

Pledged Revenues – General Obligation Bonds are payable from ad valorem taxes levied on all taxable property within the County without limit as to rate or amount. Pledged revenues for the fiscal year ended June 30, 2021 totaled \$461,850.

Future payment requirements in the Series 2013 General Obligation Refunding Bonds are as follows.

	Principal	Interest	Total
2022	\$ 300,000	165,200	465,200
2023	315,000	157,513	472,513
2024	325,000	148,700	473,700
2025	340,000	138,725	478,725
2026	355,000	128,300	483,300
2027-2031	2,005,000	413,613	2,418,613
2032-2036	1,410,000	86,200	1,496,200
2037-2041	-	-	-
Total	<u>\$ 5,050,000</u>	<u>1,238,251</u>	<u>6,288,251</u>

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Revenue Bonds

The County has the following revenue bonds to service in governmental activities:

Description	Date	Due	Original Issue	Outstanding	Rates
Gross Receipts Tax Refunding Bonds, Series 2012	5/1/2013	5/1/2028	\$ 4,870,000	2,465,000	2.0% to 4.0%
Subordinate Lien Gross Receipts Tax Refunding Bonds, Series 2014	12/1/2014	6/1/2029	8,870,000	5,325,000	2.0% to 5.0%
			<u>\$ 13,740,000</u>	<u>7,790,000</u>	

2012 Gross Receipts Tax Refunding and Improvement Bonds

On November 11, 2012, the County issued \$5,235,837 of Gross Receipts Tax Refunding Revenue Bonds, Series 2012, with an average interest rate of 2.656%. The amount represents \$4,870,000 of principal and a premium of \$365,837 which will be amortized over the 16-year life of the bonds. The bonds consist of serial bonds bearing various fixed rates ranging from 2.00% to 4.00% with annual maturities from May 2013 through May 2028. The net proceeds of \$5,084,626 (after processing fees of \$151,211) were used to advance refund bonds with a total principal amount of \$4,970,000 and an average interest rate of 4.560%. The purchaser of the bonds, Southwest Securities, Inc., transferred \$5,080,943 representing the amount payable at closing less debt service reserve of \$3,683 to the Bank of Albuquerque, N.A. for Doña Ana County. The Bank transferred the net proceeds to the County to pay off the refunded bonds. As a result, the refundable bonds are considered to be defeased, and the related liability for the banks has been removed from the County's liabilities.

The advance refunding was done in order to reduce debt payments. Costs for the issuance of the new debt were \$113,000. The advance refunding transaction resulted in an economic gain (difference between the present value of the debt service on the old and the new bonds) of approximately \$757,190.

This debt is secured with legally pledged revenues. There are no finance-related default consequences, termination event consequences, or subjective acceleration clauses specified in the debt agreement.

Pledged Revenues – Bonds are payable solely from pledged revenues consisting of the first one-eighth of one percent increment of the County gross receipts tax transferred to the County pursuant to Section 7-1-6.13 NMSA 1978. County gross receipts taxes are imposed on all persons engaging in business in the County. Pledged revenues for the fiscal year ended June 30, 2021 totaled \$408,575.

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Subordinate Lien Gross Receipts Tax Refunding Bonds Series 2014

On December 1, 2014, the County issued \$9,077,303 of Subordinate Lien Gross Receipts Tax Refunding Bonds Series 2014, with an average interest rate of 3.0%. The amount represents \$8,870,000 of principal plus a net original issue premium of \$262,114 which will be amortized over the 14-year life of the bonds, less an underwriting discount of \$54,811. The bonds consist of serial bonds bearing various fixed rates ranging from 2.00% to 4.00% with annual maturities from May 2013 through May 2028. The net proceeds of \$10,017,074 (which includes Series 2004A Reserve Fund of \$1,113,717 less processing fees of \$178,757) were used to advance refund bonds with a total principal amount of \$9,760,000 with an average interest rate of 4.560% and paying all costs incidental to the foregoing and incidental to the issuance of the bonds. The purchaser of the bonds Piper Jaffray & Co. transferred \$8,905,670 representing the amount payable at closing less debt service reserve of \$2,313 was transferred to the Bank of Albuquerque, N.A. for Dona Ana County. The Bank transferred the net proceeds that included an amount in the Series 2004A Reserve Fund to the Dona Ana County to pay off the refunded bonds. As a result, the refundable bonds are considered to be defeased, and the related liability for the banks has been removed from the County's liabilities.

The advance refunding was done in order to reduce debt payments. Costs for the issuance of the new debt was \$171,633. The advance refunding transaction resulted in an economic gain (difference between the present value of the debt service on the old and the new bonds) of approximately \$1,050,051.

This debt is secured with legally pledged revenues. There are no finance-related default consequences, termination event consequences, or subjective acceleration clauses specified in the debt agreement.

Pledged Revenues – Bonds are payable solely from pledged revenues consisting of the first one-eighth of one percent increment of the County gross receipts tax transferred to the County pursuant to Section 7-1-6.13 NMSA 1978. County gross receipts taxes are imposed on all persons engaging in business in the County. Pledged revenues for the fiscal year ended June 30, 2021 totaled \$756,925.

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Future payment requirements on the governmental activity revenue bonds are as follows:

	Principal	Interest	Total
2022	\$ 905,000	259,025	1,164,025
2023	935,000	228,725	1,163,725
2024	970,000	194,077	1,164,077
2025	1,005,000	159,825	1,164,825
2026	1,045,000	125,800	1,170,800
2027-2031	2,930,000	141,419	3,071,419
2032-2036	-	-	-
Total	\$ 7,790,000	1,108,871	8,898,871

Notes Payable

The County has the following notes payable to service in governmental activities:

Description	Date	Due	Original Issue	Outstanding	Rates
NMFA - DW-3648 Cleanup of Griggs Walnut Superfund Site	5/1/2013	6/1/2032	\$ 1,478,798	979,744	2.00%
NMFA - Arsenic Treatment Facility	7/22/2011	6/1/2031	1,024,160	569,613	0.25%
NMFA - Energy Efficiency and Renewable Energy	2/21/2020	5/1/2041	4,592,145	4,592,145	1.79% to 3.13%
			\$ 7,095,103	6,141,502	

NMFA 1947-DW – Cleanup of Griggs Walnut Superfund Site

In January 2008, the County and the City of Las Cruces were approved under New Mexico Finance Authority Project No. 1947-DW for the clean-up of the Griggs Walnut superfund site. The County's debt principal totaled \$1,478,798. The initial terms of the loan called for the funds to be fully drawn down by January 2011 with regular principal payments due beginning in May 2013. An extension was received in 2011 to allow for drawdown of the funds through June 2012. The terms of the note call for annual principal payments on May 1, for 20 years with semi-annual interest payments of 2% per annum.

The County began drawing funds on the note in October 2010 and expects to withdraw the full amount by the June 2012 closing date. This debt is secured with legally pledged revenues.

Pledged Revenues – The note principal, interest, and administrative fees will be paid for with pledged revenues consisting of the first one-eighth of one percent increment of the County environmental services gross receipts tax transferred to the County pursuant to Section 7-20E-17 NMSA 1978. Pledged revenues for the fiscal year ended June 30, 2021 totaled \$9,797.

NMFA – Arsenic Treatment Facility

In July 2011, the County entered into a loan/grant agreement with the NM Finance Authority for the planning, design and construction of an arsenic treatment facility with a treatment capacity of approximately 3.4 million gallons of water per day in and around the Santa Teresa area. The

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terms of the agreement call for a grant from the NMFA for \$4,096,640 along with a loan totaling \$1,024,160. The interest/administrative fee on the note is 0.25% with a maturity date of June 1, 2031. Repayments to be provided by the Camino Real Regional Utility Authority (CRRUA). The County has an agreement with CRRUA, stating that CRRUA will begin make payments on the debt incurred on 9/12/14, for the formation of the arsenic treatment facility, but the debt will remain on the County's financials. This debt is secured with legally pledged revenues.

Pledged Revenues – The note principal, interest, and administrative fees will be paid for with pledged revenues from the net utility revenues of the Santa Teresa water and wastewater utility system. Pledged revenues for the fiscal year ended June 30, 2021 totaled \$52,563.

NMFA – Energy Efficiency and Renewable Energy

On February 21, 2020, the County entered into a loan agreement with the NM Finance Authority for the costs of purchasing and installing energy upgrades/improvements at the Doña Ana County Detention Center including the main detention and juvenile building pursuant to an energy savings performance contract, and paying costs of issuance. The terms of the agreement call for a loan from the NMFA for \$4,592,145. The blended interest rate is 2.742107% with a maturity date of May 1, 2041. This debt is secured with legally pledged revenues.

Pledged Revenues – The note is payable from revenues of the one-eighth of one percent (0.125%) increment of County Gross Receipts Tax imposed pursuant to Section 7-20E-9, NMSA 1978, as amended, and Ordinance No. 35-85 adopted February 6, 1985, effective July 1, 1985. County gross receipts taxes are imposed on all persons engaging in business in the County. Pledged revenues for the fiscal year ended June 30, 2021 totaled \$121,243.

The following details the default consequences, termination event consequences, or subjective acceleration clauses specified in all NMFA debt agreements.

Whenever any Event of Default has occurred and is continuing and subject to section Remedies on Default hereof, the Lender/Grantor may take any or all of the following actions as may appear necessary or desirable to collect the payments then due and to become due or to enforce performance of any obligations of the Borrower/Grantee in this Agreement:

- a) File a mandamus proceeding or other action or proceeding or suit at law or in equity to compel the Borrower/Grantee to perform or carry out its duties under the law and the agreements and covenants required to be performed by it contained herein;
- b) Terminate this Agreement;
- c) Cease disbursing any further amounts from the Project Account;
- d) Demand that the Borrower/Grantee immediately repay the Loan/Grant Amount or any portion thereof if such funds were not utilized in accordance with this Agreement;
- e) File a suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Lender/Granter;
- f) Intervene in judicial proceedings that affect this Agreement or the Pledged Revenues; or
- g) Cause the Borrower/Grantee to account as if it were the trustee of an express trust for all

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- of the Pledged Revenues;
- h) Take whatever other action at law or in equity may appear necessary or desirable to collect amounts then due and thereafter to become due under this Agreement or to enforce any other of its rights hereunder; or
 - i) Apply any amounts in the Project Account toward satisfaction of any and all fees and costs incurred in enforcing the terms of this Agreement.

The future payments required for the notes payable in Governmental Activities funds are as follows:

	Principal	Interest	Total
2022	\$ 360,719	151,894	512,613
2023	246,924	137,072	383,996
2024	257,787	133,200	390,987
2025	269,147	129,036	398,183
2026	281,032	124,557	405,589
2027-2031	1,606,757	540,095	2,146,852
2032-2036	1,368,900	365,045	1,733,945
2037-2041	1,750,236	145,780	1,896,016
2042-2046	-	-	-
Total	\$ <u>6,141,502</u>	<u>1,726,679</u>	<u>7,868,181</u>

Business-type Activities:

Revenue Bonds

The County has the following revenue bond to service in business-type activities:

Description	Date	Due	Original Issue	Outstanding	Rates
Dona Ana County, NM Wastewater System Improvement Revenue Bonds, Series 2013	9/19/2013	9/19/2053	\$ <u>343,000</u> \$ <u>343,000</u>	<u>301,000</u> <u>301,000</u>	2.13%

New Mexico Wastewater System Improvement Revenue Bonds, Series 2013

On September 19, 2013, the County issued Wastewater System Improvement Revenue Bonds Series 2013 in the amount of \$343,000 with an interest rate 2.125%. The gross bond proceeds of \$343,000 were used for improving the Chaparral Wastewater System.

This debt is secured with legally pledged revenues. There are no finance-related default consequences, termination event consequences, or subjective acceleration clauses specified in the debt agreement.

Pledged Revenues – The bonds are payable and collectible solely from the net revenues derived from the operation of the County's Chaparral Wastewater System. Pledged revenues for the fiscal year ended June 30, 2021 totaled \$12,520.

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Future payment requirements on the business-type activities revenue bond is as follows:

	Principal	Interest	Total
2022	\$ 6,000	6,390	12,390
2023	7,000	6,260	13,260
2024	7,000	6,120	13,120
2025	7,000	5,970	12,970
2026	7,000	5,820	12,820
2027-2031	37,000	26,830	63,830
2032-2036	41,000	22,700	63,700
2037-2041	46,000	18,150	64,150
2042-2046	51,000	13,040	64,040
2047-2051	57,000	7,390	64,390
2052-2056	35,000	1,450	36,450
	<u>\$ 301,000</u>	<u>120,120</u>	<u>421,120</u>

Notes Payable

The County has the following notes payable to service in business-type activities:

Description	Date	Due	Original Issue	Outstanding	Rates
NMED - Sanitary Sewer System	6/30/2003	2/5/2029	\$ 4,740,014	2,123,537	2.00%
NMFA - Montana Vista Wastewater System Improvements	4/18/2014	6/1/2034	140,000	91,000	0.00%
NMFA - Chaparral Wastewater System Improvements	5/2/2014	6/1/2034	35,000	22,750	0.00%
NMFA - Colonias Infrastructure 3348	3/1/2016	6/1/2034	89,050	65,615	0.00%
NMFA - Colonias Infrastructure 4642	11/16/2018	6/1/2040	96,546	68,211	0.00%
NMFA - Colonias Infrastructure 4909	10/4/2019	6/1/2041	67,500	40,183	0.00%
NMFA - Chaparral Wastewater 5165	12/4/2020	6/1/2042	129,668	-	0.00%
NMFA - South Central Wastewater 5166	12/4/2020	6/1/2042	254,550	1,482	0.00%
NMFA - Chaparral Wastewater 5167	12/4/2020	6/1/2042	56,500	-	0.00%
			<u>\$ 5,608,828</u>	<u>2,412,778</u>	

NMED – Sanitary Sewer System

On June 30, 2003, the County entered into a loan agreement in the amount of \$4,740,014 with the New Mexico Environment Department. The loan proceeds are to be used to improve or construct a Sanitary Sewer System by constructing, extending, enlarging, repairing, and otherwise improving the County's wastewater collection system, conveyance, and treatment facilities. The loan calls for 20 annual payments of \$289,884 and interest is calculated at a rate of 2.0% per annum. The first payment was due February 5, 2010 and the maturity date on the note is February 5, 2029. This debt is secured with legally pledged revenues.

The following details the default consequences, termination event consequences, or subjective acceleration clauses specified in this NMED debt agreement. Late charges may be assessed at the discretion of NMED.

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Upon occurrence of an event of default:

1. The entire unpaid principal amount of the Final Loan Agreement and Final Promissory Note and accrued interest thereon may be declared by NMED to be immediately due and payable and the Borrower shall pay the amounts due under these Notes from the Net Revenues, either immediately or in the manner required by NMED in its declaration, but only to the extent funds are available for payment.
2. NMED shall have no further obligation to make payments to the Borrower and may pursue remedies provided by the Ordinance.

Pledged Revenues – The note is payable and collectible solely from the net revenues derived from the operation of the County’s Chaparral Wastewater System. Pledged revenues for the fiscal year ended June 30, 2021 totaled \$289,884.

NMFA – Montana Vista Wastewater System Improvements

On April 18, 2014, the County entered into a loan/grant agreement with the New Mexico Finance Authority for planning and design of the Montana Vista wastewater system improvements. The terms of the agreement call for a grant from the New Mexico Finance Authority of \$1,260,000 along with a loan of \$140,000 with no interest rate. The maturity date on the note is June 1, 2034. This debt is secured with legally pledged revenues.

Pledged Revenues – The note is payable from the revenues derived from net utility revenues. Pledged revenues for the fiscal year ended June 30, 2021 totaled \$14,000.

NMFA – Chaparral Wastewater System Improvements

On May 2, 2014, the County entered into a loan/grant agreement with the New Mexico Finance Authority for the planning and design of the Chaparral Wastewater System improvements. The terms of the agreement call for a grant from the New Mexico Finance Authority \$315,000 along with a loan totaling \$35,000 with no interest rate. The maturity date on the note is June 1, 2034. This debt is secured with legally pledged revenues.

Pledged Revenues – The note is payable and collectible solely from the revenues derived from net utility revenues. Pledged revenues for the fiscal year ended June 30, 2021 totaled \$3,500.

NMFA – Colonias Infrastructure Improvements 3348-CIF

In March 2016, the County entered into a loan/grant agreement with the NM Finance Authority for the Colonias Infrastructure Project. The terms of the agreement call for a grant from the NMFA for \$900,000 along with a loan totaling \$89,050. The interest/administrative fee on the note is 0% with a maturity date of June 1, 2034. This debt is secured with legally pledged revenues.

Pledged Revenues – The note is payable from the net revenues derived from net utility revenues. Pledged revenues for the fiscal year ended June 30, 2021 totaled \$9,374.

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NMFA – Colonias Infrastructure Improvements 4642-CIF

In November 2018, the County entered into a loan/grant agreement with the NM Finance Authority for the Colonias Infrastructure Project. The terms of the agreement call for a grant from the NMFA for \$868,917 along with a loan totaling \$89,050. The interest/administrative fee on the note is 0% with a maturity date of June 1, 2040. This debt is secured with legally pledged revenues.

Pledged Revenues – The note is payable from revenues of the one-eighth of one percent (0.125%) increment of County Gross Receipts Tax imposed pursuant to Section 7-20E-9, NMSA 1978, as amended, and Ordinance No. 35-85 adopted February 6, 1985, effective July 1, 1985. County gross receipts taxes are imposed on all persons engaging in business in the County. Pledged revenues for the fiscal year ended June 30, 2021 totaled \$3,590.

NMFA – Colonias Infrastructure Improvements 4909-CIF

On October 4, 2019, the County entered into a loan/grant agreement with the NM Finance Authority for the Colonias Infrastructure Project. The Project is infrastructure development in accordance with the Act consisting of improvements to a wastewater system, but does not include general operation and maintenance, equipment, housing allowance payments or mortgage subsidies and is more specifically described as design of system upgrades and improvements to the South Central Wastewater Treatment Plant, and shall include such other related work and revisions necessary to complete the Project. The terms of the agreement call for a grant from the NMFA for \$607,500 along with a loan totaling \$67,500. The interest/administrative fee on the note is 0% with a maturity date of June 1, 2041. The County drew down \$38,942 of principal in 2021. This debt is secured with legally pledged revenues.

Pledged Revenues – The note is payable from revenues of the one-eighth of one percent (0.125%) increment of County Gross Receipts Tax imposed pursuant to Section 7-20E-9, NMSA 1978, as amended, and Ordinance No. 35-85 adopted February 6, 1985, effective July 1, 1985. County gross receipts taxes are imposed on all persons engaging in business in the County. Pledged revenues for the fiscal year ended June 30, 2021 totaled \$0, as no payments were due in 2021.

NMFA – Chaparral Wastewater Colonias Infrastructure Project 5165-CIF

On December 4, 2020, the County entered into a loan/grant agreement with the NM Finance Authority for the Colonias Infrastructure Project. The Project is infrastructure development in accordance with the Act consisting of improvements to a wastewater system, but does not include general operation and maintenance, equipment, housing allowance payments or mortgage subsidies and is more specifically described as design and construction of Chaparral Phase 2C wastewater project, including 20,000 linear feet of gravity sewer collection pipelines, and approximately 50 manholes, and shall include such other related work and revisions necessary to complete the Project. The terms of the agreement call for a grant from the NMFA for \$1,167,012 along with a loan totaling \$129,668. The interest/administrative fee on the note is 0% with a maturity date of June 1, 2041. The County drew down \$0 of principal in 2021. This debt is secured with legally pledged revenues.

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Pledged Revenues – The note is payable from revenues of the one-eighth of one percent (0.125%) increment of County Gross Receipts Tax imposed pursuant to Section 7-20E-9, NMSA 1978, as amended, and Ordinance No. 35-85 adopted February 6, 1985, effective July 1, 1985. County gross receipts taxes are imposed on all persons engaging in business in the County. Pledged revenues for the fiscal year ended June 30, 2021 totaled \$0, as no payments were due in 2021.

NMFA – South Central Wastewater Colonias Infrastructure Project 5166-CIF

On December 4, 2020, the County entered into a loan/grant agreement with the NM Finance Authority for the Colonias Infrastructure Project. The Project is infrastructure development in accordance with the Act consisting of improvements to a wastewater system, but does not include general operation and maintenance, equipment, housing allowance payments or mortgage subsidies and is more specifically described as the design and construction of the South Central Wastewater Collection Project, including upgrades to lift stations, manholes and main line replacements and extensions, and shall include such other related work and revisions necessary to complete the Project. The terms of the agreement call for a grant from the NMFA for \$2,290,950 along with a loan totaling \$254,550. The interest/administrative fee on the note is 0% with a maturity date of June 1, 2041. The County drew down \$1,482 of principal in 2021. This debt is secured with legally pledged revenues.

Pledged Revenues – The note is payable from revenues of the one-eighth of one percent (0.125%) increment of County Gross Receipts Tax imposed pursuant to Section 7-20E-9, NMSA 1978, as amended, and Ordinance No. 35-85 adopted February 6, 1985, effective July 1, 1985. County gross receipts taxes are imposed on all persons engaging in business in the County. Pledged revenues for the fiscal year ended June 30, 2021 totaled \$0, as no payments were due in 2021.

NMFA – Chaparral Wastewater Colonias Infrastructure Project 5167-CIF

On December 4, 2020, the County entered into a loan/grant agreement with the NM Finance Authority for the Colonias Infrastructure Project. The Project is infrastructure development in accordance with the Act consisting of improvements to a wastewater system, but does not include general operation and maintenance, equipment, housing allowance payments or mortgage subsidies and is more specifically described as the design and construction of the Chaparral Phase 2C House Connection Project, including upgrades to lift stations, manholes and main line replacements and extensions, and shall include such other related work and revisions necessary to complete the Project. The terms of the agreement call for a grant from the NMFA for \$508,500 along with a loan totaling \$56,500. The interest/administrative fee on the note is 0% with a maturity date of June 1, 2041. The County drew down \$0 of principal in 2021. This debt is secured with legally pledged revenues.

Pledged Revenues – The note is payable from revenues of the one-eighth of one percent (0.125%) increment of County Gross Receipts Tax imposed pursuant to Section 7-20E-9, NMSA 1978, as amended, and Ordinance No. 35-85 adopted February 6, 1985, effective July 1, 1985. County gross receipts taxes are imposed on all persons engaging in business in the County. Pledged revenues for the fiscal year ended June 30, 2021 totaled \$0, as no payments were due in 2021.

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The following details the default consequences, termination event consequences, or subjective acceleration clauses specified in all NMFA debt agreements.

Whenever any Event of Default has occurred and is continuing and subject to section Remedies on Default hereof, the Lender/Grantor may take any or all of the following actions as may appear necessary or desirable to collect the payments then due and to become due or to enforce performance of any obligations of the Borrower/Grantee in this Agreement:

- a) File a mandamus proceeding or other action or proceeding or suit at law or in equity to compel the Borrower/Grantee to perform or carry out its duties under the law and the agreements and covenants required to be performed by it contained herein;
- b) Terminate this Agreement;
- c) Cease disbursing any further amounts from the Project Account;
- d) Demand that the Borrower/Grantee immediately repay the Loan/Grant Amount or any portion thereof if such funds were not utilized in accordance with this Agreement;
- e) File a suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Lender/Grantor;
- f) Intervene in judicial proceedings that affect this Agreement or the Pledged Revenues; or
- g) Cause the Borrower/Grantee to account as if it were the trustee of an express trust for all of the Pledged Revenues;
- h) Take whatever other action at law or in equity may appear necessary or desirable to collect amounts then due and thereafter to become due under this Agreement or to enforce any other of its rights hereunder; or
- i) Apply any amounts in the Project Account toward satisfaction of any and all fees and costs incurred in enforcing the terms of this Agreement.

The future payments required for the business-type notes payable are as follows:

	Principal	Interest	Total
2022	\$ 260,850	42,471	303,321
2023	265,798	37,522	303,320
2024	270,845	32,475	303,320
2025	275,994	27,327	303,321
2026	281,245	22,076	303,321
2027-2031	903,165	33,660	936,825
2032-2036	44,998	-	44,998
2037-2041	109,883	-	109,883
2042-2046	-	-	-
	<u>\$ 2,412,778</u>	<u>195,531</u>	<u>2,608,309</u>

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NOTE 8 – POLLUTION REMEDIATION OBLIGATION

Certain property owned by the County has been declared a Superfund Site by the Environmental Protection Agency (EPA). The EPA has determined that the County is a responsible party along with the City of Las Cruces, which also owns part of the contaminated property. On April 20, 2005, the County and City of Las Cruces established a memorandum of understanding for a Joint Superfund Project (JSP) to work collaboratively with the EPA to complete the Remedial Investigation and Feasibility Study (RIFS) within the Superfund process. In December 2004, the JSP submitted a good-faith offer to the EPA for a Funding Agreement to achieve this objective. In April 2005, a negotiated funding agreement in the amount of \$800,000, payable to the EPA to complete the RIFS, was signed. In October 2005, the EPA and its contractor began the remaining fieldwork, which was completed in fiscal year 2007.

The County and City each received a \$3.5 million construction drawdown loan from the New Mexico Finance Authority (NMFA) to cover some of the costs of the pollution remediation project. County project costs of \$1,478,798 were funded using loan proceeds. The County is currently repaying the loan using Environmental Gross Receipt Tax funds.

The County and City also received \$243,000 for design and engineering in grant funds from the New Mexico Environment Department. All \$243,000 was applied to design and engineering costs. Construction on the project completed and remediation operations began August 2012.

The pollution remediation obligation is reported in long-term liabilities in the statement of net position (see Note 7). The pollution remediation obligation is an estimate and is subject to revision because of the price increases or reductions, changes in technology or changes in applicable laws or regulations. The County relies on the City's consultants to evaluate the site and potential liability.

On January 4, 2018, the County and City received a Unilateral Administrative Order from the EPA. The County and City are still in litigation regarding the liability. The County and the City currently share a 50/50 split on the potential liability. In civil case no. 2:17-cv-00809 JCH-GBW, a Consent Decree issued on July 30, 2020 reduced this obligation to a total of \$1,265,000 as of June 30, 2020. This consists of two payments: one for the EPA's past response costs in the amount of \$1,140,000 and one as an initial payment for the EPA's future response costs in the amount of \$125,000. The Consent Decree requires the City and County to perform the work set forth in the Unilateral Administrative Order. The Consent Decree also ordered the United States to pay the City and County \$6,389,407 for the past and future response costs of the local government entities. Those funds are earmarked to pay superfund costs.

As of June 30, 2021, the County's outstanding pollution remediation obligation was \$632,500.

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NOTE 9 – INTERFUND BALANCES AND TRANSFERS

The County recorded interfund transfers to reflect activity occurring between funds. Transfers and payments within the County are substantially for the purpose of subsidizing operating functions and funding various projects within the County. All transfers made during the year were considered routine and were consistent with the general characteristics of the County's transfer policy.

The composition of interfund transfers during the year ended June 30, 2021 was as follows:

		Transfers In							
			Federal	Debt	Non-Major	South	Non-Major	Internal	
		General	Grants	Service	Govern- mental	Central Wastewater	Enterprise Funds	Service	Total
Transfers Out	General	\$ 42,059,953	109,271	1,268,877	9,061,169	519,500	227,880	800,000	54,046,650
	Non-Major Governmental	1,303,794	-	-	3,034,975	-	-	-	4,338,769
	South Central WW	-	-	-	-	-	187,520	-	187,520
	Non-Major Enterprise	-	-	-	-	-	117,773	-	117,773
	Internal Service	52,800	-	-	-	-	-	-	52,800
	Total	\$ 43,416,547	109,271	1,268,877	12,096,144	519,500	533,173	800,000	58,743,512

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The County recorded interfund receivables/payables to reflect temporary loans between funds. The purpose of the loans was to cover cash shortages until grant reimbursements or other funding measures could be obtained. All interfund receivables/payables are expected to be repaid within one year.

Interfund balances as of June 30, 2021 are as follows:

Due From Fund	Due To Fund	Amount
General Fund	State Grants (23110)	\$ 148,103
General Fund	Sheriff's Grant State (23300)	144,860
General Fund	Airport FAA Projects (41020)	21,632
DAC Santa Teresa (50020)	Airport FAA Projects (41020)	391,603
Health Services (SLIAG) (25140)	Health Service Grant Fund (25143)	12,755
Fire Districts	Emergency Medical Services	108
		<u>\$ 719,061</u>

NOTE 10 – DEFINED BENEFIT PENSION PLAN

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

Funding Policy – Plan members, other than law enforcement personnel and fire fighters, are required to contribute 14.65% of their gross salary. The County is required to contribute 9.80% of general participant's gross salary. The contribution rate is 17.80% of gross salaries for law enforcement participants (excluding detention employees). The County's portion of law enforcement participants is 19.15% of gross salaries. Detention employees are considered general participants. The contribution rate for fire fighter members is 17.70%, and the County is required to contribute 21.90% of their gross salaries. The contribution requirements of plan members and the County are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. Additionally, the County has elected to pick-up a portion of the employee's contribution.

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The following table details the actual contribution rates:

	2021	2020	2019
County contributions	\$ 4,468,801	4,293,164	4,014,729
County contributions picked up on behalf of employee	2,906,356	2,648,084	2,610,393
Employee contributions	2,947,436	2,797,701	2,646,037
Total contributions	\$ <u>10,322,593</u>	<u>9,738,949</u>	<u>9,271,159</u>

The County's contributions to PERA for the following fiscal years is identified below, which equals the amount of the required contributions for each fiscal year.

Categories	County Statutory Required	County Pick-Up Percentage	County With Pick-Up	Employee	Total
Regular Member	9.80%	9.86%	19.66%	4.79%	24.45%
Law Enforcement	19.15%	0.00%	19.15%	17.80%	36.95%
EMS/Fire Member	21.90%	0.00%	21.90%	17.70%	39.60%

NOTE 11 – PENSION PLAN AND POST EMPLOYMENT BENEFITS

General Information about the Pension Plan

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

Benefits provided. Benefits are generally available at age 65 with five or more years of service or after 25 years of service regardless of age for TIER I members. Provisions also exist for retirement between ages 60 and 65, with varying amounts of service required. Certain police and fire members may retire at any age with 20 or more years of service for Tier I members. Generally, the amount of retirement pension is based on final average salary, which is defined under Tier I as the average of salary for the 36 consecutive months of credited service producing the largest average; credited service; and the pension factor of the applicable coverage plan. Monthly benefits vary depending upon the plan under which the member qualifies, ranging from 2% to 3.5% of the member's final average salary per year of service. The maximum benefit that can be paid to a retiree may not exceed a range of 60% to 90% of the final average

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salary, depending on the division. Benefits for duty and non-duty death and disability and for post-retirement survivors' annuities are also available.

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

Contributions. See PERA's publicly available financial report and comprehensive annual financial report obtained at <http://saonm.org/> using the Audit Report Search function for agency 366, for the employer and employee contribution rates in effect for fiscal year 2021.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions; At June 30, 2021, the County reported a liability of \$90,365,125 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019. The total pension liability was rolled-forward from the valuation date to the plan year ending June 30, 2020 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, 2020. The County's proportion of the net pension liability was based on a projection of the County long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2020, the County's proportion was 2.4843%, which was an increase of 0.0317% from its proportion measured as of June 30, 2019.

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For PERA Fund Division; Municipal General Division, at June 30, 2021, the County reported a liability of \$57,657,745 for its proportionate share of the net pension liability. At June 30, 2020, the County's proportion was 2.8512%, which was a decrease of 0.0364% from its proportion measured as of June 30, 2020. For the year ended June 30, 2021, the County recognized PERA Fund Division; Municipal General Division pension expense of \$2,435,667.

At June 30, 2021, the County reported PERA Fund Division; Municipal General Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<u>Municipal General Division</u>		
Differences between expected and actual experience	\$ 1,597,833	-
Changes of assumptions	1,066,785	-
Net difference between projected and actual earnings on pension plan investments	10,543,873	-
Change in proportion and differences between the County contributions and proportionate share of contributions	902,928	826,623
The County contributions subsequent to the measurement date	2,663,860	-
Total	<u>\$ 16,775,279</u>	<u>826,623</u>

\$2,663,860 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date 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:

Year Ended June 30:	Amount
2022	\$ 3,851,375
2023	3,900,462
2024	2,945,829
2025	2,587,130
2026	-
Thereafter	-

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For PERA Fund Division; Municipal Police Division, at June 30, 2021, the County reported a liability of \$27,027,769 for its proportionate share of the net pension liability. At June 30, 2020, the County's proportion was 3.1469%, which was an increase of 0.0150% from its proportion measured as of June 30, 2020. For the year ended June 30, 2021, the County recognized PERA Fund Division; Municipal Police Division pension expense of \$312,508.

At June 30, 2021, the County reported PERA Fund Division; Municipal Police Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<u>Municipal Police Division</u>		
Differences between expected and actual experience	\$ 1,570,610	-
Changes of assumptions	640,035	-
Net difference between projected and actual earnings on pension plan investments	4,639,108	-
Change in proportion and differences between the County contributions and proportionate share of contributions	695,607	1,218,516
The County contributions subsequent to the measurement date	1,542,175	-
Total	<u>\$ 9,087,535</u>	<u>1,218,516</u>

\$1,542,175 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date 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:

Year Ended June 30:	Amount
2022	\$ 2,307,284
2023	1,316,320
2024	1,564,292
2025	1,138,948
2026	-
Thereafter	-

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For PERA Fund Division; Municipal Fire Division, at June 30, 2021, the County reported a liability of \$5,679,611 for its proportionate share of the net pension liability. At June 30, 2020, the County's proportion was 0.7509%, which was an increase of 0.1240% from its proportion measured as of June 30, 2020. For the year ended June 30, 2021, the County recognized PERA Fund Division; Municipal Fire Division pension expense of \$478,788.

At June 30, 2021, the County reported PERA Fund Division; Municipal Fire Division deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<u>Municipal Fire Division</u>		
Differences between expected and actual experience	\$ 125,918	-
Changes of assumptions	68,066	-
Net difference between projected and actual earnings on pension plan investments	525,667	-
Change in proportion and differences between the County contributions and proportionate share of contributions	703,458	27,534
The County contributions subsequent to the measurement date	262,766	-
Total	<u>\$ 1,685,875</u>	<u>27,534</u>

\$262,766 as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date 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:

Year Ended June 30:	Amount
2022	\$ 526,569
2023	405,823
2024	334,114
2025	129,069
2026	-
Thereafter	-

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Actuarial assumptions. The total pension liability in the June 30, 2020 actuarial valuation was determined using the following significant actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation date	June 30, 2019
Actuarial cost method	Entry Age Normal
Amortization period	Level Percentage of Pay
Asset valuation method	Solved for based on statutory rates
Actuarial assumptions	
Investment rate of return	7.25% annual rate, net of investment expense
Projected benefit payment	100 years
Payroll growth	3.00%
Projected salary increases	3.25% to 13.50% annual rate
Includes inflation at	2.50%
	2.75% all other years
Mortality assumption	The mortality assumptions are based on the RPH-2014 Blue Collar mortality table with female ages set forward one year. Future improvement in mortality rates is assumed using 60% of the MP-2017 projection scale generationally. For non-public safety groups, 25% of in-service deaths are assumed to be duty related and 35% are assumed to be duty-related for public safety groups.
Experience study dates	July 1, 2008 to June 30, 2017 (demographic) and July 1, 2013 through June 30, 2017 (economic)

The total pension liability, net pension liability, and certain sensitivity information are based on an actuarial valuation performed as of June 30, 2019. The total pension liability was rolled-forward from the valuation date to the plan year ended June 30, 2020. These assumptions were adopted by the Board use in the June 30, 2019 actuarial valuation.

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

All Funds - Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
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 Equity	20.00%	6.00%
Multi-Risk Allocation	10.00%	6.40%
Total	100.0%	

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Discount rate. A single discount rate of 7.25% was used to measure the total pension liability as of June 30, 2020. 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 employer name'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:

		Current Discount Rate (7.25%)	1% Increase (8.25%)
PERA Fund Division	1% Decrease (6.25%)		
Municipal General Division	\$ 82,550,891	57,657,745	37,016,314
Municipal Police Division	\$ 38,787,453	27,027,769	17,403,096
Municipal Fire Division	\$ 7,350,157	5,679,611	4,306,550

Pension plan fiduciary net position – Detailed information about the pension plan's fiduciary net position is available in the separately issued PERA financial reports, available at <http://www.nmpera.org/>.

Payable Changes in the Net Pension Liability. At June 30, 2021, the County reported \$272,373 in outstanding contributions due to PERA.

NOTE 12 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

General Information about the OPEB Plan

Plan description – The County's defined benefit OPEB plan, County Health Care Plan (CHCP), provides OPEB for all employees of Doña Ana County and Camino Real Regional Utility Authority (CRRUA) who satisfy the retirement eligibility requirements of the Public Employees Retirement Association of New Mexico (PERA). CHCP is a single employer defined benefit OPEB plan administered by the County. The County established a policy of contributing towards retirees' health care costs through adoption of Resolution 1999-36. Resolution 2002-89 increased the County contributions for retirees under the CHCP. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

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Regarding the treatment of CRRUA employees – CRRUA Policy Section 7-4.A. states "Employees who retire from the Regional Authority and immediately begin collecting PERA retirement, may elect to continue health, dental and life-insurance coverage if he/she has been continuously enrolled in the health plan for 5 consecutive years just prior to retirement effective July 1, 2011 for all employees who retire July 1, 2016 or later." When a CRRUA employee retires and is eligible for benefits, then they will have the option to elect benefit plans (health, dental, and life). The County and CRRUA will not contribute to the monthly CRRUA retiree premiums. The CRRUA retiree will be responsible for 100% of their monthly premiums. Since the County is self-funded for medical, the County will pay for any medical services that the CRRUA retiree uses.

Benefits provided – The County makes contributions toward the CHCP for retirees with a minimum of 10 years PERA service credit from employment with the County, based on a formula. Participants receive a contribution from the County for Medical/Rx/dental/vision and life insurance benefits at an increasing rate based on years of service, with a cap of \$350 per month. Retirees who qualify for PERA retirement with 20 years of service or more as a commissioned law enforcement officer or firefighter with a minimum of 10 years of PERA service with the County will receive a County contribution of 65% (cap still applies).

Employees covered by benefit terms – At June 30, 2020, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	148
Active employees	<u>801</u>
	<u><u>949</u></u>

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Total OPEB Liability

The County's total OPEB liability of \$32,391,082 was measured as of June 30, 2021, and was determined by an actuarial valuation as of that measurement date. This liability includes the CRRUA employees as the County will be responsible for any medical services.

Actuarial assumptions and other inputs – The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Measurement date	June 30, 2021															
Discount rate	2.21% per annum (BOY)															
	2.16% per annum (EOY)															
Salary increase rate	3.0% per annum															
Inflation rate	3.0% per annum															
Census data	Census provided by the County as of May 2021.															
Marriage Rate	The assumed number of eligible dependents is based on the current proportions of single and family contracts in the census provided.															
Spouse Age	Spouse dates of birth were provided by the County. Where this information is missing, male spouses are assumed to be three years older than female spouses.															
Medicare Eligibility	All current and future retirees are assumed to be eligible for Medicare at age 65.															
Actuarial cost method	Entry Age Normal based on level percentage of projected salary.															
Amortization method	Experience/Assumptions gains and losses are amortized over a closed period of 15.3 years starting the current fiscal year, equal to the average remaining service of active and inactive plan members (who have no future service).															
Plan Participation Percentage	<p>Future retiree participation rates are dependent on the years of service at retirement. The following participation percentages were used:</p> <table><tr><th>YoFS</th><th>Participation</th><th>Life Insurance</th></tr><tr><td>0-10</td><td>30%</td><td>30%</td></tr><tr><td>10-19</td><td>50%</td><td>30%</td></tr><tr><td>20-24</td><td>60%</td><td>30%</td></tr><tr><td>25+</td><td>85%</td><td>30%</td></tr></table>	YoFS	Participation	Life Insurance	0-10	30%	30%	10-19	50%	30%	20-24	60%	30%	25+	85%	30%
YoFS	Participation	Life Insurance														
0-10	30%	30%														
10-19	50%	30%														
20-24	60%	30%														
25+	85%	30%														
Mortality rate	Pub-2010 mortality table with generational scale MP-2020															
Health Care Cost Trend Rate	<p>The health care cost trend assumptions are used to project the cost of health care in future years. The following annual trends are based on the current HCA Consulting trend study and are applied on a select and ultimate basis. Select trends are reduced 0.25% each year until reaching the ultimate trend rate.</p> <table><tr><th>Expense Type</th><th>Select</th><th>Ultimate</th></tr><tr><td>Pre-Medicare Medical and Rx Benefits</td><td>7.0%</td><td>4.0%</td></tr><tr><td>Stop Loss Fees</td><td>7.0%</td><td>4.0%</td></tr><tr><td>Administrative Fees</td><td>4.0%</td><td>4.0%</td></tr></table>	Expense Type	Select	Ultimate	Pre-Medicare Medical and Rx Benefits	7.0%	4.0%	Stop Loss Fees	7.0%	4.0%	Administrative Fees	4.0%	4.0%			
Expense Type	Select	Ultimate														
Pre-Medicare Medical and Rx Benefits	7.0%	4.0%														
Stop Loss Fees	7.0%	4.0%														
Administrative Fees	4.0%	4.0%														
Per Capita Health Claim Cost	<p>Expected retiree claim costs were developed using 24 months of historical claim experience through March 2021.</p> <table><tr><th>Per Capita Cost</th><th>Age 60</th></tr><tr><td>Retiree</td><td>\$15,000</td></tr><tr><td>Spouse</td><td>\$15,000</td></tr></table>	Per Capita Cost	Age 60	Retiree	\$15,000	Spouse	\$15,000									
Per Capita Cost	Age 60															
Retiree	\$15,000															
Spouse	\$15,000															

**STATE OF NEW MEXICO
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Non-Claim Expenses	<p>Non-claim expenses are based on the current amounts charged per retired employee. Expenses as of July 1, 2020 are provided in the table below.</p> <table><tr><th>Expense Type</th><th>PEPM</th></tr><tr><td>Administrative Fee</td><td>\$58.95</td></tr><tr><td>Rx Rebates</td><td>\$(39.97)</td></tr><tr><td>Specific Stop Loss Fee</td><td>\$224.15</td></tr><tr><td>Aggregate Stop Loss Fee</td><td>\$0.81</td></tr></table>	Expense Type	PEPM	Administrative Fee	\$58.95	Rx Rebates	\$(39.97)	Specific Stop Loss Fee	\$224.15	Aggregate Stop Loss Fee	\$0.81																	
Expense Type	PEPM																											
Administrative Fee	\$58.95																											
Rx Rebates	\$(39.97)																											
Specific Stop Loss Fee	\$224.15																											
Aggregate Stop Loss Fee	\$0.81																											
Age Based Morbidity	<p>The assumed per capita health claim costs are adjusted to reflect expected increases related to age and gender. These increases are based on a 2013 Society of Actuaries study, with sample rates shown below:</p> <table><tr><th>Sample Age</th><th>Male</th><th>Female</th></tr><tr><td>45</td><td>4.6%</td><td>1.6%</td></tr><tr><td>50</td><td>6.2%</td><td>4.2%</td></tr><tr><td>55</td><td>5.4%</td><td>2.4%</td></tr><tr><td>60</td><td>4.7%</td><td>3.6%</td></tr><tr><td>65</td><td>1.7%</td><td>2.4%</td></tr><tr><td>70</td><td>1.8%</td><td>2.0%</td></tr><tr><td>75</td><td>1.2%</td><td>1.3%</td></tr><tr><td>80</td><td>0.8%</td><td>1.1%</td></tr></table>	Sample Age	Male	Female	45	4.6%	1.6%	50	6.2%	4.2%	55	5.4%	2.4%	60	4.7%	3.6%	65	1.7%	2.4%	70	1.8%	2.0%	75	1.2%	1.3%	80	0.8%	1.1%
Sample Age	Male	Female																										
45	4.6%	1.6%																										
50	6.2%	4.2%																										
55	5.4%	2.4%																										
60	4.7%	3.6%																										
65	1.7%	2.4%																										
70	1.8%	2.0%																										
75	1.2%	1.3%																										
80	0.8%	1.1%																										
Termination	<p>The rate of withdrawal is based on the withdrawal assumption used in the PERA of New Mexico Actuarial Valuation as of June 30, 2020. The rate of withdrawal for reasons other than death and retirement is dependent on an employee's age and years of service.</p>																											
Retirees' share of benefit-related costs	<p>County contributes maximum of \$350 per month</p>																											

Changes in the Total OPEB Liability

	Total OPEB Liability
June 30, 2020	\$ 26,431,734
Changes for the year:	
Service cost	1,515,770
Interest	597,854
Changes in assumptions or other inputs	2,289,905
Benefit payments	(1,790,575)
Net changes	5,959,348
June 30, 2021	\$ 32,391,082

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if there were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
	(1.16%)	(2.16%)	(3.26%)
Total OPEB liability \$	37,969,000	32,391,082	27,890,000

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Sensitivity of the total OPEB liability to changes in the health care cost trend rates – The following presents the total OPEB liability of the County, as well as what the County’s total OPEB liability would be if it were calculated using health care cost trend rates that are 1-percentage-point lower or 1 percentage-point higher than the current health care cost trend rates:

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$ 29,889,000	32,391,082	35,276,000

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

For the year ended June 30, 2021, the County recognized OPEB expense of \$2,572,549. At June 30, 2021, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,712,132	216,783
Changes of assumptions/inputs	4,046,224	1,735,915
Net difference between projected and actual investments	-	-
Contributions subsequent to the measurement date	492,010	-
Total	<u>\$ 9,250,366</u>	<u>1,952,698</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	Amount
2022	\$ 458,925
2023	458,925
2024	458,925
2025	458,925
2026	458,925
Thereafter	4,511,033

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NOTE 13 – DEFERRED COMPENSATION PLAN

Doña Ana County offers its employees two deferred compensation plans created in accordance with Internal Revenue Code Section 457. The plans, available to all permanent County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the National Association of Counties (NAC) (without being restricted to the provisions of benefits under the plan) or Voya Financial, which replaced Nationwide Retirement Solutions, Inc. in fiscal year 2020, subject only to the claims of the NAC or Voya Financial general creditors.

Participant's rights under the plans are equal to those of general creditors of the NAC or Voya Financial in an amount equal to the fair market value of the deferred account for each participant. All amounts of deferred compensation have been remitted to the NAC or Voya Financial, which administers the plans.

Employee contributions totaled the following for the year ended June 30, 2021:

	<u>NAC</u>	<u>Voya Financial</u>
\$	<u>15,921</u>	<u>616,695</u>

NOTE 14 – OPERATING LEASES

The reporting entity has entered into a number of operating leases, which contain cancellation provisions and are subject to annual appropriations. The rent expenditures for these leases were primarily from the General Fund. Future minimum lease payments are:

Fiscal Year Ending June 30,	Amount
2022	\$ 499,211
2023	356,864
2024	99,598
2025	7,420
2026	7,420
Thereafter	72,912
Total \$	<u>1,043,425</u>

Rental and lease payments charged to current operations for the year ended June 30, 2021 totaled \$974,643.

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DOÑA ANA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

NOTE 15 – COMMITMENTS AND CONTINGENCIES

The County receives significant financial assistance from federal and state grants and entitlements. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The County believes that any liabilities resulting from disallowed amounts will not have a material effect on the County's financial statements.

The County remains non-compliant with its state issued permits for the liquid waste facility at Mesquite, New Mexico. The New Mexico Environment Department is aware of this issue; however, as the County is aggressively trying to remedy the situation, it is not anticipated that any fines will be assessed. The County is currently completing the design phase of a construction project to remedy the situation. The County is seeking possible funding solutions for the construction phase.

Commitments for construction projects in progress as of June 30, 2021 include:

Project Name	Total Cost	Amount Expended as of June 30, 2021	Percent Complete	Estimated Date of Completion
Lisa Drive Connectivity Road & Drainage	\$ 765,000	763,411	99%	September 2021
Detention/Energy Infrastructure	5,000,000	2,828,825	57%	September 2021
South Central WWTP / NMFA 4909-CIF	750,000	447,445	60%	October 2021
El Camino Real Culvert Crossing	763,390	165,216	22%	November 2021
Jetport Runway 10-28 / Taxiway A	1,393,000	1,046,419	75%	June 2022
Soledad Canyon Road	1,221,000	1,077,127	88%	June 2022
South Central WWTP / NMFA 5165-CIF Phase 2C	1,440,756	-	0%	October 2022
South Central WWTP / NMFA 5166-CIF Collection	2,828,000	71,308	3%	December 2022
South Central WWTP / NMFA 5167-CIF Phase 2C Connection	621,500	-	0%	April 2023
East Mesa Flood Control Ph II	1,775,992	1,718,745	97%	June 2023
Hatch Spring Canyon Flood Control Facility & Dam	2,210,598	1,115,928	50%	June 2023
Brahman Diversion Channel	999,450	73,226	7%	June 2023
Brahman Diversion Channel/Dragonfly	1,000,000	41,677	4%	June 2023
Lower Spring Canyon Arroyo	2,500,000	-	0%	June 2023
Doña Ana Fire Station Addition/Remodel	951,019	948,019	99%	June 2023
Jetport Runway 10-28 Phase II	4,000,000	2,166,764	54%	June 2023
Jetport Taxi Lane E	856,400	479,271	56%	June 2023
South Central WWTP / Vado Lift Station 4 & Vado Lift Station 5	739,058	545,631	74%	June 2023
Sleepy Farms Vado Lift Station #7/Extension	3,914,389	471,295	12%	June 2023
South Central WWTP / NMED 19-D2455 Sludge Drying Beds	4,711,675	738,484	16%	June 2023
Jetport Runway 10-28 Phase II	5,454,171	5,169,875	95%	August 2023
Chaparral Library	495,000	-	0%	June 2024
Doña Ana School Road	525,000	421,873	80%	Open
Road's Initiative	5,700,000	4,280,755	75%	Open
Total Commitments	\$ 50,615,398	24,571,294		

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DOÑA ANA COUNTY
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Contingencies

In 2021, the County has recorded contingent liabilities on the County's Government-Wide Statement of Financial Position for \$620,000. There are multiple legal options open to the County to appeal the ruling. If the County does not appeal, it is likely these amounts would be paid within a year, however, if an appeal takes place these amounts would unlikely be paid within a year, and therefore was classified as a long-term liability on the Government-Wide Statement of Net Position.

NOTE 16 – HOSPITAL LEASE

Medical Center-Providence Hospital (Telshor Facility)

In 1966, the County and the City adopted a joint resolution to create a joint county-municipal hospital to provide medical services to all of the citizens of Doña Ana County. The hospital was constructed and operated by the City and County through a Board of Trustees until 1998, when it was leased to Memorial Medical Center, Inc. (MMCI), a New Mexico not-for-profit corporation.

On June 1, 2004, the City, the County and MMCI, jointly terminated the lease. On that date, the City and County executed a 40-year lease agreement for the hospital facilities and equipment with PHC-Las Cruces, Inc. (PHC), a New Mexico corporation and a wholly owned subsidiary of Province Healthcare Corporation, a Delaware corporation. In accordance with the lease agreement, PHC has deposited certain amounts into escrow accounts to cover certain contingencies of the hospital and paid certain hospital liabilities, including outstanding bonds. The lease transaction was recorded during fiscal year 2004.

The proceeds of the PHC lease were reported in a sub-fund of the General Fund and the resulting equity has been reserved for health-related programs and health related capital projects.

Pursuant to the Termination Agreement, MMCI began distributing its cash and investments equally between the County and the City in July 2004. MMCI retained cash to pay certain liabilities; any cash remaining at the end of the liquidation process will be distributed equally between the County and the City.

In addition, PHC made a one-time grant of \$5 million to Doña Ana County to be distributed in the sole discretion of the County and City to improve the integration of services provided by the clinics in the County operated by the federally qualified health center organizations, the hospital, and the existing family residency program and to expand the service hours of the same clinics. The grant is accounted for in the General Fund. The unexpended portion of the grant at June 30, 2021 is \$638,884.

**STATE OF NEW MEXICO
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

NOTE 17 – RISK MANAGEMENT

Multi-line Risk Pool

The County participates in the New Mexico Association of Counties insurance programs. The County's premium is re-determined every year and is based on the County's loss experience over the previous three years.

Limits of coverage through the risk pool are as follows:

<u>Coverage</u>	<u>Insurance</u>
Tort Claim Limit	General liability
Tort Claim Limit	Auto liability
\$1,000,000,000	Property
\$5,000,000	Earthquake and flood
\$2,000,000	Employee dishonesty and crime
\$2,000,000	Crime
\$3,000,000	Public officials E & O – tort claim limit
\$5,000,000	Foreign jurisdiction liability
\$2,000,000	Pollution
\$40,000/\$100,000	Land use planning def.
\$1,000,000	Expanded land use civil rights
Tort Claim Limit	Law enforcement liability
\$50,000,000	Boiler and machinery
\$10,000	Injunctive relief
Per Statute	Public officials surety bond
\$3,000,000	Cyber liability
\$5,000,000	Class A county - excess liability

Commercial Insurance

In addition, the County maintains commercial liability policies for the following:

<u>Coverage</u>	<u>Insurance</u>
\$100,000	Sheriff's volunteers accident
\$10,000,000	Airport owners & operators liability
\$255,000	Volunteer firefighters accident
\$3,000,000	Environmental liability
\$2,000,000	Cyber liability
\$2,000,000	Crime

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 18 –DEFICIT FUND BALANCE

The following funds incurred a deficit fund balance at June 30, 2021:

Fund		Amount
Community Services	10008	\$ (7,436)
State Grants	23110	(175,178)
Airport FAA Projects	41020	(245,643)

Management intends to transfer sufficient funds from General Fund to cover any deficits.

NOTE 19 –LABOR UNIONS

The County has five labor unions:

1. American Federation of State, County and Municipal Employees, New Mexico Council 18, Blue Collar, (AFSCME BC) Local 2709; the collective bargaining agreement went into effect on August 28, 2017.
2. American Federation of State, County and Municipal Employees, New Mexico Council 18, Detention Center, (AFSCME DC) Local 1529; the collective bargaining agreement went into effect on July 8, 2016.
3. American Federation of State, County and Municipal Employees, New Mexico Council 18, Court Security, (AFSCME CS) Local 1879; the collective bargaining agreement went into effect on July 1, 2016.
4. International Associate of Fire Fighters (IAFF), Local 5037; the collective bargaining agreement went into effect on August 10, 2017.
5. The Communications Workers of America (CWA), Local 7911; the collective bargaining agreement went into effect on July 9, 2019.

Employees covered under all agreements include non-probationary employees as specified in the agreements. Copies of each collective bargaining agreement are available from the Doña Ana County Human Resources website: <http://donaanacounty.org/hr/policies>.

NOTE 20 –RESTATEMENTS

Change in Accounting Principle

During the year ended June 30, 2021, the County adopted new accounting guidance by implementing the provisions of GASB Statement No. 84, Fiduciary Activities, which establishes criteria for identifying and reporting fiduciary activities. The implementation of this statement has resulted in changing the presentation of the financial statements by reclassifying amounts formerly classified as liabilities on the Statement of Fiduciary Assets and Liabilities—Agency Funds and reclassifying those amounts to the new presentation in the Statement of Fiduciary Net Position. Beginning net position has been restated to reflect this change.

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	New Presentation Statement of fiduciary net position	Previous Presentation Statement of fiduciary assets and liabilities
Net position, July 1, 2020, as previously reported	\$ -	-
Funds held for others	-	56,795
Change in accounting principle	56,795	(56,795)
Net position, July 1, 2020, as restated	\$ <u>56,795</u>	<u>-</u>

The following details the restatement amount in the individual custodial fund:

Fund Description	Fund	Amount
Inmate Fund	25112	\$ <u>56,795</u>

Change in Accounting Methodology

During the year ended June 30, 2021, the County changed their accrual methodology for the self-funded insurance liability. As a result, the County applied this methodology to previous years accruals and a restatement was required for the General Fund, which also restated the Government-Wide beginning balance by the same amount as follows:

Government-Wide and Fund Financial Statements			
Fund Description	Fund	Purpose	Amount
General Fund	10001	Change in methodology for recognizing accrued payroll liability of the self-funded insurance.	\$ <u>832,968</u>
		Total Restatements	\$ <u>832,968</u>

NOTE 21 –RELATED PARTIES

An attorney in the County's legal department serves as a contract attorney for the County's insurance provider. From time to time, the attorney may be called on to perform legal work for the insurance provider on cases typically involving the County. During these instances, the attorney is not considered an employee of the County and does not receive compensation for time spent working on cases for the insurer. Any costs incurred using County staff and materials are reimbursed to the County.

The County is currently acting as Camino Real Regional Utility Authority's (CRRUA) fiscal agent. They are contracted to provide multiple fiscal services, enterprise information systems management services, risk management services, and human resources management services. The contract term is for a period of 10 years from February 1, 2012 and can be renewed for an additional 5 years. CRRUA paid the County \$151,588 for fiscal year 2021.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
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FOR THE YEAR ENDED JUNE 30, 2021**

Due to the relationship the County has with CRRUA there are related parties between the two entities. The related parties are as follows:

- 2 County Commissioners also serve as members on the Board of Directors at CRRUA

NOTE 22 –TAX ABATEMENT DISCLOSURES

The County negotiates property tax abatement agreements and has multiple tax abatement agreements as of June 30, 2021. Additionally, the County is subject to multiple tax abatement agreements entered into by other governmental entities which affects the County, as of June 30, 2021. The County's entire disclosure as the affected agency is presented on the following pages.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

Agency Number	5007
Agency Name	Doña Ana County
Agency Type	Local Government
Tax Abatement Agreement Name	Industrial Revenue Bond (IRB)
Recipient(s) of tax abatement	Monarch Litho Inc.
Parent company(ies) of recipient(s) of tax abatement	
Tax abatement program (name and brief description)	Industrial Revenue Bonds: Are a type of loan issued by Doña Ana County to assist a private company that might otherwise be unable to obtain financing for its industrial venture or unwilling to undertake the project on its own. The County's goal in providing the debt securities is to improve the economic and employment conditions of the Santa Teresa region.
Specific Tax(es) Being Abated	100% of real and personal property taxes to be abated during bond term.
Legal authority under which tax abatement agreement was entered into	Board of County Commissioners of Doña Ana County.
Criteria that make a recipient eligible to receive a tax abatement	A project that will promote the local health, general welfare, safety, convenience and prosperity of the inhabitants of the County.
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	The property was deeded over to Doña Ana County (DAC), therefore stopping the tax bill to Monarch Litho. Instead of paying yearly taxes the company, based on the contract will make a yearly PILOT payment. Monarch Litho will pay a yearly administrative fee of \$1,500 and a PILOT payment to both DAC and Gadsden Independent School District.
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.	The tax abatement is determined based on Resolution No. 2010-71. Based on the "County Industrial Revenue Bond Act", Sections 4-59-1 to 4-59-16 inclusive, NMSA 1978, as amended, which authorizes Doña Ana County, New Mexico to issue industrial development bonds and to acquire projects as defined in the Act. The amount of tax abatement is the entire tax liability until the bond is paid in full.
Are there provisions for recapturing abated taxes? (Yes or No)	No
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	
List each specific commitment made by the recipient of the abatement.	Monarch Litho Inc. will build a 75, 000 square foot facility, followed by two 75, 000 square foot expansions within a five year phase. The facility will be used for the Company's commercial printing operations. Create a total of 180 jobs with a cumulative payroll of \$4,454,400 for the first 10 years of the Bond Issuance.
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.	Based on the Doña Ana County tax rate table for 2019 the amount of tax abatement is \$91,763.16
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	The IRB was authorized by the Doña Ana County Board of County Commissioners. PILOT payments will be made to both Doña Ana County and Gadsden Independent School District. Based on the lease agreement and the tax rates.
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	Doña Ana County received the following from Monarch Litho: PILOT \$19,083.04.
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	Gadsden Independent School District received the following from Monarch Litho: PILOT \$26,869.78.
List each specific commitment made by your agency or any other government, other than the tax abatement.	None
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes, Gadsden Independent School District.
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	None

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
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Agency number for Agency making the disclosure (Abating Agency)	5007
Abating Agency Name	Doña Ana County
Abating Agency Type	Local Government
Tax Abatement Agreement Name	Industrial Revenue Bond
Name of agency affected by abatement agreement (Affected Agency)	Gadsden Independent School District
Agency number of Affected Agency	
Agency type of Affected Agency	School District
Recipient(s) of tax abatement	Monarch Litho Inc.
Tax abatement program (name and brief description)	Industrial Revenue Bonds. Based on the "County Industrial Revenue Bond Act", Sections 4-59-1 to 4-59-16 inclusive, NMSA 1978, as amended, which authorizes Doña Ana County, New Mexico to issue industrial development bonds and to acquire projects as defined in the Act.
Specific Tax(es) Being Abated	100% of real and personal property taxes to be abated during bond term.
Authority under which abated tax would have been paid to Affected Agency	Board of County Commissioners of Doña Ana County.
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	Based on the Doña Ana County tax rate table for 2019 the amount of tax abatement is \$46,136.30
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	\$26,869.78.
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	None

Agency number for Agency making the disclosure (Abating Agency)	5007
Abating Agency Name	Doña Ana County
Abating Agency Type	Local Government
Tax Abatement Agreement Name	Industrial Revenue Bond
Name of agency affected by abatement agreement (Affected Agency)	State of New Mexico
Agency number of Affected Agency	
Agency type of Affected Agency	State Government
Recipient(s) of tax abatement	Monarch Litho Inc.
Tax abatement program (name and brief description)	Industrial Revenue Bonds. Based on the "County Industrial Revenue Bond Act", Sections 4-59-1 to 4-59-16 inclusive, NMSA 1978, as amended, which authorizes Doña Ana County, New Mexico to issue industrial development bonds and to acquire projects as defined in the Act.
Specific Tax(es) Being Abated	100% of real and personal property taxes to be abated during bond term.
Authority under which abated tax would have been paid to Affected Agency	Board of County Commissioners of Doña Ana County.
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	Based on the Doña Ana County tax rate table for 2019 the amount of tax abatement is \$3,745.10.
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	None
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	None

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
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Agency number for Agency making the disclosure (Abating Agency)	5007
Abating Agency Name	Doña Ana County
Abating Agency Type	Local Government
Tax Abatement Agreement Name	Industrial Revenue Bond
Name of agency affected by abatement agreement (Affected Agency)	Doña Ana Branch Community College
Agency number of Affected Agency	
Agency type of Affected Agency	Community College
Recipient(s) of tax abatement	Monarch Litho Inc.
Tax abatement program (name and brief description)	Industrial Revenue Bonds. Based on the "County Industrial Revenue Bond Act", Sections 4-59-1 to 4-59-16 inclusive, NMSA 1978, as amended, which authorizes Doña Ana County, New Mexico to issue industrial development bonds and to acquire projects as defined in the Act.
Specific Tax(es) Being Abated	100% of real and personal property taxes to be abated during bond term.
Authority under which abated tax would have been paid to Affected Agency	Board of County Commissioners of Doña Ana County.
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	Based on the Doña Ana County tax rate table for 2019 the amount of tax abatement is \$3,442.19.
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	None
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	None

Agency number for Agency making the disclosure (Abating Agency)	5007
Abating Agency Name	Doña Ana County
Abating Agency Type	Local Government
Tax Abatement Agreement Name	Industrial Revenue Bond
Name of agency affected by abatement agreement (Affected Agency)	Doña Ana County Flood Commission
Agency number of Affected Agency	
Agency type of Affected Agency	Flood Commission
Recipient(s) of tax abatement	Monarch Litho Inc.
Tax abatement program (name and brief description)	Industrial Revenue Bonds. Based on the "County Industrial Revenue Bond Act", Sections 4-59-1 to 4-59-16 inclusive, NMSA 1978, as amended, which authorizes Doña Ana County, New Mexico to issue industrial development bonds and to acquire projects as defined in the Act.
Specific Tax(es) Being Abated	100% of real and personal property taxes to be abated during bond term.
Authority under which abated tax would have been paid to Affected Agency	Board of County Commissioners of Doña Ana County.
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	Based on the Doña Ana County tax rate table for 2019 the amount of tax abatement is 3,472.48
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	None
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	None

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Agency Number	5007
Agency Name	Doña Ana County
Agency Type	Local Government
Tax Abatement Agreement Name	Industrial Revenue Bond (IRB)
Recipient(s) of tax abatement	NRG Solar Roadrunner Holdings, LLC.
Parent company(ies) of recipient(s) of tax abatement	NRG Energy Inc.
Tax abatement program (name and brief description)	Industrial Revenue Bonds: Are a type of loan issued by Doña Ana County to assist a private company that might otherwise be unable to obtain financing for its industrial venture or unwilling to undertake the project on its own. The County's goal in providing the debt securities is to improve the economic and employment conditions of the Santa Teresa region.
Specific Tax(es) Being Abated	100% of real and personal property taxes to be abated during bond term.
Legal authority under which tax abatement agreement was entered into	Board of County Commissioners of Doña Ana County.
Criteria that make a recipient eligible to receive a tax abatement	A project that will promote the local health, general welfare, safety, convenience and prosperity of the inhabitants of the County.
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	The property was deeded over to DAC, therefore stopping the tax bill to NRG Solar. Instead of paying yearly taxes the company, based on the contract will make a yearly PILOT payment until the bond is paid in full. NRG Solar will pay a yearly administrative fee of \$10,000 and a PILOT payment to DAC of \$47,000 and a PILOT payment to Gadsden School District of \$67,000.
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.	The tax abatement is determined based on Resolution No. 2010-71. Based on the "County Industrial Revenue Bond Act", Sections 4-59-1 to 4-59-16 inclusive, NMSA 1978, as amended, which authorizes Doña Ana County, New Mexico to issue industrial development bonds and to acquire projects as defined in the Act. The amount of tax abatement is the entire tax liability until the bond is paid in full.
Are there provisions for recapturing abated taxes? (Yes or No)	No
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	N/A
List each specific commitment made by the recipient of the abatement.	NRG Solar will develop a photovoltaic solar power generating facility and provide jobs to the local community.
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.	Based on the Doña Ana County tax rate table for 2020 the amount of tax abatement is \$8,142.44
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	The IRB was authorized by the Doña Ana County Board of County Commissioners. PILOT payments in the amount of \$47,000 are to be paid to Doña Ana County and \$67,000 to Gadsden Independent School District.
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	Doña Ana County received the following from NRG Solar: PILOT \$47,000 Admin Fee \$10,000
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	Gadsden Independent School District (GISD) should be receiving \$67,000 in PILOT payment. GISD bills NRG Solar directly.
List each specific commitment made by your agency or any other government, other than the tax abatement.	None
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes, Gadsden Independent School District.
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	None

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DOÑA ANA COUNTY
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Agency number for Agency making the disclosure (Abating Agency)	5007
Abating Agency Name	Doña Ana County
Abating Agency Type	Local Government
Tax Abatement Agreement Name	Industrial Revenue Bond
Name of agency affected by abatement agreement (Affected Agency)	Gadsden Independent School District
Agency number of Affected Agency	
Agency type of Affected Agency	School District
Recipient(s) of tax abatement	NRG Solar Roadrunner Holdings, LLC.
Tax abatement program (name and brief description)	Industrial Revenue Bonds. Based on the "County Industrial Revenue Bond Act", Sections 4-59-1 to 4-59-16 inclusive, NMSA 1978, as amended, which authorizes Doña Ana County, New Mexico to issue industrial development bonds and to acquire projects as defined in the Act.
Specific Tax(es) Being Abated	100% of real and personal property taxes to be abated during bond term.
Authority under which abated tax would have been paid to Affected Agency	Board of County Commissioners of Doña Ana County.
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	Based on the Doña Ana County tax rate table for 2020 the amount of tax abatement is \$4,096.00.
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	The IRB was authorized by the Doña Ana County Board of County Commissioners. PILOT payments in the amount of \$47,000 are to be paid to Doña Ana County and \$67,000 to Gadsden Independent School District.
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	None

Agency number for Agency making the disclosure (Abating Agency)	5007
Abating Agency Name	Doña Ana County
Abating Agency Type	Local Government
Tax Abatement Agreement Name	Industrial Revenue Bond
Name of agency affected by abatement agreement (Affected Agency)	Doña Ana Branch Community College
Agency number of Affected Agency	
Agency type of Affected Agency	Community College
Recipient(s) of tax abatement	NRG Solar Roadrunner Holdings, LLC.
Tax abatement program (name and brief description)	Industrial Revenue Bonds. Based on the "County Industrial Revenue Bond Act", Sections 4-59-1 to 4-59-16 inclusive, NMSA 1978, as amended, which authorizes Doña Ana County, New Mexico to issue industrial development bonds and to acquire projects as defined in the Act.
Specific Tax(es) Being Abated	100% of real and personal property taxes to be abated during bond term.
Authority under which abated tax would have been paid to Affected Agency	Board of County Commissioners of Doña Ana County.
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	Based on the Doña Ana County tax rate table for 2020 the amount of tax abatement is \$305.13.
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	None
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	None

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
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Agency number for Agency making the disclosure (Abating Agency)	5007
Abating Agency Name	Doña Ana County
Abating Agency Type	Local Government
Tax Abatement Agreement Name	Industrial Revenue Bond
Name of agency affected by abatement agreement (Affected Agency)	State of New Mexico
Agency number of Affected Agency	
Agency type of Affected Agency	State Government
Recipient(s) of tax abatement	NRG Solar Roadrunner Holdings, LLC.
Tax abatement program (name and brief description)	Industrial Revenue Bonds. Based on the "County Industrial Revenue Bond Act", Sections 4-59-1 to 4-59-16 inclusive, NMSA 1978, as amended, which authorizes Doña Ana County, New Mexico to issue industrial development bonds and to acquire projects as defined in the Act.
Specific Tax(es) Being Abated	100% of real and personal property taxes to be abated during bond term.
Authority under which abated tax would have been paid to Affected Agency	Board of County Commissioners of Doña Ana County.
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	Based on the Doña Ana County tax rate table for 2020 the amount of tax abatement is \$331.98.
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	None
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	None

Agency number for Agency making the disclosure (Abating Agency)	5007
Abating Agency Name	Doña Ana County
Abating Agency Type	Local Government
Tax Abatement Agreement Name	Industrial Revenue Bond
Name of agency affected by abatement agreement (Affected Agency)	State of New Mexico
Agency number of Affected Agency	
Agency type of Affected Agency	State Government
Recipient(s) of tax abatement	NRG Solar Roadrunner Holdings, LLC.
Tax abatement program (name and brief description)	Industrial Revenue Bonds. Based on the "County Industrial Revenue Bond Act", Sections 4-59-1 to 4-59-16 inclusive, NMSA 1978, as amended, which authorizes Doña Ana County, New Mexico to issue industrial development bonds and to acquire projects as defined in the Act.
Specific Tax(es) Being Abated	100% of real and personal property taxes to be abated during bond term.
Authority under which abated tax would have been paid to Affected Agency	Board of County Commissioners of Doña Ana County.
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	Based on the Doña Ana County tax rate table for 2020 the amount of tax abatement is \$331.98.
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	None
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	None

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Agency Number	5007
Agency Name	Doña Ana County
Agency Type	Local Government
Tax Abatement Agreement Name	Industrial Revenue Bond (IRB)
Recipient(s) of tax abatement	MCS Realty Partners, LLC.
Parent company(ies) of recipient(s) of tax abatement	
Tax abatement program (name and brief description)	Industrial Revenue Bonds: Are a type of loan issued by Doña Ana County to assist a private company that might otherwise be unable to obtain financing for its industrial venture or unwilling to undertake the project on its own. The County's goal in providing the debt securities is to improve the economic and employment conditions of the Santa Teresa region.
Specific Tax(es) Being Abated	100% of real and personal property taxes to be abated during bond term.
Legal authority under which tax abatement agreement was entered into	Board of County Commissioners of Doña Ana County.
Criteria that make a recipient eligible to receive a tax abatement	A project that will promote the local health, general welfare, safety, convenience and prosperity of the inhabitants of the County.
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	The property was deeded over to DAC, therefore stopping the tax bill to MCS Realty Partners, LLC. Instead of paying yearly taxes the company, based on the contract will make a yearly PILOT payment. MCS Realty Partners, LLC will pay a yearly administrative fee of \$5,000 and a PILOT payment of 25% of the property tax abated to DAC.
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.	The tax abatement is determined based on Resolution No. 2010-71. Based on the "County Industrial Revenue Bond Act", Sections 4-59-1 to 4-59-16 inclusive, NMSA 1978, as amended, which authorizes Doña Ana County, New Mexico to issue industrial development bonds and to acquire projects as defined in the Act. The amount of tax abatement is the entire tax liability until the bond is paid in full.
Are there provisions for recapturing abated taxes? (Yes or No)	No
If there are provisions for recapturing abated taxes, describe them, including the conditions under which abated taxes become eligible for recapture.	N/A
List each specific commitment made by the recipient of the abatement.	MCS Realty Partners, LLC Inc. will acquire land and buildings located in the County with it affiliate MCS Industries, Inc. for their operations relating to the distribution and manufacturing of framing and related products.
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.	Based on the Doña Ana County tax rate table for 2020 the amount of tax abatement is \$118,073.32.
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	The IRB was authorized by the Doña Ana County Board of County Commissioners. PILOT payments will be made to both Doña Ana County and Gadsden Independent School District based on the lease agreement.
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	Doña Ana County received the following from MCS Realty: PILOT \$29,671.00 Admin Fee \$5,000
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	N/A
List each specific commitment made by your agency or any other government, other than the tax abatement.	None
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	No
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	None

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Agency number for Agency making the disclosure (Abating Agency)	5007
Abating Agency Name	Doña Ana County
Abating Agency Type	Local Government
Tax Abatement Agreement Name	Industrial Revenue Bond
Name of agency affected by abatement agreement (Affected Agency)	Gadsden Independent School District
Agency number of Affected Agency	
Agency type of Affected Agency	School District
Recipient(s) of tax abatement	MCS Realty Partners, LLC.
Tax abatement program (name and brief description)	Industrial Revenue Bonds. Based on the "County Industrial Revenue Bond Act", Sections 4-59-1 to 4-59-16 inclusive, NMSA 1978, as amended, which authorizes Doña Ana County, New Mexico to issue industrial development bonds and to acquire projects as defined in the Act.
Specific Tax(es) Being Abated	100% of real and personal property taxes to be abated during bond term.
Authority under which abated tax would have been paid to Affected Agency	Board of County Commissioners of Doña Ana County.
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	At the time of the assessment the land was classified as farm land without a building. Based on the Doña Ana County tax rate table for 2020 the amount of tax abatement is \$59,359.94.
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	None
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	None

Agency number for Agency making the disclosure (Abating Agency)	5007
Abating Agency Name	Doña Ana County
Abating Agency Type	Local Government
Tax Abatement Agreement Name	Industrial Revenue Bond
Name of agency affected by abatement agreement (Affected Agency)	State of New Mexico
Agency number of Affected Agency	
Agency type of Affected Agency	State Government
Recipient(s) of tax abatement	MCS Realty Partners, LLC.
Tax abatement program (name and brief description)	Industrial Revenue Bonds. Based on the "County Industrial Revenue Bond Act", Sections 4-59-1 to 4-59-16 inclusive, NMSA 1978, as amended, which authorizes Doña Ana County, New Mexico to issue industrial development bonds and to acquire projects as defined in the Act.
Specific Tax(es) Being Abated	100% of real and personal property taxes to be abated during bond term.
Authority under which abated tax would have been paid to Affected Agency	Board of County Commissioners of Doña Ana County.
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	At the time of the assessment the land was classified as farm land without a building. Based on the Doña Ana County tax rate table for 2020 the amount of tax abatement is \$4,813.97.
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	None
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	None

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Agency number for Agency making the disclosure (Abating Agency)	5007
Abating Agency Name	Doña Ana County
Abating Agency Type	Local Government
Tax Abatement Agreement Name	Industrial Revenue Bond
Name of agency affected by abatement agreement (Affected Agency)	Doña Ana Branch Community College
Agency number of Affected Agency	
Agency type of Affected Agency	Community College
Recipient(s) of tax abatement	MCS Realty Partners, LLC.
Tax abatement program (name and brief description)	Industrial Revenue Bonds. Based on the "County Industrial Revenue Bond Act", Sections 4-59-1 to 4-59-16 inclusive, NMSA 1978, as amended, which authorizes Doña Ana County, New Mexico to issue industrial development bonds and to acquire projects as defined in the Act.
Specific Tax(es) Being Abated	100% of real and personal property taxes to be abated during bond term.
Authority under which abated tax would have been paid to Affected Agency	Board of County Commissioners of Doña Ana County.
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	At the time of the assessment the land was classified as farm land without a building. Based on the Doña Ana County tax rate table for 2020 the amount of tax abatement is \$4,424.61.
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	None
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	None

Agency number for Agency making the disclosure (Abating Agency)	5007
Abating Agency Name	Doña Ana County
Abating Agency Type	Local Government
Tax Abatement Agreement Name	Industrial Revenue Bond
Name of agency affected by abatement agreement (Affected Agency)	Doña Ana County Flood Commission
Agency number of Affected Agency	
Agency type of Affected Agency	Flood Commission
Recipient(s) of tax abatement	MCS Realty Partners, LLC.
Tax abatement program (name and brief description)	Industrial Revenue Bonds. Based on the "County Industrial Revenue Bond Act", Sections 4-59-1 to 4-59-16 inclusive, NMSA 1978, as amended, which authorizes Doña Ana County, New Mexico to issue industrial development bonds and to acquire projects as defined in the Act.
Specific Tax(es) Being Abated	100% of real and personal property taxes to be abated during bond term.
Authority under which abated tax would have been paid to Affected Agency	Board of County Commissioners of Doña Ana County.
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	At the time of the assessment the land was classified as farm land without a building. Based on the Doña Ana County tax rate table for 2020 the amount of tax abatement is \$4,488.32.
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	None
If the Abating Agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission	None

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

Agency Number	5007
Agency Name	Doña Ana County
Agency Type	Local Government
Tax Abatement Agreement Name	Commercial Personal Property Tax Abatement for SUNE EPE2, LLC
Recipient(s) of tax abatement	SunEdison-Previous Owner ; Silicon Ranch New Owner
Parent company(ies) of recipient(s) of tax abatement	SunEdison-Previous Owner ; Silicon Ranch New Owner
Tax abatement program (name and brief description)	Tax Abatement Agreement is a Commercial/Personal property tax abatement for SunEdison. Property tax due to Dona Ana County is abated at 100% for a term of 10 years as of 2012.
Specific Tax(es) Being Abated	Property Tax : County Operational and County Debt Service
Legal authority under which tax abatement agreement was entered into	New Mexico's Community Development Incentive Act. Statute 3-64-1 through 3-64-5 NMSA 1978
Criteria that make a recipient eligible to receive a tax abatement	Promotes trade, industry, and other forms of economic development.
How are the tax abatement recipient's taxes reduced? (For example: through a reduction of assessed value)	The agency (DAC) does not collect property taxes from the recipient (SunEdison) for a 10 year period.
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.	The Abatement is based on the 1/3 taxable value vs the mill rates set by the Department of Finance and Administration. The Dona Ana County operational and Debt Service Levies are abated from the Tax Bill.
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.	Clawback: "In the event that the Project permanently ceases operation prior to the date that is twenty-five (25) years after the commencement of commercial operations of the Project, commercial personal property taxes that were previously abated...shall become due and payable on a proportionate basis".
List each specific commitment made by the recipient of the abatement.	SunEdison intends to construct and operate in the County as a new business facility, an approximately 12 megawatt (MW) photovoltaic generating station.
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.	Dona Ana County Property Tax Abatement: \$107,559.44
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/A
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by your agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	N/A
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by a different agency in association with the foregone tax revenue, list the name of the agency and the amount of payments received in the current fiscal year	N/A
List each specific commitment made by your agency or any other government, other than the tax abatement.	None
Are any other governments affected by this tax abatement agreement? (Yes or No) If yes, list each affected agency and complete an intergovernmental disclosure for each such agency.	Yes, The City of Las Cruces
If your agency is omitting any information required in this spreadsheet or by GASB 77, cite the legal basis for such omission.	None

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

Agency number for Agency making the disclosure (Abating Agency)	5007
Abating Agency Name	Doña Ana County
Abating Agency Type	Local Government
Tax Abatement Agreement Name	Commercial Personal Property Tax Abatement for SUNE EPE2, LLC
Name of agency affected by abatement agreement (Affected Agency)	City of Las Cruces
Agency number of Affected Agency	
Agency type of Affected Agency	Municipal Government
Recipient(s) of tax abatement	SunEdison-Previous Owner ; Silicon Ranch New Owner
Tax abatement program (name and brief description)	Tax Abatement Agreement is a Commercial/Personal property tax abatement for SunEdison. Property tax due to Dona Ana County is abated at 100% for a term of 10 years as of 2012.
Specific Tax(es) Being Abated	Property Tax: Municipal Operational and Flood Control
Authority under which abated tax would have been paid to Affected Agency	New Mexico's Community Development Incentive Act. Statute 3-64-1 through 3-64-5 NMSA 1978
Gross dollar amount, on an accrual basis, by which the Affected Agency's tax revenues were reduced during the reporting period as a result of the tax abatement agreement	Property Tax: \$82,175.09
For any Payments in Lieu of Taxes (PILOTs) or similar payments receivable by the Affected Agency in association with the foregone tax revenue, list the amount of payments received in the current fiscal year	N/A
If the Abating 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
DOÑA ANA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

The special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Community Services (10008) – To provide funding for a variety of County community development projects. This fund has been established to comply with the accountability requirements of the grant agreements.

County Clerk Equipment/Records (10010) – To account for the operations of the county clerk pursuant to NMSA 1978 Section 14-8-12.2.

County Treasurer Fees (10025) – To account for fees collected by the Treasurer's office for employee training and equipment. Created by County Commission Resolution 30-54.

Environmental GRT (10050) – To account for gross receipts taxes collected/disbursed by the NM Taxation and Revenue Department to be used for environmental related projects.

Housing Grant–NMFA (21241) – The Mortgage Finance Authority will facilitate the rehabilitation, reconstruction, or new construction of homes in any New Mexico designated Colonias neighborhood.

Affordable Housing Loan Fund (21250) – To enhance the quality of life of county residents. Identify the needs and barriers to housing development within the County.

CARES Act (22145) – To account for monies received through the Coronavirus Relief Fund, the Coronavirus Aid, Relief, and Economic Security (CARES) Act which provides for payments to State, Local, and Tribal governments navigating the impact of the COVID19 outbreak. The CARES Act federal grant is passed through the New Mexico Department of Finance and Administration from the U.S. Department of the Treasury. The fund was created administratively for funds restricted by the CARES Act grant agreement.

DWI Grants (22251) – The DWI program partners with many entities that include law enforcement, MADD, National Guard, Safe Kids, private businesses and more, to combat the high DWI rate in Doña Ana County. Funding is provided by the U.S. Department of Finance and Administration. This fund has been established in accordance with 28 CFR 66.20.

State Grants (23110) – To account for various state grant revenues and expenditures for various projects.

State Appropriations (23111) – To account for various appropriations from the State Legislature for various projects.

Sheriff's Grants State (23300) – To provide funding to allow the County to support New Mexico Intelligence Center initiatives at the S\VB New Mexico High Intensity Drug Trafficking Area. This fund has been established in accordance with grant agreements.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

Civil Preparedness (25110) – To account for state grant funding thru the NM Department of Homeland Security for public safety initiatives in support of civil preparedness for disasters.

Correction Fees (25115) – To account for fees collected by the magistrate court and the motor vehicle division and distributed by the state Administrative Office of the Courts to the County, pursuant to NMSA 1978 Section 33-3-25. The fund restricted to paying costs of the county jailor juvenile detention facility.

Farm and Range (25120) – In accordance with NMSA Section 6-11-5/6 -To provide for the Fish and Wildlife Service in control of predator animals. Funding is from the Taylor Grazing Act.

County Flood Commission (25135) – To account for the operations of the flood projects, in accordance with NMSA Compilation Section 7 Article 38-38-I. The funding is provided by charging an administrative fee on property taxes collected and distributed.

Health Services Fund (25140) – To account for the activities of the County's operating health care, which provides services to the residents of the County for local health services.

Health Services Grant Fund (25143) – To account for grants pertaining to Health Services are used within this fund.

Crisis Triage Center (25144) – To account for funds committed by County Commission Resolution 2011-81 for the support of a County crisis triage center.

Indigent Hospital Care (25145) – In accordance with NMSA Section 7-20E-9, accounts for hospital expenditures for County indigents. Funds are provided through local gross receipts tax.

Reappraisal Administrative Fees (25150) – In accordance with NMSA 7-38-38.1 - To account for countywide reappraisal funding and expenditures.

Spaceport Gross Receipts Tax (25160) – To provide funding to the regional Spaceport district for the financing, planning, designing, engineering and construction of a Spaceport or for projects or services of the district pursuant to the regional Spaceport district act by DAC Ordinance 227A-07.

Water & Sanitation Gross Receipts Tax (25165) – To account for funds from the Water and Sanitation Gross Receipts Tax. To provide funding for operation of the water and sanitation district act by DAC Ordinance 305-2019.

Confiscated Assets (25210) – In accordance with NMSA Section 54-11-33 - To account for the Doña Ana County Sheriffs confiscated asset program related directly to its drug interdiction program. The program was established through a joint powers agreement between Doña Ana County Sheriff's department and the U.S. Drug Enforcement Agency. Required by Federal Equitable sharing agreement between the Sheriff's Department and U.S. Departments of Justice and Treasury.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

Law Enforcement Protection (25230) – In accordance with NMSA Section 29-13 - To account for expenditures of the sheriff's department. Financing is provided by the State.

Fire Districts (multiple funds) – Accounts for the operation and maintenance of the sixteen volunteer fire districts throughout the County of Doña Ana, in accordance with NMSA 7-20E-1 5. Funding is provided from the State Fire Fund.

Emergency Medical Services (multiple funds) – In accordance with NMSA Section 7-24-10A -To account for the operation and maintenance of Rural Metro Ambulance Service, Hatch Clinic, and various volunteer fire districts. Funding is from the State Emergency Medical Fund Act. State Law requires that financing be provided in this manner.

DAC Santa Teresa Airport (50020) – To account for the operations of the Santa Teresa Airport.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR CAPITAL PROJECTS GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

The capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Non-major capital projects funds consist of the following:

Airport FAA Projects (41020) – To account for the cost of developing airports in the County.

HH Capital Projects (45070) – To account for costs of the water system improvements.

County Administration Building Project (45080) – To account for costs of the County administration building improvements.

Road's Initiative (45093) – To account for the acceptance of non-County maintained roads in the County's maintained road network.

Detention Energy Infrastructure (45095) – To account for an energy infrastructure project at the Detention Center.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
AS OF JUNE 30, 2021**

	Special Revenue Funds	Capital Projects Funds	Total Non-major Funds
ASSETS			
Cash and cash equivalents	\$ 3,301,843	2,908,505	6,210,348
Investments	41,753,091	8,510,917	50,264,008
Receivables			
Accounts receivables, net	4,244,321	-	4,244,321
Taxes receivable	313,373	-	313,373
Grants receivables	3,199,248	342,387	3,541,635
Interest receivable	6,447	-	6,447
Total receivables	7,763,389	342,387	8,105,776
Due from other funds	404,466	-	404,466
Total assets	<u>\$ 53,222,789</u>	<u>11,761,809</u>	<u>64,984,598</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 2,489,244	687,076	3,176,320
Accrued payroll liabilities	120,904	-	120,904
Due to other funds	305,826	413,235	719,061
Unearned revenues	4,816,122	-	4,816,122
Other liabilities	3,500	-	3,500
Total Liabilities	7,735,596	1,100,311	8,835,907
Deferred inflows of resources			
Property taxes	255,966	-	255,966
Total deferred inflows of resources	255,966	-	255,966
FUND BALANCES			
Nonspendable	-	-	-
Restricted	43,810,181	8,279,173	52,089,354
Committed	1,579,730	2,627,968	4,207,698
Assigned	23,930	-	23,930
Unassigned	(182,614)	(245,643)	(428,257)
Total fund balances	45,231,227	10,661,498	55,892,725
Total liabilities deferred inflows of resources, and fund balances	<u>\$ 53,222,789</u>	<u>11,761,809</u>	<u>64,984,598</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Special Revenue Funds	Capital Projects Funds	Total Non-major Funds
REVENUES			
Taxes			
Property taxes	\$ 2,810,003	-	2,810,003
Gross receipts	19,774,867	-	19,774,867
Other taxes	1,377,234	-	1,377,234
Intergovernmental			
State operating grants	5,039,517	-	5,039,517
State capital grants	3,988,772	55,023	4,043,795
Federal operating grants	6,630,431	-	6,630,431
Federal capital grants	-	264,401	264,401
Charges for services	795,258	-	795,258
Contributions/donations private services	506	-	506
Investment earnings	353,683	31,959	385,642
Rents and royalties	325,488	-	325,488
Other revenue	497,596	-	497,596
Total revenues	<u>41,593,355</u>	<u>351,383</u>	<u>41,944,738</u>
EXPENDITURES			
Current			
General government	7,898,300	-	7,898,300
Public safety	4,297,280	-	4,297,280
Public works	1,664,670	26,853	1,691,523
Health and welfare	15,059,719	-	15,059,719
Community development	4,434	-	4,434
Capital Outlay			
Capital outlay	5,320,017	6,601,145	11,921,162
Total Expenditures	<u>34,244,420</u>	<u>6,627,998</u>	<u>40,872,418</u>
Excess (deficiency) of revenues over expenditures	7,348,935	(6,276,615)	1,072,320
OTHER FINANCING SOURCES (USES)			
Transfers in	1,991,778	10,104,366	12,096,144
Transfers out	<u>(3,233,794)</u>	<u>(1,104,975)</u>	<u>(4,338,769)</u>
Total other financing sources (uses)	<u>(1,242,016)</u>	<u>8,999,391</u>	<u>7,757,375</u>
Net change in fund balance	6,106,919	2,722,776	8,829,695
Fund balances-beginning of year	39,124,308	7,938,722	47,063,030
Fund balances-end of the year	<u>\$ 45,231,227</u>	<u>10,661,498</u>	<u>55,892,725</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS
AS OF JUNE 30, 2021**

	10008	10010	10025	10050
	Community	County	County	Environmental
	Services	Clerk	Treasurer	GRT
		Equip/Rcrd	Fees	
ASSETS				
Cash and cash equivalents	\$ 2,345	21,705	1,710	791
Investments	29,653	274,467	21,625	10,004
Receivables				
Accounts receivables, net	-	-	(25)	149,866
Interest receivable	-	47	4	35
Total receivables	-	47	(21)	149,901
Total assets	\$ 31,998	296,219	23,314	160,696
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 19,916	8,221	-	4,412
Unearned revenues	19,518	-	-	-
Total liabilities	39,434	8,221	-	4,412
Deferred inflows of resources				
Property taxes	-	-	-	-
Total deferred inflows of resources	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	287,998	-	156,284
Committed	-	-	23,314	-
Assigned	-	-	-	-
Unassigned	(7,436)	-	-	-
Total fund balances	(7,436)	287,998	23,314	156,284
Total liabilities, deferred inflows of resources, and fund balances	\$ 31,998	296,219	23,314	160,696

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS
AS OF JUNE 30, 2021**

	21241 Housing Grant - NMFA	21250 Affordable Housing Loan Fund	22145 CARES Act	22251 DWI Grants	23110 State Grants	23111 State Appropriations
ASSETS						
Cash and cash equivalents	\$ -	27,482	9,111	60,874	-	224,146
Investments	-	347,518	115,211	769,774	-	2,834,416
Receivables						
Grants receivables	-	-	-	136,444	-	1,892,489
Interest receivable	-	-	-	-	-	489
Total receivables	-	-	-	136,444	-	1,892,978
Total assets	<u>\$ -</u>	<u>375,000</u>	<u>124,322</u>	<u>967,092</u>	<u>-</u>	<u>4,951,540</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ -	-	124,322	134,012	1,418	203,134
Accrued payroll liabilities	-	-	-	17,153	25,622	-
Due to other funds	-	-	-	-	148,103	-
Unearned revenues	-	-	-	1,130	35	4,588,637
Total liabilities	<u>-</u>	<u>-</u>	<u>124,322</u>	<u>152,295</u>	<u>175,178</u>	<u>4,791,771</u>
Deferred inflows of resources						
Property taxes	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	375,000	-	814,797	-	159,769
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	(175,178)	-
Total fund balances	<u>-</u>	<u>375,000</u>	<u>-</u>	<u>814,797</u>	<u>(175,178)</u>	<u>159,769</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ -</u>	<u>375,000</u>	<u>124,322</u>	<u>967,092</u>	<u>-</u>	<u>4,951,540</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS
AS OF JUNE 30, 2021**

	23300 Sheriff's Grants State	25110 Civil Preparedness	25115 Correction Fees	25120 Farm and Range
ASSETS				
Cash and cash equivalents	\$ -	1,544	20,530	544
Investments	-	19,519	259,605	6,882
Receivables				
Accounts receivables, net	-	-	71,484	-
Grants receivables	329,122	174,178	-	-
Interest receivable	-	24	45	-
Total receivables	329,122	174,202	71,529	-
Total assets	<u>\$ 329,122</u>	<u>195,265</u>	<u>351,664</u>	<u>7,426</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 7,168	-	-	5,991
Accrued payroll liabilities	2,302	-	-	-
Due to other funds	144,860	-	-	-
Unearned revenues	250	6,912	-	-
Other liabilities	-	-	-	-
Total liabilities	154,580	6,912	-	5,991
Deferred inflows of resources				
Property taxes	-	-	-	-
Total deferred inflows of resources	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	174,542	188,353	351,664	1,435
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	174,542	188,353	351,664	1,435
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 329,122</u>	<u>195,265</u>	<u>351,664</u>	<u>7,426</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS
AS OF JUNE 30, 2021**

	25135 County Flood Commission	25140 Health Services (SLIAG)	25143 Health Services Grant Fund	25144 Crisis Triage Center	25145 Indigent Hospital Care	25150 Reappraisal Administrative Fees
ASSETS						
Cash and cash equivalents	\$ 814,415	673,270	38	114,043	232,612	35,765
Investments	10,298,596	8,513,765	482	1,442,124	2,941,467	452,260
Receivables						
Accounts receivables, net	-	775,237	-	-	1,118,197	-
Taxes receivable	293,403	-	-	-	-	-
Grants receivables	463,129	-	203,886	-	-	-
Interest receivable	1,777	1,471	-	249	507	78
Total receivables	758,309	776,708	203,886	249	1,118,704	78
Due from other funds	-	12,755	-	-	-	-
Total assets	\$ 11,871,320	9,976,498	204,406	1,556,416	4,292,783	488,103
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 450,454	55,397	74,997	-	196,481	12,626
Accrued payroll liabilities	18,061	37,630	2,242	-	738	14,190
Due to other funds	-	-	12,755	-	-	-
Unearned revenues	-	41,225	90,482	-	-	-
Total liabilities	468,515	134,252	180,476	-	197,219	26,816
Deferred inflows of resources						
Property taxes	255,966	-	-	-	-	-
Total deferred inflows of resources	255,966	-	-	-	-	-
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	11,146,839	9,842,246	-	-	4,095,564	461,287
Committed	-	-	-	1,556,416	-	-
Assigned	-	-	23,930	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	11,146,839	9,842,246	23,930	1,556,416	4,095,564	461,287
Total liabilities, deferred inflows of resources, and fund balances	\$ 11,871,320	9,976,498	204,406	1,556,416	4,292,783	488,103

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS
AS OF JUNE 30, 2021**

	25160 Spaceport Gross Receipts	25165 Water & Sanitation Gross Receipts	25210 Confiscated Assets	25230 Law Enforcement Protection
ASSETS				
Cash and cash equivalents	\$ 47,362	-	1	6,984
Investments	598,916	-	10	88,316
Receivables				
Accounts receivables, net	1,783,306	-	-	-
Taxes receivable	-	19,970	-	-
Interest receivable	-	-	-	15
Total receivables	<u>1,783,306</u>	<u>19,970</u>	<u>-</u>	<u>15</u>
Total assets	<u>\$ 2,429,584</u>	<u>19,970</u>	<u>11</u>	<u>95,315</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 1,076,544	19,970	-	-
Total liabilities	<u>1,076,544</u>	<u>19,970</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources				
Property taxes	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	1,353,040	-	11	95,315
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>1,353,040</u>	<u>-</u>	<u>11</u>	<u>95,315</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,429,584</u>	<u>19,970</u>	<u>11</u>	<u>95,315</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS
AS OF JUNE 30, 2021**

	Fire Districts	Emergency Medical Services	50020 DAC Santa Teresa Airport	Total
ASSETS				
Cash and cash equivalents	\$ 987,440	1,316	17,815	3,301,843
Investments	12,486,570	16,638	225,273	41,753,091
Receivables				
Accounts receivables, net	299,747	-	46,509	4,244,321
Taxes receivable	-	-	-	313,373
Grants receivables	-	-	-	3,199,248
Interest receivable	1,605	-	101	6,447
Total receivables	301,352	-	46,610	7,763,389
Due from other funds	108	-	391,603	404,466
Total assets	<u>\$ 13,775,470</u>	<u>17,954</u>	<u>681,301</u>	<u>53,222,789</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 91,849	1,249	1,083	2,489,244
Accrued payroll liabilities	-	-	2,966	120,904
Due to other funds	-	108	-	305,826
Unearned revenues	67,933	-	-	4,816,122
Other liabilities	-	-	3,500	3,500
Total liabilities	<u>159,782</u>	<u>1,357</u>	<u>7,549</u>	<u>7,735,596</u>
Deferred inflows of resources				
Property taxes	-	-	-	255,966
Total deferred inflows of resources	-	-	-	255,966
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	13,615,688	16,597	673,752	43,810,181
Committed	-	-	-	1,579,730
Assigned	-	-	-	23,930
Unassigned	-	-	-	(182,614)
Total fund balances	<u>13,615,688</u>	<u>16,597</u>	<u>673,752</u>	<u>45,231,227</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 13,775,470</u>	<u>17,954</u>	<u>681,301</u>	<u>53,222,789</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEETS
AS OF JUNE 30, 2021**

	41020 Airport FAA Projects	45070 HH Capital Improvements	45080 County Administration Building Project	45093 Road's Initiative	45095 Detention Energy Infrastructure	Total
ASSETS						
Cash and cash equivalents	\$ -	28,764	237	644,043	2,235,461	2,908,505
Investments	-	363,743	2,997	8,144,177	-	8,510,917
Receivables						
Grants receivables	342,387	-	-	-	-	342,387
Total receivables	342,387	-	-	-	-	342,387
Total assets	<u>\$ 342,387</u>	<u>392,507</u>	<u>3,234</u>	<u>8,788,220</u>	<u>2,235,461</u>	<u>11,761,809</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 174,795	-	-	512,281	-	687,076
Due to other funds	413,235	-	-	-	-	413,235
Total liabilities	<u>588,030</u>	<u>-</u>	<u>-</u>	<u>512,281</u>	<u>-</u>	<u>1,100,311</u>
Deferred inflows of resources						
Property taxes	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	3,234	8,275,939	-	8,279,173
Committed	-	392,507	-	-	2,235,461	2,627,968
Assigned	-	-	-	-	-	-
Unassigned	(245,643)	-	-	-	-	(245,643)
Total fund balances	<u>(245,643)</u>	<u>392,507</u>	<u>3,234</u>	<u>8,275,939</u>	<u>2,235,461</u>	<u>10,661,498</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 342,387</u>	<u>392,507</u>	<u>3,234</u>	<u>8,788,220</u>	<u>2,235,461</u>	<u>11,761,809</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	10008	10010	10025	10050
	Community	County	County	Environmental
	Services	Clerk	Treasurer	GRT
		Equip/Rcld	Fees	
REVENUES				
Taxes				
Gross receipts	\$ -	-	-	1,024,013
Intergovernmental				
State operating grants	9,988	-	-	-
Charges for services	-	261,805	8,640	-
Investment earnings	-	2,394	164	2,030
Total revenues	<u>9,988</u>	<u>264,199</u>	<u>8,804</u>	<u>1,026,043</u>
EXPENDITURES				
Current				
General government	8,050	165,955	49	30,511
Economic development	1,938	-	-	-
Capital outlay				
Capital outlay	<u>19,916</u>	<u>22,829</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>29,904</u>	<u>188,784</u>	<u>49</u>	<u>30,511</u>
Excess (deficiency) of revenues over expenditures	(19,916)	75,415	8,755	995,532
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	(1,044,317)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,044,317)</u>
Net change in fund balance	(19,916)	75,415	8,755	(48,785)
Fund balances-beginning of year	<u>12,480</u>	<u>212,583</u>	<u>14,559</u>	<u>205,069</u>
Fund balances-end of the year	<u>\$ (7,436)</u>	<u>287,998</u>	<u>23,314</u>	<u>156,284</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	21241 Housing Grant - NMFA	21250 Affordable Housing Loan Fund	22145 CARES Act	22251 DWI Grants	23110 State Grants	23111 State Appropriations
REVENUES						
Intergovernmental						
State operating grants	\$ 2,496	-	206,925	1,493,070	271,105	283,566
State capital grants	-	-	-	-	-	3,076,589
Federal operating grants	-	-	4,439,750	-	-	-
Charges for services	-	-	-	182,157	-	-
Investment earnings	-	-	-	-	-	20,165
Other revenue	-	-	-	3,212	-	-
Total revenues	<u>2,496</u>	<u>-</u>	<u>4,646,675</u>	<u>1,678,439</u>	<u>271,105</u>	<u>3,380,320</u>
EXPENDITURES						
Current						
General government	-	-	4,646,675	-	-	-
Public safety	-	-	-	-	-	269,601
Health and welfare	-	-	-	1,594,988	433,935	-
Economic development	2,496	-	-	-	-	-
Capital outlay						
Capital outlay	-	-	-	43,237	-	3,103,967
Total expenditures	<u>2,496</u>	<u>-</u>	<u>4,646,675</u>	<u>1,638,225</u>	<u>433,935</u>	<u>3,373,568</u>
Excess (deficiency) of revenues over expenditures	-	-	-	40,214	(162,830)	6,752
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	-	-	40,214	(162,830)	6,752
Fund balances-beginning of year	-	375,000	-	774,583	(12,348)	153,017
Fund balances-end of the year	<u>\$ -</u>	<u>375,000</u>	<u>-</u>	<u>814,797</u>	<u>(175,178)</u>	<u>159,769</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	23300 Sheriff's Grants State	25110 Civil Preparedness	25115 Correction Fees	25120 Farm and Range
REVENUES				
Intergovernmental				
State operating grants	\$ 1,270	107,927	-	-
Federal operating grants	1,158,671	231,266	-	-
Charges for services	-	-	248,672	8,476
Investment earnings	-	1,424	3,121	22
Other revenue	128,815	78	-	-
Total revenues	<u>1,288,756</u>	<u>340,695</u>	<u>251,793</u>	<u>8,498</u>
EXPENDITURES				
Current				
Public safety	1,292,327	61,905	82,458	39,000
Capital outlay				
Capital outlay	-	103,851	187,779	-
Total expenditures	<u>1,292,327</u>	<u>165,756</u>	<u>270,237</u>	<u>39,000</u>
Excess (deficiency) of revenues over expenditures	(3,571)	174,939	(18,444)	(30,502)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	32,978
Transfers out	-	(259,477)	-	-
Total other financing sources (uses)	<u>-</u>	<u>(259,477)</u>	<u>-</u>	<u>32,978</u>
Net change in fund balance	(3,571)	(84,538)	(18,444)	2,476
Fund balances-beginning of year	178,113	272,891	370,108	(1,041)
Fund balances-end of the year	<u>\$ 174,542</u>	<u>188,353</u>	<u>351,664</u>	<u>1,435</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	25135 County Flood Commission	25140 Health Services (SLIAG)	25143 Health Services Grant Fund	25144 Crisis Triage Center	25145 Indigent Hospital Care	25150 Reappraisal Administrative Fees
REVENUES						
Taxes						
Property taxes	\$ 2,810,003	-	-	-	-	-
Gross receipts	-	7,257,562	-	-	6,552,384	-
Other taxes	-	-	-	-	-	1,377,234
Intergovernmental						
State operating grants	-	8,385	362,857	-	-	-
State capital grants	556,373	-	-	-	-	-
Federal operating grants	45,807	-	754,937	-	-	-
Investment earnings	86,205	79,296	-	13,238	26,494	3,440
Other revenue	102,165	457	-	-	141,730	984
Total revenues	<u>3,600,553</u>	<u>7,345,700</u>	<u>1,117,794</u>	<u>13,238</u>	<u>6,720,608</u>	<u>1,381,658</u>
EXPENDITURES						
Current						
General government	-	-	-	-	-	1,602,441
Public works	1,422,339	-	-	-	-	-
Health and welfare	-	5,397,329	1,107,950	82,024	6,443,493	-
Capital outlay						
Capital outlay	891,044	-	-	-	-	9,573
Total expenditures	<u>2,313,383</u>	<u>5,397,329</u>	<u>1,107,950</u>	<u>82,024</u>	<u>6,443,493</u>	<u>1,612,014</u>
Excess (deficiency) of revenues over expenditures	1,287,170	1,948,371	9,844	(68,786)	277,115	(230,356)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	1,287,170	1,948,371	9,844	(68,786)	277,115	(230,356)
Fund balances-beginning of year	9,859,669	7,893,875	14,086	1,625,202	3,818,449	691,643
Fund balances-end of the year	<u>\$ 11,146,839</u>	<u>9,842,246</u>	<u>23,930</u>	<u>1,556,416</u>	<u>4,095,564</u>	<u>461,287</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	25160 Spaceport Gross Receipts	25165 Water & Sanitation Gross Receipts	25210 Confiscated Assets	25230 Law Enforcement Protection
REVENUES				
Taxes				
Gross receipts	\$ 2,890,530	2,275	-	-
Investment earnings	-	-	-	1,004
Other revenue	-	-	-	114,000
Total revenues	<u>2,890,530</u>	<u>2,275</u>	<u>-</u>	<u>115,004</u>
EXPENDITURES				
Current				
General government	1,444,619	-	-	-
Public safety	-	-	75	126,210
Public works	-	2,275	-	-
Total expenditures	<u>1,444,619</u>	<u>2,275</u>	<u>75</u>	<u>126,210</u>
Excess (deficiency) of revenues over expenditures	1,445,911	-	(75)	(11,206)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	1,445,911	-	(75)	(11,206)
Fund balances-beginning of year	(92,871)	-	86	106,521
Fund balances-end of the year	<u>\$ 1,353,040</u>	<u>-</u>	<u>11</u>	<u>95,315</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	Fire Districts	Emergency Medical Services	50020 DAC Santa Teresa Airport	Total
REVENUES				
Taxes				
Property taxes	\$ -	-	-	2,810,003
Gross receipts	2,048,103	-	-	19,774,867
Other taxes	-	-	-	1,377,234
Intergovernmental				
State operating grants	2,141,702	150,226	-	5,039,517
State capital grants	355,810	-	-	3,988,772
Federal operating grants	-	-	-	6,630,431
Charges for services	-	-	85,508	795,258
Contributions/donations private services	506	-	-	506
Investment earnings	109,295	781	4,610	353,683
Rents and royalties	10,440	-	315,048	325,488
Other revenue	1,736	-	4,419	497,596
Total revenues	<u>4,667,592</u>	<u>151,007</u>	<u>409,585</u>	<u>41,593,355</u>
EXPENDITURES				
Current				
General government	-	-	-	7,898,300
Public safety	2,278,423	147,281	-	4,297,280
Public works	-	-	240,056	1,664,670
Health and welfare	-	-	-	15,059,719
Economic development	-	-	-	4,434
Capital outlay				
Capital outlay	937,821	-	-	5,320,017
Total expenditures	<u>3,216,244</u>	<u>147,281</u>	<u>240,056</u>	<u>34,244,420</u>
Excess (deficiency) of revenues over expenditures	1,451,348	3,726	169,529	7,348,935
OTHER FINANCING SOURCES (USES)				
Transfers in	1,958,800	-	-	1,991,778
Transfers out	(1,930,000)	-	-	(3,233,794)
Total other financing sources (uses)	<u>28,800</u>	<u>-</u>	<u>-</u>	<u>(1,242,016)</u>
Net change in fund balance	1,480,148	3,726	169,529	6,106,919
Fund balances-beginning of year	12,135,540	12,871	504,223	39,124,308
Fund balances-end of the year	<u>\$ 13,615,688</u>	<u>16,597</u>	<u>673,752</u>	<u>45,231,227</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	41020 Airport FAA Projects	45070 HH Capital Improvements	45080 County Administration Building Project	45093 Road's Initiative	45095 Detention Energy Infrastructure	Total
REVENUES						
Intergovernmental						
State capital grants	\$ 55,023	-	-	-	-	55,023
Federal capital grants	264,401	-	-	-	-	264,401
Investment earnings	1,138	-	-	-	30,821	31,959
Total revenues	<u>320,562</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,821</u>	<u>351,383</u>
EXPENDITURES						
Current						
Public works	8,019	-	-	18,834	-	26,853
Capital outlay						
Capital outlay	326,182	-	-	3,653,065	2,621,898	6,601,145
Total expenditures	<u>334,201</u>	<u>-</u>	<u>-</u>	<u>3,671,899</u>	<u>2,621,898</u>	<u>6,627,998</u>
Excess (deficiency) of revenues over expenditures	(13,639)	-	-	(3,671,899)	(2,591,077)	(6,276,615)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	1,497,482	-	8,606,884	-	10,104,366
Transfers out	-	(1,104,975)	-	-	-	(1,104,975)
Total other financing sources (uses)	<u>-</u>	<u>392,507</u>	<u>-</u>	<u>8,606,884</u>	<u>-</u>	<u>8,999,391</u>
Net change in fund balance	(13,639)	392,507	-	4,934,985	(2,591,077)	2,722,776
Fund balances-beginning of year	(232,004)	-	3,234	3,340,954	4,826,538	7,938,722
Fund balances-end of the year	<u>\$ (245,643)</u>	<u>392,507</u>	<u>3,234</u>	<u>8,275,939</u>	<u>2,235,461</u>	<u>10,661,498</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

Non-major business-type funds consist of the following:

Salem/Ogas Wastewater (50043) – To account for the service activities of the wastewater system.

La Union Wastewater (50046) – To account for the service activities of the wastewater system.

Doña Ana Wastewater System (50064) – To account for the service activities of the wastewater system.

Las Palmeras/Montana Vista Wastewater (50065) – To account for the service activities of the wastewater system.

Rincon Wastewater (50067) – To account for the service activities of the water system.

Chaparral Wastewater System (50070) – To account for the service activities of the wastewater system.

NMED County Utilities (multiple funds) – To account for the service activities of the various County utility systems.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2021**

	50043	50046	50064	50065
	Salem/Ogas Wastewater System	La Union Wastewater System	Dona Ana Wastewater System	Las Palmeras/ Montana Vista Wastewater
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 7,596	21,860	-	-
Investments	96,058	276,434	-	-
Receivables				
Accounts receivables, net	13,083	13,629	-	-
Interest receivable	17	48	-	-
Total receivables	<u>13,100</u>	<u>13,677</u>	<u>-</u>	<u>-</u>
Total current assets	<u>116,754</u>	<u>311,971</u>	<u>-</u>	<u>-</u>
Non-current assets:				
Capital assets, net	<u>2,112,217</u>	<u>3,147,699</u>	<u>2,098,427</u>	<u>369,741</u>
Total non-current assets	<u>2,112,217</u>	<u>3,147,699</u>	<u>2,098,427</u>	<u>369,741</u>
Total assets	<u>\$ 2,228,971</u>	<u>3,459,670</u>	<u>2,098,427</u>	<u>369,741</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 2,374	6,706	-	-
Accrued interest payable	1,543	3,117	-	-
Accrued payroll liabilities	776	747	-	-
Compensated absences	6,343	4,641	-	-
Bonds and notes payable	36,969	32,059	-	-
Other liabilities	4,886	5,180	-	1,600
Total current liabilities	<u>52,891</u>	<u>52,450</u>	<u>-</u>	<u>1,600</u>
Non-current liabilities:				
Bonds and notes payable	280,337	243,103	-	-
Compensated absences	3,806	2,785	-	-
Total non-current liabilities	<u>284,143</u>	<u>245,888</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>337,034</u>	<u>298,338</u>	<u>-</u>	<u>1,600</u>
NET POSITION				
Net investment in capital assets	1,794,911	2,872,537	2,098,427	369,741
Unrestricted	<u>97,026</u>	<u>288,795</u>	<u>-</u>	<u>(1,600)</u>
Total net position	<u>1,891,937</u>	<u>3,161,332</u>	<u>2,098,427</u>	<u>368,141</u>
Total liabilities and net position	<u>\$ 2,228,971</u>	<u>3,459,670</u>	<u>2,098,427</u>	<u>369,741</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2021**

	50067 Rincon Wastewater System	50070 Chaparral Wastewater System	NMED County Utilities	Total Nonmajor Enterprise Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 3,356	38,210	16,181	87,203
Investments	42,437	483,185	204,615	1,102,729
Receivables				
Accounts receivables, net	3,592	23,204	-	53,508
Interest receivable	7	-	31	103
Total receivables	<u>3,599</u>	<u>23,204</u>	<u>31</u>	<u>53,611</u>
Total current assets	<u>49,392</u>	<u>544,599</u>	<u>220,827</u>	<u>1,243,543</u>
Non-current assets:				
Capital assets, net	<u>1,027,594</u>	<u>6,531,066</u>	<u>643,128</u>	<u>15,929,872</u>
Total non-current assets	<u>1,027,594</u>	<u>6,531,066</u>	<u>643,128</u>	<u>15,929,872</u>
Total assets	<u>\$ 1,076,986</u>	<u>7,075,665</u>	<u>863,955</u>	<u>17,173,415</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 884	3,468	-	13,432
Accrued interest payable	-	4,972	-	9,632
Accrued payroll liabilities	1,232	3,575	-	6,330
Compensated absences	11,397	15,293	-	37,674
Bonds and notes payable	-	12,437	-	81,465
Other liabilities	<u>1,628</u>	<u>16,305</u>	<u>-</u>	<u>29,599</u>
Total current liabilities	<u>15,141</u>	<u>56,050</u>	<u>-</u>	<u>178,132</u>
Non-current liabilities:				
Bonds and notes payable	-	445,139	-	968,579
Compensated absences	<u>6,838</u>	<u>9,175</u>	<u>-</u>	<u>22,604</u>
Total non-current liabilities	<u>6,838</u>	<u>454,314</u>	<u>-</u>	<u>991,183</u>
Total liabilities	<u>21,979</u>	<u>510,364</u>	<u>-</u>	<u>1,169,315</u>
NET POSITION				
Net investment in capital assets	1,027,594	6,073,490	643,128	14,879,828
Unrestricted	<u>27,413</u>	<u>491,811</u>	<u>220,827</u>	<u>1,124,272</u>
Total net position	<u>1,055,007</u>	<u>6,565,301</u>	<u>863,955</u>	<u>16,004,100</u>
Total liabilities and net position	<u>\$ 1,076,986</u>	<u>7,075,665</u>	<u>863,955</u>	<u>17,173,415</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED JUNE 30, 2021**

	50043	50046	50064	50065
	Salem/Ogas Wastewater System	La Union Wastewater System	Dona Ana Wastewater System	Las Palmeras/ Montana Vista Wastewater
OPERATING REVENUES				
Charges for services	\$ 1,330	2,780	-	-
Charges for sewage service	115,639	147,392	-	-
Other revenue	4,652	13,211	-	-
Total operating revenues	<u>121,621</u>	<u>163,383</u>	<u>-</u>	<u>-</u>
OPERATING EXPENSES				
Personnel services - salaries and wages	25,316	16,982	-	-
Personnel services - employee benefits	15,901	16,992	-	-
Professional and technical services	-	29,495	-	-
Utilities	20,348	6,118	-	-
Other operating expenses	8,884	(25,979)	-	-
Bad debt expense	(15,036)	(12,943)	-	-
Depreciation	83,579	179,669	73,275	13,332
Total operating expenses	<u>138,992</u>	<u>210,334</u>	<u>73,275</u>	<u>13,332</u>
Operating income (loss)	(17,371)	(46,951)	(73,275)	(13,332)
NON-OPERATING REVENUES (EXPENSES)				
Investment earnings	880	2,349	-	-
Interest expense	(428)	-	-	-
Total non-operating revenues (expenses)	<u>452</u>	<u>2,349</u>	<u>-</u>	<u>-</u>
Income (loss) before transfers	(16,919)	(44,602)	(73,275)	(13,332)
Transfers in	12,305	-	-	-
Transfers out	(33,891)	(68,475)	-	-
Total transfers in (out)	<u>(21,586)</u>	<u>(68,475)</u>	<u>-</u>	<u>-</u>
Change in net position	(38,505)	(113,077)	(73,275)	(13,332)
Beginning net position	1,930,442	3,274,409	2,171,702	381,473
Net position-end of the year	<u>\$ 1,891,937</u>	<u>3,161,332</u>	<u>2,098,427</u>	<u>368,141</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED JUNE 30, 2021**

	50067 Rincon Wastewater System	50070 Chaparral Wastewater System	NMED County Utilities	Total Nonmajor Enterprise Funds
OPERATING REVENUES				
Charges for services	\$ 40	23,083	-	27,233
Charges for sewage service	35,996	291,796	-	590,823
Other revenue	(1,326)	7,944	-	24,481
Total operating revenues	<u>34,710</u>	<u>322,823</u>	<u>-</u>	<u>642,537</u>
OPERATING EXPENSES				
Personnel services - salaries and wages	41,896	150,149	-	234,343
Personnel services - employee benefits	23,136	72,607	-	128,636
Professional and technical services	-	13,073	-	42,568
Utilities	9,933	37,314	-	73,713
Other operating expenses	16,107	9,520	252,867	261,399
Bad debt expense	(16,719)	(13,894)	-	(58,592)
Depreciation	32,055	581,162	153,734	1,116,806
Total operating expenses	<u>106,408</u>	<u>849,931</u>	<u>406,601</u>	<u>1,798,873</u>
Operating income (loss)	(71,698)	(527,108)	(406,601)	(1,156,336)
NON-OPERATING REVENUES (EXPENSES)				
Investment earnings	452	-	1,741	5,422
Interest expense	-	(6,360)	(37,015)	(43,803)
Total non-operating revenues (expenses)	<u>452</u>	<u>(6,360)</u>	<u>(35,274)</u>	<u>(38,381)</u>
Income (loss) before transfers	(71,246)	(533,468)	(441,875)	(1,194,717)
Transfers in	15,000	200,576	305,292	533,173
Transfers out	-	(15,407)	-	(117,773)
Total transfers in (out)	<u>15,000</u>	<u>185,169</u>	<u>305,292</u>	<u>415,400</u>
Change in net position	(56,246)	(348,299)	(136,583)	(779,317)
Beginning net position	1,111,253	6,913,600	1,000,538	16,783,417
Net position-end of the year	<u>\$ 1,055,007</u>	<u>6,565,301</u>	<u>863,955</u>	<u>16,004,100</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021**

	50043	50046	50064	50065
	Salem/Ogas Wastewater System	La Union Wastewater System	Dona Ana Wastewater System	Las Palmeras/ Montana Vista Wastewater
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 134,383	166,545	-	-
Payments to employees	(40,894)	(34,215)	-	-
Payments to suppliers	(26,520)	(3,297)	-	-
Other receipts/(payments)	4,652	13,211	-	-
<i>Net cash provided (used) by operating activities</i>	<u>71,621</u>	<u>142,244</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Transfers from other funds	12,305	-	-	-
Transfers to other funds	(33,891)	(68,475)	-	-
<i>Net cash provided by (used for) noncapital financing activities</i>	<u>(21,586)</u>	<u>(68,475)</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Purchase of capital assets	(7,104)	-	-	-
Principal payments	(28,359)	(57,296)	-	-
Interest payments	(428)	-	-	-
<i>Net cash provided by (used for) capital and related financing activities</i>	<u>(35,891)</u>	<u>(57,296)</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Proceeds from sales and maturities of investments	(47,406)	-	-	-
Purchase of investments	-	(106,361)	-	-
Interest and dividends	880	2,349	-	-
<i>Net cash provided by (used for) investing activities</i>	<u>(46,526)</u>	<u>(104,012)</u>	<u>-</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	(32,382)	(87,539)	-	-
Balances - beginning of year	39,978	109,399	-	-
Balances - end of year	<u>\$ 7,596</u>	<u>21,860</u>	<u>-</u>	<u>-</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021**

	50067 Rincon Wastewater System	50070 Chaparral Wastewater System	NMED County Utilities	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 54,271	328,613	26	683,838
Payments to employees	(64,936)	(221,659)	-	(361,704)
Payments to suppliers	(24,959)	(79,706)	(252,867)	(387,349)
Other receipts/(payments)	(1,326)	7,944	-	24,481
<i>Net cash provided (used) by operating activities</i>	<u>(36,950)</u>	<u>35,192</u>	<u>(252,841)</u>	<u>(40,734)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Intergovernmental operating grants	-	-	-	-
Transfers from other funds	15,000	-	305,292	332,597
Transfers to other funds	-	185,169	-	82,803
<i>Net cash provided by (used for) noncapital financing activities</i>	<u>15,000</u>	<u>185,169</u>	<u>305,292</u>	<u>415,400</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Purchase of capital assets	-	-	-	(7,104)
Principal payments	-	(22,464)	-	(108,119)
Interest payments	-	(6,360)	(37,015)	(43,803)
<i>Net cash provided by (used for) capital and related financing activities</i>	<u>-</u>	<u>(28,824)</u>	<u>(37,015)</u>	<u>(159,026)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Proceeds from sales and maturities of investments	-	-	(47,812)	(95,218)
Purchase of investments	(2,620)	(483,185)	-	(592,166)
Interest and dividends	452	-	1,741	5,422
<i>Net cash provided by (used for) investing activities</i>	<u>(2,168)</u>	<u>(483,185)</u>	<u>(46,071)</u>	<u>(681,962)</u>
Net increase/(decrease) in cash and cash equivalents	(24,118)	(291,648)	(30,635)	(466,322)
Balances - beginning of year	27,474	329,858	46,816	553,525
Balances - end of year	<u>\$ 3,356</u>	<u>38,210</u>	<u>16,181</u>	<u>87,203</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021**

	50043	50046	50064	50065
	Salem/Ogas Wastewater System	La Union Wastewater System	Dona Ana Wastewater System	Las Palmeras/ Montana Vista Wastewater
Reconciliation of operating income/(loss) to net cash provided/(used) by operating activities:				
Operating income/(loss)	\$ (17,371)	(46,951)	(73,275)	(13,332)
Adjustments:				
Depreciation expense	83,579	179,669	73,275	13,332
Bad debt expense	(15,036)	(12,943)	-	-
Change in assets and liabilities:				
Receivables	17,414	16,373	-	-
Accounts payable	1,575	6,469	-	-
Accrued expenses and other liabilities	1,137	(132)	-	-
Compensated absences	323	(241)	-	-
Net cash provided by (used for) operating activities	\$ <u>71,621</u>	<u>142,244</u>	<u>-</u>	<u>-</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021**

		50067 Rincon Wastewater System	50070 Chaparral Wastewater System	NMED County Utilities	Total Nonmajor Enterprise Funds
Reconciliation of operating income/(loss) to net cash provided/(used) by operating activities:					
Operating income/(loss)	\$	(71,698)	(527,108)	(406,601)	(1,156,336)
Adjustments:					
Depreciation expense		32,055	581,162	153,734	1,116,806
Bad debt expense		(16,719)	(13,894)	-	(58,592)
Change in assets and liabilities:					
Receivables		18,235	13,734	26	65,782
Accounts payable		394	(19,426)	-	(10,988)
Accrued expenses and other liabilities		687	(373)	-	1,319
Compensated absences		96	1,097	-	1,275
Net cash provided by (used for) operating activities	\$	<u>(36,950)</u>	<u>35,192</u>	<u>(252,841)</u>	<u>(40,734)</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

Custodial Funds are held by the County to report fiduciary activities that are not held in a trust or equivalent arrangement for individuals, governmental entities and nonpublic organizations, as established by resolution or state statute. The County excludes these activities from the other financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring the assets reported in these funds are used for their intended purposes. The County's fiduciary funds include the following custodial funds:

Cost to State/Treasurer (10020) – To account for penalty and interest collected from state delinquent accounts (3+ years) and sent to the New Mexico Tax and Revenue Property Tax Division.

Inmate Fund (25112) – To account for monies received for and by inmates for their use while incarcerated, then disbursed back to them when released.

Children's Trust Fund (70010) – To account for fees collected from marriage licenses for New Mexico Children, Youth, & Families Department.

Property Tax Fund (70040) – To account for property tax collected by the County on behalf of other governments.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	10020 Cost to State/ Treasurer	25112 Inmate Trust Fund	70010 Children's Trust Fund	70040 Property Tax Fund	Total Custodial Funds
ASSETS					
Cash and cash equivalents	\$ 194	5,302	84	162,526	168,106
Investments	2,456	67,048	1,056	2,055,207	2,125,767
Property taxes receivable, net	-	-	-	7,279,371	7,279,371
Total assets	<u>\$ 2,650</u>	<u>72,350</u>	<u>1,140</u>	<u>9,497,104</u>	<u>9,573,244</u>
LIABILITIES					
Accounts payable	\$ -	-	-	176	176
Due to other taxing units	2,650	-	1,140	9,496,928	9,500,718
Total liabilities	<u>2,650</u>	<u>-</u>	<u>1,140</u>	<u>9,497,104</u>	<u>9,500,894</u>
NET POSITION					
Restricted for:					
Individuals, organizations, and other govern	-	72,350	-	-	72,350
Total net position	<u>\$ -</u>	<u>72,350</u>	<u>-</u>	<u>-</u>	<u>72,350</u>

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021**

	10020 Cost to State/ Treasurer	25112 Inmate Trust Fund	70010 Children's Trust Fund	70040 Property Tax Fund	Total Custodial Funds
ADDITIONS					
Property tax collections for other govern: \$	-	-	-	165,494,412	165,494,412
Funds collected for others	-	1,862,658	-	-	1,862,658
Funds collected on behalf of other governm	31,667	-	16,530	-	48,197
Total additions	31,667	1,862,658	16,530	165,494,412	167,405,267
DEDUCTIONS					
Payments of property tax to other govern: \$	-	-	-	165,494,412	165,494,412
Disbursements to other governments	31,667	-	16,530	-	48,197
Disbursements to others	-	1,847,103	-	-	1,847,103
Total deductions	31,667	1,847,103	16,530	165,494,412	167,389,712
Net change in net position	-	15,555	-	-	15,555
Beginning net position	-	-	-	-	-
Restatement	-	56,795	-	-	56,795
Beginning net position-as restated	-	56,795	-	-	56,795
Net position-end of the year	\$ -	72,350	-	-	72,350

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DOÑA ANA COUNTY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) PLAN
LAST 10 FISCAL YEARS***

	2021	2020	2019	2018	2017	2016	2015
	Measurement Date as of						
	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
The County's proportion of the net pension liability (asset) (%)							
Municipal General	2.8512%	2.8876%	2.7493%	2.8809%	2.8537%	2.7176%	2.8351%
Municipal Police	3.1469%	3.1319%	3.5505%	3.1108%	3.1363%	2.9655%	3.0821%
Municipal Fire	0.7509%	0.6269%	0.6360%	0.5723%	0.5615%	0.5785%	0.5600%
	2.4843%	2.4526%	2.4730%	2.4040%	2.4139%	2.2292%	2.2646%
The County's proportionate share of the net pension liability (asset) (\$)							
Municipal General	\$ 57,657,745	43,834,017	43,834,017	39,586,003	45,592,523	27,708,287	22,116,823
Municipal Police	27,027,769	24,225,214	24,225,214	17,282,534	23,140,555	14,259,786	10,046,985
Municipal Fire	5,679,611	4,070,799	4,070,799	3,274,383	3,745,776	2,985,647	2,337,436
	\$ 90,365,125	72,130,030	72,130,030	60,142,920	72,478,854	44,953,720	34,501,244
The County's covered payroll							
Municipal General	\$ 26,931,173	26,350,649	25,118,105	25,305,749	25,450,764	22,480,869	23,014,404
Municipal Police	7,431,661	6,971,677	7,501,275	6,411,370	6,463,042	5,807,915	5,935,459
Municipal Fire	1,053,635	834,157	811,090	693,478	679,972	656,416	623,793
	\$ 35,416,469	34,156,483	33,430,470	32,410,597	32,593,778	28,945,200	29,573,656
The County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll							
Municipal General	214%	166%	175%	156%	179%	123%	96%
Municipal Police	364%	347%	323%	270%	358%	246%	169%
Municipal Fire	539%	488%	502%	472%	551%	455%	375%
Plan fiduciary net position as a percentage of the total pension liability							
Municipal General	66.36%	70.52%	71.13%	73.74%	69.18%	76.99%	81.29%
Municipal Police	66.36%	70.52%	71.13%	73.74%	69.18%	76.99%	81.29%
Municipal Fire	66.36%	70.52%	71.13%	73.74%	69.18%	76.99%	81.29%

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

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DOÑA ANA COUNTY'S CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (PERA) PLAN
LAST 10 FISCAL YEARS***

	2021	2020	2019	2018	2017	2016	2015
Statutory required contribution							
Municipal General	\$ 2,663,860	2,639,255	2,516,487	2,398,779	2,416,699	2,430,548	2,146,923
Municipal Police	1,542,175	1,423,163	1,317,647	1,417,741	1,211,749	1,221,515	1,097,696
Municipal Fire	262,766	230,746	180,595	175,601	150,138	147,214	142,114
	<u>\$ 4,468,801</u>	<u>4,293,164</u>	<u>4,014,729</u>	<u>3,992,121</u>	<u>3,778,586</u>	<u>3,799,277</u>	<u>3,386,733</u>
Contributions in relation to the statutorily required contribution							
Municipal General	\$ 2,663,860	2,639,255	2,516,487	2,398,779	2,416,699	2,430,548	2,146,923
Municipal Police	1,542,175	1,423,163	1,317,647	1,417,741	1,211,749	1,221,515	1,097,696
Municipal Fire	262,766	230,746	180,595	175,601	150,138	147,214	142,114
	<u>\$ 4,468,801</u>	<u>4,293,164</u>	<u>4,014,729</u>	<u>3,992,121</u>	<u>3,778,586</u>	<u>3,799,277</u>	<u>3,386,733</u>
Contribution deficiency (excess)							
Municipal General	\$ -	-	-	-	-	-	-
Municipal Police	-	-	-	-	-	-	-
Municipal Fire	-	-	-	-	-	-	-
	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

**NOTES TO SCHEDULE
For The Year Ended June 30, 2021**

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.saonm.org>

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

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN DOÑA ANA COUNTY'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS***

	2021	2020	2019	2018	2017
Total OPEB Liability					
Service cost	\$ 1,515,770	1,280,932	1,160,468	1,201,614	1,156,845
Interest	597,854	829,681	823,253	824,254	765,062
Differences between expected and actual experience	3,346,394	-	2,004,387	-	(342,511)
Changes of assumptions or other inputs	2,289,905	2,215,448	(1,061,826)	(844,527)	(506,265)
Benefit payments	(1,790,575)	(637,140)	(591,351)	(1,740,816)	(638,884)
Net change in total OPEB liability	5,959,348	3,688,921	2,334,931	(559,475)	434,247
Total OPEB liability - beginning	26,431,734	22,742,813	20,407,882	20,967,357	-
Total OPEB liability - ending	\$ 32,391,082	26,431,734	22,742,813	20,407,882	434,247
Covered-employee payroll	\$ 37,333,000	37,296,000	36,034,455	34,103,000	32,949,471
Total OPEB liability as a percentage of covered-employee payroll	87%	71%	63%	60%	1%

*Governmental Accounting Standards Board Statement 75 requires ten years of historical information be presented; however, until a full 10-year trend is compiled, the statement only requires presentation of information for those years that information is available. Complete information for the County is not available prior to fiscal year 2017, the year information became available.

NOTES TO SCHEDULE

Changes of Benefit Terms: Since the prior valuation there have been no changes of benefit terms.

Changes of Assumptions:

Since the prior valuation the following changes of assumptions have been made:

a. The following are the discount rates used in each period:

2021	2.16%
2020	2.21%
2019	3.50%
2018	3.87%
2017	3.58%

b. The salary increase assumption was decreased from 3.50% to 3.00%.

c. The select and ultimate trend rates have been updated.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
SCHEDULE OF SPECIAL, DEFICIENCY, SPECIFIC, AND CAPITAL OUTLAY APPROPRIATIONS
AS OF JUNE 30, 2021**

Project #	Agency	Project Name	Agreement Date	Reversion Date	Original Appropriation Award (\$)	Expenditures as of June 30, 2020	Current Year Expenditures	Remaining Balance as of June 30, 2021
19-D4037	Department of Finance and Administration	Delores Wright Park Improvements	4/20/2020	6/30/2021	275,000	\$ -	-	275,000
ZD9258	Department of Finance and Administration	Butterfield Community Center	10/25/2020	6/30/2021	306	-	305	1
LC00110	Department of Transportation	El Camino Real/DA School Rd	7/19/2019	10/31/2021	472,500	39,143	341,658	91,699
LC00110	Department of Transportation	El Camino Real/DA School Rd	7/19/2019	10/31/2021	52,500	3,110	37,962	11,428
18-C2485	Department of Finance and Administration	DAC Fairgrounds Improvements	10/5/2018	6/30/2022	120,000	119,305	-	695
19-D4036	Department of Finance and Administration	Berino Park Improv. Trail Lighting	4/20/2020	6/30/2022	81,800	3,607	77,832	361
20-E4036	Department of Finance and Administration	Radium Springs Fire Station Improvements (previously 16-A2419)	12/27/2020	6/30/2022	367,191	-	21,237	345,955
18-2630	Department of Transportation	Via Norte Rd	10/22/2018	6/30/2022	75,000	75,000	-	-
18-2636	Department of Transportation	Mustang Rd	10/22/2018	6/30/2022	25,000	25,000	-	-
18-2629	Department of Transportation	Soledad Canyon Rd	10/22/2018	6/30/2022	1,101,000	953,380	3,747	143,873
18-C2628	Department of Transportation	DAC International Jetport	10/22/2018	6/30/2022	1,138,000	399,397	392,264	346,339
19-D2978	Department of Finance and Administration	DAC Butterfield- Community Park	6/27/2019	6/30/2023	40,000	39,597	-	403
19-D2984	Department of Finance and Administration	DAC Berino Park Improvements	6/27/2019	6/30/2023	69,000	67,226	-	1,774
19-D2986	Department of Finance and Administration	Chaparral Sports Complex	6/27/2019	6/30/2023	495,000	29,995	78,490	386,515
19-D2991	Department of Finance and Administration	La Mesa Baseball Park Imp	6/27/2019	6/30/2023	50,000	50,097	(192)	95
19-D2977	Department of Finance and Administration	DAC Baseball Park	6/27/2019	6/30/2023	225,000	179,927	43,954	1,119
19-D2979	Department of Finance and Administration	DAC East Mesa Park	6/27/2019	6/30/2023	40,000	38,497	-	1,503
19-D2987	Department of Finance and Administration	DAC Betty McKnight Ctr.	6/27/2019	6/30/2023	122,760	64,822	57,064	874
19-D3006	Department of Finance and Administration	Mesilla Valley Regional Dispatch Solar Panels	6/25/2019	6/30/2023	100,000	-	100,000	-
19-D3010	Department of Finance and Administration	Mesquite Community Park Improvements	6/27/2019	6/30/2023	50,000	46,276	-	3,724
19-D3012	Department of Finance and Administration	Radium Springs in DAC	6/27/2019	6/30/2023	198,000	73,959	114,491	9,550
19-D2988	Department of Finance and Administration	DAC Community Ctr. Improvements	7/23/2019	6/30/2023	60,000	19,938	37,281	2,781
A19-D2024	Aging and Long-Term Services Dept	Anthony Senior Ctr. Improv.	6/25/2019	6/30/2023	157,410	79,962	73,680	3,768
19-D3099	Department of Finance and Administration	Complex Feasibility Study	10/1/2019	6/30/2023	360,000	84,849	55,846	219,306
A18-C5023	Aging and Long-Term Services Dept	Anthony Sen. Ctr. Equip. System/Code Compliance	11/14/2019	6/30/2023	100,000	6,815	85,365	7,820
A18-C5024	Aging and Long-Term Services Dept	Betty McKnight Multi. Ctr. Equip. System/Code Compliance	11/14/2019	6/30/2023	100,000	6,763	89,884	3,354
19-D3335	Department of Transportation	D3335 DAC Casas Lindas Drainage & Park	8/1/2019	6/30/2023	100,000	99,768	-	232
19-D3011	Department of Finance and Administration	Mesquite Community Center Phase 2 Improvements	6/17/2019	6/30/2023	50,000	14,989	774	34,237
A18C5022	Aging and Long-Term Services Dept	Anthony Senior Ctr. - Vehicles	11/14/2019	6/30/2023	138,700	135,683	-	3,017
A19-D2072-212	Aging and Long-Term Services Dept	Betty McKnight Internet	4/21/2019	6/30/2023	15,000	7,755	-	7,245
A18C5025	Department of Finance and Administration	Mesilla Comm Ctr. Vehicles	3/15/2021	6/30/2023	111,500	-	50,082	61,418
19-D2981	Department of Finance and Administration	DAC Radio Comm System Replacement	6/27/2019	6/30/2023	225,000	195,554	16,062	13,385
D3325	Department of Transportation	Dripping Springs Road	8/1/2019	6/30/2023	180,000	43,906	136,067	27
D3326	Department of Transportation	Baylor Canyon Road	6/20/2019	6/30/2023	50,000	11,410	38,535	55
D3327	Department of Transportation	Hill Area Improvements	6/20/2019	6/30/2023	75,000	2,090	-	72,910
D3329	Department of Transportation	Organ Area Roads Ct.	8/1/2019	6/30/2023	400,000	96,416	303,584	-
D3331	Department of Transportation	Gabalton Road	8/1/2019	6/30/2023	75,000	30,671	44,329	-
D3332	Department of Transportation	La Union Sidewalks	8/1/2019	6/30/2023	100,000	-	27,620	72,380
D3333	Department of Transportation	Zeus Avenue	8/1/2019	6/30/2023	165,000	33,523	-	131,477
D3334	Department of Transportation	Tornillo Flats Drive	8/1/2019	6/30/2023	253,000	253,000	-	-
D3336	Department of Transportation	Dona Ana Sidewalk & Lighting Improvements	8/1/2019	6/30/2023	324,000	38,480	26,204	259,316
19-D3344	Department of Transportation	Jetport Runway 10-28	8/1/2019	6/30/2023	4,000,000	1,438,800	727,964	1,833,236
19-D3328	Department of Transportation	Jetport Taxi Lane E.	8/1/2019	6/30/2023	756,000	272	377,980	377,748
20-E2532	Department of Finance and Administration	Delores Wright Improvements	3/22/2021	6/30/2024	138,000	-	-	138,000
20-E2534	Department of Finance and Administration	DAC Fairgrounds Improvements	3/22/2021	6/30/2024	70,000	-	-	70,000
20-E2567	Department of Finance and Administration	Mesquite Baseball Improvements	3/22/2021	6/30/2024	150,000	-	-	150,000
20-E2545	Department of Finance and Administration	La Mesa Comm. Ctr. Improvements	3/27/2021	6/30/2024	300,000	-	-	300,000
20-E2533	Department of Finance and Administration	Casas Lindas Park Improvements	3/27/2021	6/30/2024	40,000	-	-	40,000
20-E2544	Department of Finance and Administration	Chaparral Library Construction	3/27/2021	6/30/2024	495,000	-	-	495,000
20-E2568	Department of Finance and Administration	Radium Springs Park Improvements	3/27/2021	6/30/2024	263,000	-	-	263,000
						\$ 4,808,981	3,360,067	6,180,619

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
SCHEDULE OF CASH, INVESTMENTS, AND PLEDGED COLLATERAL
BY BANK AND ACCOUNT
AS OF JUNE 30, 2021**

Account Name	Account Type	Wells Fargo Bank, NA	New Mexico Finance Authority	Dona Ana County	Moreton Capital Markets	Mutual Securities	First New Mexico Bank	First American Bank	Citizens Bank
Cash, cash equivalents, and investments									
Operational	Checking*	\$ 10,465,073	-	-	-	-	-	-	-
Property Tax	Checking*	563,112	-	-	-	-	-	-	-
Inmate Trust Fund	Checking*	259,327	-	-	-	-	-	-	-
Self Funded Health Insurance	Checking*	2,636,125	-	-	-	-	-	-	-
Debt Service Reserve	Reserves	-	4,501,336	-	-	-	-	-	-
Certificate of Deposits	Certificate of Deposit	515,729	-	-	22,485,528	1,266,238	503,007	2,000,000	2,000,000
Savings	Savings*	356,381	-	-	-	-	-	-	-
Money Market	Money Market*	46,031,147	-	-	-	-	-	-	-
US Treasury Notes and Bonds	Investment	2,193,305	-	-	1,396,512	-	-	-	-
County Bond	Investment	-	-	4,560,000	-	-	-	-	-
Municipal Bond	Investment	1,554,616	-	-	1,343,361	-	-	-	-
Federal Farm Credit	Investment	1,307,780	-	-	4,977,950	14,950,290	-	-	-
Federal Home Loan Bank	Investment	990,736	-	-	3,982,310	3,962,060	-	-	-
Federal Home Loan Mortgage Corp	Investment	-	-	-	-	4,055,442	-	-	-
Federal Agricultural Mortgage Corp	Investment	-	-	-	-	1,994,520	-	-	-
Federal National Mortgage	Investment	21,053	-	-	-	2,984,340	-	-	-
Fannie Mae/Freddie Mac	Investment	1,350,554	-	-	-	-	-	-	-
Petty cash	Petty Cash	-	-	-	-	-	-	-	-
Subtotal cash and investments		<u>68,244,938</u>	<u>4,501,336</u>	<u>4,560,000</u>	<u>34,185,661</u>	<u>29,212,890</u>	<u>503,007</u>	<u>2,000,000</u>	<u>2,000,000</u>
Total amount of deposit in bank		16,350,363	-	-	22,485,528	1,266,238	503,007	2,000,000	2,000,000
FDIC coverage		(509,327)	-	-	(22,485,528)	(1,266,238)	(250,000)	(250,000)	(250,000)
Total uninsured public funds		<u>15,841,036</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>253,007</u>	<u>1,750,000</u>	<u>1,750,000</u>
50% Collateral Requirement (Section 6-10-17 NMSA 1978)		7,920,518	-	-	-	-	126,504	875,000	875,000
102% Collateral Requirement (Section 6-10-10(H) NMSA 1978)		-	-	-	-	-	-	-	-
		<u>7,920,518</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>126,504</u>	<u>875,000</u>	<u>875,000</u>
Pledged security at:									
Citizens Bank		-	-	-	-	-	-	-	1,151,394
Century Bank		-	-	-	-	-	-	-	-
First New Mexico Bank		-	-	-	-	-	250,738	-	-
First American Bank		-	-	-	-	-	-	1,195,678	-
First National Bank - Santa Fe (Sunflower Bank)		-	-	-	-	-	-	-	-
First Savings Bank		-	-	-	-	-	-	-	-
Firstlight Federal Credit Union		-	-	-	-	-	-	-	-
Wells Fargo Bank, NA (Mellon Bank)		45,087,560	-	-	-	-	-	-	-
Total collateral		<u>45,087,560</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,738</u>	<u>1,195,678</u>	<u>1,151,394</u>
Amount over/(under) collateralized		<u>\$ 37,167,042</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>124,234</u>	<u>320,678</u>	<u>276,394</u>
Amount over/(under) collateralized & insured		<u>\$ 37,676,369</u>	<u>-</u>	<u>-</u>	<u>22,485,528</u>	<u>1,266,238</u>	<u>374,234</u>	<u>570,678</u>	<u>526,394</u>
Total book balance		<u>\$ 65,388,005</u>	<u>4,501,336</u>	<u>4,560,000</u>	<u>34,185,661</u>	<u>29,212,890</u>	<u>503,007</u>	<u>2,000,000</u>	<u>2,000,000</u>

*denotes interest bearing account

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
SCHEDULE OF CASH, INVESTMENTS, AND PLEDGED COLLATERAL
BY BANK AND ACCOUNT
AS OF JUNE 30, 2021**

Account Name	Account Type	White Sands Federal Credit Union	Firstlight Federal Credit Union	First National Bank - Santa Fe (Sunflower Bank)	Century Bank	First Savings Bank	Western Heritage Bank	Petty cash	Reconciling Items	Book Balance
Cash, cash equivalents, and investments										
Operational	Checking*	\$ -	-	-	-	-	-	-	(2,922,034)	7,543,039
Property Tax	Checking*								(4,337)	558,775
Inmate Trust Fund	Checking*	-	-	-	-	-	-	-	(186,977)	72,350
Self Funded Health Insurance	Checking*	-	-	-	-	-	-	-	-	2,636,125
Debt Service Reserve	Reserves	-	-	-	-	-	-	-	-	4,501,336
Certificate of Deposits	Certificate of Deposit	250,000	2,049,320	1,000,000	3,250,000	3,021,881	250,000	-	-	38,591,703
Savings	Savings*	9,348	5	-	-	-	-	-	256,415	622,149
Money Market	Money Market*	-	-	-	-	-	-	-	-	46,031,147
US Treasury Notes and Bonds	Investment	-	-	-	-	-	-	-	-	3,589,817
County Bond	Investment	-	-	-	-	-	-	-	-	4,560,000
Municipal Bond	Investment	-	-	-	-	-	-	-	-	2,897,977
Federal Farm Credit	Investment	-	-	-	-	-	-	-	-	21,236,020
Federal Home Loan Bank	Investment	-	-	-	-	-	-	-	-	8,935,106
Federal Home Loan Mortgage Corp	Investment	-	-	-	-	-	-	-	-	4,055,442
Federal Agricultural Mortgage Corp	Investment	-	-	-	-	-	-	-	-	1,994,520
Federal National Mortgage	Investment	-	-	-	-	-	-	-	-	3,005,393
Fannie Mae/Freddie Mac	Investment	-	-	-	-	-	-	-	-	1,350,554
Petty cash	Petty Cash	-	-	-	-	-	-	8,912	-	8,912
Subtotal cash and investments		<u>259,348</u>	<u>2,049,325</u>	<u>1,000,000</u>	<u>3,250,000</u>	<u>3,021,881</u>	<u>250,000</u>	<u>8,912</u>	<u>(2,856,933)</u>	<u>152,190,365</u>
Total amount of deposit in bank		259,348	2,049,325	1,000,000	3,250,000	3,021,881	250,000	-		
FDIC coverage		(259,348)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	-		
Total uninsured public funds		-	1,799,325	750,000	3,000,000	2,771,881	-	-		
50% Collateral Requirement (Section 6-10-17 NMSA 1978)		-	899,663	375,000	1,500,000	1,385,941	-	-		
102% Collateral Requirement (Section 6-10-10(H) NMSA 1978)		-	-	-	-	-	-	-		
		-	899,663	375,000	1,500,000	1,385,941	-	-		
Pledged security at:										
Citizens Bank		-	-	-	-	-	-	-		
Century Bank		-	-	-	2,370,117	-	-	-		
First New Mexico Bank		-	-	-	-	-	-	-		
First American Bank		-	-	-	-	-	-	-		
First National Bank - Santa Fe (Sunflower Bank)		-	-	815,269	-	-	-	-		
First Savings Bank		-	-	-	-	1,564,094	-	-		
Firstlight Federal Credit Union		-	2,558,160	-	-	-	-	-		
Wells Fargo Bank, NA (Mellon Bank)		-	-	-	-	-	-	-		
Total collateral		-	2,558,160	815,269	2,370,117	1,564,094	-	-		
Amount over/(under) collateralized	\$	<u>-</u>	<u>1,658,497</u>	<u>440,269</u>	<u>870,117</u>	<u>178,153</u>	<u>-</u>	<u>-</u>		
Amount over/(under) collateralized & insured	\$	<u>259,348</u>	<u>1,908,497</u>	<u>690,269</u>	<u>1,120,117</u>	<u>428,153</u>	<u>250,000</u>	<u>-</u>		
Total book balance	\$	<u>259,348</u>	<u>2,049,325</u>	<u>1,000,000</u>	<u>3,250,000</u>	<u>3,021,881</u>	<u>250,000</u>	<u>8,912</u>		

*denotes interest bearing account

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
SCHEDULE OF COLLATERAL
AS OF JUNE 30, 2021**

	CUSIP	Current Shares or Face Value	Coupon or Rate	Par or Market Value	Maturity Date
WELLS FARGO (MELLON BANK)					
FMAC FEPC	3132A9Q26	\$ 11,867,845	2.5000%	\$ 3,855,242	7/1/2030
FNMA FNMS	3138WGPX6	19,835,482	2.5000%	6,574,873	3/1/2031
FNMA FNMS	3140X42H8	3,303,141	3.0000%	1,704,147	10/1/2049
FNMA FNMS	31418DHK1	69,758,921	2.5000%	32,953,298	11/1/2049
		<u>\$ 104,765,389</u>		<u>\$ 45,087,560</u>	
FIRST NEW MEXICO BANK HOBBS NEW MEXICO SCHOOL DISTRICT					
	433866DS6	<u>\$ 503,007</u>	4.0000%	<u>\$ 250,738</u>	4/15/2025
FIRST AMERICAN BANK					
FHLB	619636ER0	\$ 125,126	3.5000%	\$ 126,048	10/15/2021
FHLB	085279UQ8	383,883	3.0000%	414,990	8/1/2026
FHLB	36179MU32	320,188	3.0000%	324,307	12/20/2027
FHLB	36179MZW3	326,896	3.0000%	330,333	2/20/2028
		<u>\$ 1,156,093</u>		<u>\$ 1,195,678</u>	
CITIZENS BANK					
FHLB	3133X8EW8	<u>\$ 2,000,000</u>	5.3800%	<u>\$ 1,151,394</u>	8/15/2024
FIRSTLIGHT FEDERAL CREDIT UNION					
FEDERAL HOME LN MTG CORP	3137FTQ91	\$ 1,738,219	1.2500%	\$ 1,760,668	6/25/2035
FEDERAL NAT MTG ASSN	3138WDU82	754,736	3.0000%	797,492	1/1/2030
		<u>\$ 2,492,955</u>	3.0000%	<u>\$ 2,558,160</u>	1/1/2030
FIRST NATIONAL BANK OF SANTA FE (SUNFLOWER BANK)					
FHR 4766 A	3137F35Q3	<u>\$ 797,288</u>	4.0000%	<u>\$ 815,269</u>	9/15/2045
CENTURY BANK					
ALAMOGORDO NM MUN SCH DIST 01	011464JY1	\$ 350,000	2.0000%	\$ 350,501	8/1/2021
COCOA FLA WTR & SWR REV	191783GG8	500,000	5.0000%	629,235	10/1/2037
NM STATE EDUCATIONAL ASSISTANCE	647110EQ4	235,000	3.5000%	235,491	12/1/2024
NEW YORK ST DORM AUTH ST PERS INCOME	64990FTV6	1,000,000	5.0000%	1,154,890	2/15/2037
		<u>\$ 2,085,000</u>		<u>\$ 2,370,117</u>	
FIRST SAVINGS BANK					
FGLMC 10 YR	31306XQD8	\$ 27,310	2.5000%	\$ 28,249	9/1/2022
FGLMC 10 YR	31307BJW1	4,544	2.5000%	4,684	3/1/2023
FNMA 10 YR	31418BB54	10,609	3.0000%	10,955	4/1/2024
GNMA 15 YR	36176XE21	10,879	3.0000%	11,113	3/15/2027
FNMA 15 YR	3138MJWW5	34,065	3.0000%	35,247	11/1/2027
FNMA 15 YR	3138EKJA4	70,015	2.5000%	71,462	1/1/2028
FNMA 15 YR	3138EKJA4	41,800	2.5000%	42,664	1/1/2028
FNMA 15 YR.	3140J5EA3	89,848	2.5000%	92,362	12/1/2029
FGLMC 15 YR	3128ME4V0	69,179	2.5000%	71,457	1/1/2030
FGLMC 15 YR	3128ME4V0	31,131	2.5000%	32,156	1/1/2030
FGLMC 15 YR	3128MECV1	89,593	3.0000%	92,385	2/1/2030
FNMA 15 YR	3138ETU53	27,645	3.0000%	28,381	2/1/2030
GNR 2010-150 GJ	38377NLJ1	122	3.0000%	122	9/20/2039
FNR 2010-135 CH	31398SN66	3,193	3.0000%	3,277	4/25/2040
FNR 2010-135 CH	31398SN66	9,579	3.0000%	9,830	4/25/2040
FNR 2010-135 CH	31398SN66	15,966	3.0000%	16,383	4/25/2040
FNR 2014-37 GJ	3136AKGQ0	50,089	3.5000%	50,500	6/25/2042
FNR 2014-37 GJ	3136AKGQ0	37,566	3.5000%	37,875	6/25/2042
FHR 4505 PA	3137BKWM8	102,620	3.0000%	105,926	5/15/2044
GNR 2018-12 MG	38380UT52	174,547	3.0000%	178,154	7/20/2046
GNMA 30 YR	3622AAP81	219,706	3.0000%	215,279	10/15/2047
FNR 2019-28 CA	3136B4UV8	116,072	3.0000%	118,527	8/25/2048
FRLMC 30 YR	3132DMTE5	210,915	3.0000%	204,304	2/1/2051
GNMA II 30 YR	3622AAZN7	107,098	2.5000%	102,804	3/20/2051
		<u>\$ 1,554,091</u>		<u>\$ 1,564,094</u>	

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
SCHEDULE OF GOVERNMENTAL FUND BALANCES
AS OF JUNE 30, 2021**

	General Fund	Special Revenue Fund 21135 Federal Grants	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances:					
Nonspendable:					
Inventory	\$ 7,475	-	-	-	7,475
Subtotal nonspendable	7,475	-	-	-	7,475
Restricted for:					
Detention center operations	-	-	-	351,664	351,664
Farm and range improvements	-	-	-	1,435	1,435
Road/drainage improvements	272,131	-	-	8,275,939	8,548,070
Flood control projects	-	-	-	11,146,839	11,146,839
Airport	-	-	-	673,752	673,752
Debt service reserve	-	-	782,823	-	782,823
County clerk operations	-	-	-	287,998	287,998
Environmental projects	-	-	-	156,284	156,284
DWI enforcement and education	-	-	-	814,797	814,797
Public safety	-	-	-	379,503	379,503
Firefighting efforts and public safety	-	-	-	13,615,688	13,615,688
Law enforcement enhancement	-	-	-	95,315	95,315
Appraisal operations	-	-	-	461,287	461,287
Spaceport	-	-	-	1,353,040	1,353,040
Medicaid fund	-	-	-	4,095,564	4,095,564
Planning and economic development	-	-	-	375,000	375,000
Joint land study for planning	-	27,194	-	-	27,194
Infrastructure improvements	-	-	-	159,769	159,769
Health and welfare	-	-	-	9,842,246	9,842,246
Reserve requirement	24,168,570	-	-	-	24,168,570
Administrative building projects	-	-	-	3,234	3,234
Subtotal restricted	24,440,701	27,194	782,823	52,089,354	77,340,072
Committed to:					
Debt service	-	-	4,272	-	4,272
Public safety	3,994,731	-	-	-	3,994,731
Bureau of Land Management for sanitation	19,138	-	-	-	19,138
Employee training and equipment	-	-	-	23,314	23,314
Crisis triage center	-	-	-	1,556,416	1,556,416
Road/water system improvements	-	-	-	392,507	392,507
Detention energy infrastructure project	-	-	-	2,235,461	2,235,461
Subtotal committed	4,013,869	-	4,272	4,207,698	8,225,839
Assigned to:					
Environmental projects	172,452	-	-	-	172,452
Public safety	1,237,405	-	-	-	1,237,405
Road/drainage improvements	685,832	-	-	-	685,832
Health and welfare	102,000	-	-	23,930	125,930
Utilities	83,890	-	-	-	83,890
Other purposes	10,742,452	-	-	-	10,742,452
Subtotal assigned	13,024,031	-	-	23,930	13,047,961
Unassigned:	21,186,130	-	-	(428,257)	20,757,873
Total fund balances	\$ 62,672,206	27,194	787,095	55,892,725	119,379,220

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
SCHEDULE OF RECONCILIATION OF
PROPERTY TAX RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2021**

Reconciliation of Property Taxes Receivable

Taxes receivable, beginning of year	\$ 11,456,279
2019 Allowance added back	108,709
2009 Tax year dropped off	(160,009)
2020 Property tax assessment	147,039,942
Tax roll corrections and adjustments, net	1,065,854
Subtotal - net taxes due	<u>159,510,775</u>

Less Taxes Collected:

Current	142,356,991
Delinquent	5,094,897
Taxes collected in advance applied to current year	578,028
Subtotal - net taxes collected	<u>148,029,916</u>

Total taxes to be collected 11,480,859

Allowance for uncollected taxes	(105,623)
Taxes receivable, end of year (net of allowance)	<u>\$ 11,375,236</u>

Property Taxes Receivable by Years:

2011	\$ 158,699
2012	186,173
2013	222,891
2014	275,611
2015	343,419
2016	422,172
2017	773,491
2018	1,120,931
2019	2,490,128
2020	5,487,344
Total taxes receivable	<u>11,480,859</u>

Allowance for uncollected taxes (105,623)

Taxes receivable, end of year, net of allowance \$ 11,375,236

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
COUNTY TREASURER'S PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021**

Agency		Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Current Amount Uncollectible	To-Date Amount Uncollectible	Allowance	Undistributed at Year-End	County Receivable at Year-End
DONA ANA COUNTY:											
General Ad Valorem	2020	\$ 47,874,864	46,060,148	46,060,143	45,227,584	46,060,143	538	538	16,690	-	1,797,493
General Ad Valorem	2019	46,363,955	1,303,714	45,541,178	1,685,443	45,541,178	17	438	7,565	-	814,774
General Ad Valorem	2018	44,360,735	482,836	43,984,268	477,343	43,984,268	-	5,670	3,411	-	367,386
General Ad Valorem	2017	43,000,182	111,704	42,736,950	191,976	42,736,950	-	-	2,422	-	260,810
General Ad Valorem	2016	41,733,413	38,428	41,592,998	41,563	41,592,998	-	642	1,286	-	138,487
General Ad Valorem	2015	41,033,244	20,069	40,919,608	20,258	40,919,608	-	(21)	1,046	-	112,611
General Ad Valorem	2014	39,789,890	15,208	39,698,401	14,908	39,698,401	-	-	842	-	90,647
General Ad Valorem	2013	38,735,834	9,426	38,662,161	8,801	38,662,161	-	1	678	-	72,994
General Ad Valorem	2012	37,494,115	6,916	37,433,212	6,444	37,433,212	-	3	560	-	60,340
General Ad Valorem	2011	35,994,484	6,495	35,942,632	6,287	35,942,632	-	-	477	-	51,375
TOTAL GENERAL AD VALOREM		416,380,716	48,054,944	412,571,551	47,680,607	412,571,551	555	7,271	34,977	-	3,766,917
County Debt Service											
County Debt Service	2020	473,854	456,067	456,067	448,463	456,067	5	5	164	-	17,618
County Debt Service	2019	452,616	12,364	444,677	16,087	444,677	-	5	73	-	7,861
County Debt Service	2018	480,688	5,223	476,698	5,168	476,698	-	56	36	-	3,898
County Debt Service	2017	467,491	1,215	464,725	2,079	464,725	-	-	25	-	2,741
County Debt Service	2016	457,875	433	456,305	464	456,305	-	7	14	-	1,549
County Debt Service	2015	466,678	238	465,352	240	465,352	-	-	12	-	1,314
County Debt Service	2014	336,893	132	336,099	129	336,099	-	-	7	-	787
County Debt Service	2013	383,896	94	383,145	88	383,145	-	-	7	-	744
County Debt Service	2012	554,251	104	553,328	96	553,328	-	-	9	-	914
County Debt Service	2011	560,561	100	559,735	97	559,735	-	-	8	-	818
TOTAL COUNTY DEBT SERVICE		4,634,803	475,970	4,596,131	472,911	4,596,131	5	73	355	-	38,244
Flood Levy											
Flood Levy	2020	2,839,909	2,708,456	2,708,456	2,649,013	2,708,456	39	39	1,209	-	130,205
Flood Levy	2019	2,757,779	96,009	2,696,157	123,091	2,696,157	57	1,239	556	-	59,827
Flood Levy	2018	2,576,004	34,234	2,541,381	34,337	2,541,381	-	3,873	283	-	30,467
Flood Levy	2017	2,466,096	7,938	2,441,410	13,511	2,441,410	-	-	227	-	24,459
Flood Levy	2016	2,357,250	3,367	2,344,263	3,601	2,344,263	-	1,105	109	-	11,773
Flood Levy	2015	2,313,887	1,996	2,303,837	2,017	2,303,837	-	(1)	92	-	9,959
Flood Levy	2014	2,228,162	1,584	2,220,072	1,519	2,220,072	-	-	74	-	8,016
Flood Levy	2013	2,185,889	1,151	2,179,332	1,079	2,179,332	-	-	60	-	6,497
Flood Levy	2012	2,057,135	768	2,051,858	719	2,051,858	-	-	49	-	5,228
Flood Levy	2011	1,951,865	696	1,947,552	663	1,947,552	-	-	40	-	4,273
TOTAL FLOOD LEVY		23,733,976	2,856,199	23,434,318	2,829,550	23,434,318	96	6,255	2,699	-	290,704
TOTAL DONA ANA COUNTY		444,749,495	51,387,113	440,602,000	50,983,068	440,602,000	656	13,599	38,031	-	4,095,865
MUNICIPALITIES:											
City of Las Cruces	2020	22,664,873	22,030,510	22,030,506	21,760,673	21,760,669	199	199	5,834	269,837	628,334
City of Las Cruces	2019	21,879,898	459,709	21,598,832	614,082	21,577,073	1	257	2,584	21,759	278,225
City of Las Cruces	2018	20,874,676	174,860	20,779,005	176,620	20,758,363	-	4,548	838	20,642	90,285
City of Las Cruces	2017	15,633,971	29,320	15,602,346	50,324	15,601,417	-	-	291	929	31,334
City of Las Cruces	2016	15,103,946	4,275	15,076,728	5,972	15,076,360	-	327	248	368	26,643
City of Las Cruces	2015	14,873,898	2,695	14,854,305	2,793	14,854,033	-	(4)	180	272	19,417
City of Las Cruces	2014	14,469,437	1,849	14,454,342	2,101	14,454,221	-	-	139	121	14,956
City of Las Cruces	2013	14,192,810	498	14,179,952	620	14,179,952	-	1	118	-	12,739
City of Las Cruces	2012	13,839,570	383	13,828,717	392	13,828,695	-	2	100	22	10,751
City of Las Cruces	2011	13,340,309	705	13,330,419	735	13,330,419	-	-	91	-	9,799
TOTAL CITY OF LAS CRUCES		166,873,388	22,704,804	165,735,152	22,614,312	165,421,202	200	5,330	10,423	313,950	1,122,483

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
COUNTY TREASURER'S PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021**

Agency		Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Current Amount Uncollectible	To-Date Amount Uncollectible	Allowance	Undistributed at Year-End	County Receivable at Year-End
Village of Hatch	2020	125,228	117,659	117,659	113,159	113,159	9	9	69	4,500	7,491
Village of Hatch	2019	119,335	4,513	116,182	5,779	116,084	-	-	29	98	3,124
Village of Hatch	2018	107,974	1,150	106,899	1,257	106,745	-	-	10	154	1,065
Village of Hatch	2017	99,369	159	98,998	282	98,978	-	-	3	20	368
Village of Hatch	2016	93,593	30	93,261	30	93,261	-	-	3	-	329
Village of Hatch	2015	93,117	48	92,921	48	92,921	-	-	2	-	194
Village of Hatch	2014	88,544	22	88,337	23	88,337	-	-	2	-	205
Village of Hatch	2013	86,891	-	86,676	-	86,676	-	-	2	-	213
Village of Hatch	2012	84,422	29	84,217	-	84,188	-	-	2	29	203
Village of Hatch	2011	76,556	56	76,386	-	76,330	-	-	2	56	168
TOTAL VILLAGE OF HATCH		975,029	123,666	961,536	120,578	956,679	9	9	124	4,857	13,360
Town of Mesilla	2020	88,943	85,897	85,897	84,594	84,593	-	-	28	1,304	3,018
Town of Mesilla	2019	87,228	1,718	86,446	2,138	86,241	-	-	7	205	775
Town of Mesilla	2018	84,989	632	84,756	660	84,723	-	-	2	33	231
Town of Mesilla	2017	83,234	147	83,086	147	83,086	-	-	1	-	147
Town of Mesilla	2016	82,098	1	82,046	1	82,046	-	-	1	-	51
Town of Mesilla	2015	81,658	-	81,607	-	81,607	-	-	1	-	50
Town of Mesilla	2014	79,283	-	79,212	-	79,212	-	-	1	-	70
Town of Mesilla	2013	79,565	-	79,536	-	79,536	-	-	-	-	29
Town of Mesilla	2012	77,130	-	76,999	-	76,999	-	-	1	-	130
Town of Mesilla	2011	67,533	-	67,422	-	67,422	-	-	1	-	110
TOTAL TOWN OF MESILLA		811,661	88,395	807,007	87,540	805,465	-	-	43	1,542	4,611
City of Sunland Park	2020	2,037,745	1,948,921	1,948,921	1,832,349	1,832,349	9	9	817	116,572	87,998
City of Sunland Park	2019	1,929,541	115,577	1,894,225	129,243	1,886,132	-	2	325	8,093	34,989
City of Sunland Park	2018	1,810,263	28,254	1,792,334	21,140	1,782,647	-	14	165	9,687	17,750
City of Sunland Park	2017	1,763,718	5,951	1,754,994	10,348	1,754,857	-	-	80	137	8,644
City of Sunland Park	2016	1,643,633	2,454	1,636,337	2,594	1,636,323	-	7	67	14	7,222
City of Sunland Park	2015	1,634,027	974	1,627,468	974	1,627,434	-	-	60	34	6,499
City of Sunland Park	2014	1,558,714	728	1,553,123	715	1,553,100	-	-	52	23	5,539
City of Sunland Park	2013	1,351,639	788	1,347,303	774	1,347,288	-	-	40	15	4,296
City of Sunland Park	2012	1,196,050	269	1,192,330	276	1,192,316	-	-	34	14	3,686
City of Sunland Park	2011	507,388	145	505,966	144	505,960	-	-	13	6	1,409
TOTAL CITY OF SUNLAND PARK		15,432,718	2,104,061	15,253,001	1,998,557	15,118,406	9	32	1,653	134,595	178,032
City of Anthony	2020	165,818	153,774	153,774	145,647	145,647	-	-	111	8,127	11,933
City of Anthony	2019	197,934	12,401	191,896	13,496	191,449	-	29	55	447	5,954
City of Anthony	2018	-	-	-	-	-	-	-	-	-	-
City of Anthony	2017	-	-	-	-	-	-	-	-	-	-
City of Anthony	2016	-	-	-	-	-	-	-	-	-	-
City of Anthony	2015	-	-	-	-	-	-	-	-	-	-
City of Anthony	2014	-	-	-	-	-	-	-	-	-	-
City of Anthony	2013	-	-	-	-	-	-	-	-	-	-
City of Anthony	2012	-	-	-	-	-	-	-	-	-	-
City of Anthony	2011	-	-	-	-	-	-	-	-	-	-
TOTAL CITY OF ANTHONY		363,752	166,175	345,670	159,143	337,096	-	29	166	8,574	17,887
TOTAL MUNICIPALITIES		184,456,548	25,187,101	183,102,366	24,980,130	182,638,848	218	5,400	12,409	463,518	1,336,373

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
COUNTY TREASURER'S PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021**

Agency		Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Current Amount Uncollectible	To-Date Amount Uncollectible	Allowance	Undistributed at Year-End	County Receivable at Year-End
SCHOOL DISTRICTS:											
Las Cruces PSD #2	2020	37,032,985	35,818,376	35,818,371	35,330,045	35,330,040	359	359	11,171	488,331	1,203,084
Las Cruces PSD #2	2019	35,667,420	869,401	35,150,252	1,103,237	35,078,379	1	296	4,755	71,873	512,117
Las Cruces PSD #2	2018	34,265,773	380,880	34,067,772	386,558	34,030,443	-	5,126	1,774	37,329	191,101
Las Cruces PSD #2	2017	33,324,723	72,306	33,219,738	119,183	33,216,229	-	-	966	3,509	104,019
Las Cruces PSD #2	2016	32,363,325	17,763	32,282,311	20,784	32,281,201	-	500	741	1,110	79,773
Las Cruces PSD #2	2015	31,324,133	11,263	31,260,966	11,811	31,260,248	-	(18)	581	718	62,604
Las Cruces PSD #2	2014	30,512,468	7,499	30,461,960	7,453	30,461,247	-	-	465	713	50,043
Las Cruces PSD #2	2013	30,124,652	3,233	30,084,225	3,134	30,083,843	-	1	372	382	40,054
Las Cruces PSD #2	2012	29,801,993	2,532	29,767,918	2,221	29,767,460	-	2	314	458	33,759
Las Cruces PSD #2	2011	29,161,311	2,714	29,132,061	2,455	29,131,654	-	-	269	407	28,981
TOTAL LAS CRUCES PSD #2		323,578,783	37,185,967	321,245,574	36,986,881	320,640,744	360	6,266	21,408	604,830	2,305,535
Hatch Valley SD #11	2020	1,134,798	1,076,498	1,076,497	1,055,121	1,055,121	58	58	536	21,376	57,707
Hatch Valley SD #11	2019	1,085,952	43,386	1,058,947	54,692	1,057,181	-	42	248	1,766	26,715
Hatch Valley SD #11	2018	1,085,851	14,804	1,025,863	15,304	1,023,947	-	1	552	1,916	59,435
Hatch Valley SD #11	2017	1,077,591	4,124	978,565	5,374	977,719	-	-	911	846	98,115
Hatch Valley SD #11	2016	1,059,852	6,441	1,054,942	6,031	1,054,240	-	23	45	702	4,842
Hatch Valley SD #11	2015	1,020,830	616	1,016,876	379	1,016,638	-	-	36	238	3,918
Hatch Valley SD #11	2014	959,509	547	955,921	318	955,692	-	-	33	229	3,555
Hatch Valley SD #11	2013	938,118	50	934,200	36	934,187	-	-	36	13	3,882
Hatch Valley SD #11	2012	900,862	298	897,423	228	897,353	-	-	32	70	3,407
Hatch Valley SD #11	2011	870,799	150	867,600	7	867,457	-	-	29	143	3,170
TOTAL HATCH VALLEY SD #11		10,134,162	1,146,914	9,866,834	1,137,490	9,839,535	58	124	2,458	27,299	264,746
Gadsden ISD #16	2020	16,668,724	15,774,317	15,774,317	15,330,953	15,330,953	220	220	8,226	443,364	885,961
Gadsden ISD #16	2019	16,198,221	651,493	15,745,730	826,448	15,707,690	30	236	4,161	38,040	448,094
Gadsden ISD #16	2018	15,762,862	256,573	15,555,033	237,860	15,505,821	-	158	1,911	49,212	205,760
Gadsden ISD #16	2017	15,210,773	61,273	15,088,359	114,695	15,084,756	-	1	1,126	3,603	121,287
Gadsden ISD #16	2016	14,731,247	27,887	14,633,296	28,176	14,630,975	-	255	899	2,321	96,797
Gadsden ISD #16	2015	14,366,285	14,954	14,284,188	14,652	14,283,201	-	-	755	987	81,342
Gadsden ISD #16	2014	13,699,171	12,550	13,633,209	12,368	13,632,347	-	-	607	862	65,355
Gadsden ISD #16	2013	12,965,916	10,392	12,912,574	9,480	12,911,360	-	-	491	1,214	52,851
Gadsden ISD #16	2012	12,464,832	7,290	12,420,597	7,001	12,419,981	-	-	407	616	43,828
Gadsden ISD #16	2011	12,031,823	6,394	11,993,443	6,625	11,993,272	-	-	353	171	38,027
TOTAL GADSDEN ISD #16		144,099,854	16,823,123	142,040,746	16,588,258	141,500,356	250	870	18,936	540,390	2,039,302
TOTAL SCHOOL DISTRICTS		477,812,799	55,156,004	473,153,154	54,712,629	471,980,635	668	7,260	42,802	1,172,519	4,609,583
NEW MEXICO DFA											
N. M. DFA	2020	6,576,822	6,328,361	6,328,360	6,223,642	6,223,641	73	73	2,285	104,719	246,104
N. M. DFA	2019	6,364,887	176,186	6,251,140	230,974	6,238,104	3	65	1,046	13,036	112,636
N. M. DFA	2018	6,165,391	74,467	6,093,613	73,775	6,084,307	-	707	654	9,306	70,417
N. M. DFA	2017	6,028,997	15,467	5,954,739	26,368	5,953,875	-	-	683	864	73,575
N. M. DFA	2016	5,864,740	5,478	5,842,172	5,868	5,841,754	-	93	207	418	22,268
N. M. DFA	2015	5,846,053	2,847	5,826,608	2,872	5,826,403	-	5	179	205	19,261
N. M. DFA	2014	5,657,140	2,120	5,641,670	2,074	5,641,477	-	-	142	193	15,328
N. M. DFA	2013	5,515,123	1,303	5,503,573	1,213	5,503,420	-	-	106	153	11,444
N. M. DFA	2012	5,429,726	980	5,420,076	906	5,419,955	-	-	89	121	9,561
N. M. DFA	2011	5,274,972	917	5,266,698	885	5,266,613	-	-	76	85	8,198
TOTAL NM DFA (LEVY & LVSTK)		58,723,851	6,608,126	58,128,649	6,568,577	57,999,549	76	943	5,467	129,100	588,792

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
COUNTY TREASURER'S PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2021**

Agency		Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Current Amount Uncollectible	To-Date Amount Uncollectible	Allowance	Undistributed at Year-End	County Receivable at Year-End
DOÑA ANA BRANCH COMMUNITY COLLEGE:											
NMSU											
DABCC	2020	9,573,978	9,215,242	9,215,241	9,061,777	9,061,775	107	107	3,299	153,466	355,331
DABCC	2019	9,255,860	258,647	9,093,840	328,316	9,074,684	4	95	1,490	19,156	160,435
DABCC	2018	8,921,647	109,182	8,847,758	108,155	8,834,080	-	1,040	670	13,678	72,179
DABCC	2017	6,942,641	18,002	6,901,657	30,806	6,900,641	-	-	377	1,016	40,607
DABCC	2016	8,423,450	7,940	8,394,636	8,511	8,394,022	-	135	264	614	28,415
DABCC	2015	8,204,880	4,172	8,181,643	4,209	8,181,342	-	(4)	214	301	23,027
DABCC	2014	7,952,889	3,108	7,934,207	3,041	7,933,923	-	-	172	284	18,510
DABCC	2013	7,782,575	1,907	7,767,399	1,775	7,767,174	-	-	140	225	15,036
DABCC	2012	7,657,442	1,433	7,644,715	1,324	7,644,537	-	-	117	178	12,610
DABCC	2011	7,474,152	1,338	7,463,140	1,291	7,463,015	-	-	101	125	10,911
TOTAL DABCC - NMSU (OPER & DEBT)		82,189,514	9,620,971	81,444,236	9,549,205	81,255,193	111	1,373	6,844	189,043	737,061
WATERSHED DISTRICT											
McClead WD	2020	3,889	3,329	3,329	3,329	3,329	-	-	6	-	554
McClead WD	2019	3,692	-	3,683	314	3,683	-	-	-	-	9
McClead WD	2018	3,577	-	3,568	-	3,568	-	-	-	-	9
McClead WD	2017	3,397	-	3,387	-	3,387	-	-	-	-	10
McClead WD	2016	4,351	-	4,338	-	4,338	-	-	-	-	13
McClead WD	2015	4,915	-	4,902	-	4,902	-	-	-	-	13
McClead WD	2014	4,854	-	4,841	-	4,841	-	-	-	-	13
McClead WD	2013	4,879	-	4,866	-	4,866	-	-	-	-	13
McClead WD	2012	4,928	-	4,928	-	4,928	-	-	-	-	-
McClead WD	2011	4,787	-	4,787	-	4,787	-	-	-	-	-
TOTAL McCLEAD WD		43,269	3,329	42,629	3,643	42,629	-	-	6	-	634
SOIL & WATER CONSERVATION DISTRICT											
Caballo SWCD	2020	67,237	63,165	63,165	62,327	62,327	4	4	37	838	4,031
Caballo SWCD	2019	64,290	2,630	62,478	3,494	62,405	-	113	16	73	1,683
Caballo SWCD	2018	56,947	1,076	56,116	1,113	56,024	-	189	6	92	636
Caballo SWCD	2017	53,638	205	53,369	270	53,324	-	6	2	45	261
Caballo SWCD	2016	51,658	154	51,532	110	51,487	-	-	1	45	125
Caballo SWCD	2015	51,773	21	51,721	21	51,721	-	-	1	-	51
Caballo SWCD	2014	48,410	17	48,359	17	48,359	-	-	1	-	50
Caballo SWCD	2013	48,184	-	48,135	-	48,135	-	-	-	-	49
Caballo SWCD	2012	47,307	-	47,265	-	47,265	-	-	-	-	42
Caballo SWCD	2011	-	-	-	-	-	-	-	-	-	-
TOTAL CABALLO SWCD		489,444	67,268	482,140	67,352	481,047	4	312	64	1,093	6,928
TOTAL NMST, DABCC & WSD		141,446,078	16,299,694	140,097,654	16,188,777	139,778,418	191	2,628	12,381	319,236	1,333,415
GRAND TOTALS											
	2020	147,329,667	141,840,720	141,840,703	139,328,676	140,228,269	1,620	1,620	50,482	1,612,434	5,436,862
	2019	142,428,608	4,007,748	139,935,663	5,136,834	139,761,117	113	2,817	22,910	174,546	2,467,218
	2018	136,557,377	1,564,171	135,415,064	1,539,290	135,273,015	-	21,382	10,312	142,049	1,110,619
	2017	126,155,821	327,811	125,382,323	565,363	125,371,354	-	7	7,114	10,969	766,377
	2016	123,970,431	114,651	123,545,165	123,705	123,539,573	-	3,094	3,885	5,592	418,287
	2015	121,315,378	59,893	120,972,002	60,274	120,969,247	-	(43)	3,159	2,755	340,260
	2014	117,385,364	45,364	117,109,753	44,666	117,107,328	-	-	2,537	2,425	273,074
	2013	114,395,971	28,842	114,173,077	27,000	114,171,075	-	3	2,050	2,002	220,841
	2012	111,609,763	21,002	111,423,583	19,607	111,422,075	-	7	1,714	1,508	184,459
	2011	107,316,540	19,710	107,157,841	19,189	107,156,848	-	-	1,460	993	157,239
TOTALS		\$ 1,248,464,920	148,029,912	1,236,955,174	146,864,604	1,234,999,901	1,733	28,887	105,623	1,955,273	11,375,236

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
SCHEDULE OF JOINT POWERS AGREEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

#	Contract Number	Participants	Responsible Party for Operations	Begin Date	End Date	Scope of Work	Total Estimated Amount of Project	Contribution in current fiscal year	Audit Responsibility	Revenues and Expenditures Reported
1	90DAC.2910.1	Elephant Butte Irrigation District	EBID	7/1/1990	Auto renews	Repair and maintenance of certain dams and flood control structures - Flood Commission @ 75%; EBID @ 25%	Project costs vary from year to year	\$ 242,205	EBID	DAC
2	95/2910.1 DAC 14-182	CLC, Mesilla, Hatch, Sunland Park, Anthony, DAC	CLC	6/1/1995	Perpetual	Mesilla Valley Regional Dispatch Authority (MVRDA) - Public Safety Communications Dispatch functions	Each party makes annual financial contributions to operate MVRDA	\$ 1,770,842	CLC	CLC
3	95/2910.6 01-0044	City of Las Cruces. NM State Police	CLC	6/13/1995	Perpetual	Metro Narcotics - investigation of drug offenses	Project costs vary from year to year	\$ 325,000	CLC	CLC
4	96/2910.19	City of Las Cruces	N/A	5/12/1987	Perpetual	Establish a joint City/County Commission for subdivision & zoning matters (Extraterritorial Zoning Commission - ETZ)	Absorbed by General Fund	\$ -	DAC	DAC
5	98/2910.8	Town of Mesilla	DAC	4/9/1997	Perpetual	DAC to perform plan review services and permit inspections. County can collect standard building permit fee.	Absorbed by General Fund	\$ -	DAC	DAC
6	98/2910.9	Village of Hatch	DAC	5/25/1997	Perpetual	DAC to perform plan review services and permit inspections. County can collect standard building permit fee.	Absorbed by General Fund	\$ -	DAC	DAC
7	99/2910.18	Las Cruces, Mesilla, Hatch, Sunland Park, NMSU, EBID, Anthony Water & Sanitation District	LRGWO	10/8/1996	Perpetual	Lower Rio Grande Water Users Organization to complete and implement regional water plan.	Absorbed by General Fund	\$ -	CLC	CLC
8	99/2910.21	DAC Flood Commissioner	DAC	3/13/1990	Perpetual	DAC provides in-kind services: personnel and office space	Project costs vary from year to year	\$ -	DAC	DAC

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
SCHEDULE OF JOINT POWERS AGREEMENTS
FOR THE YEAR ENDED JUNE 30, 2021**

#	Contract Number	Participants	Responsible Party for Operations	Begin Date	End Date	Scope of Work	Total Estimated Amount of Project	Contribution in current fiscal year	Audit Responsibility	Revenues and Expenditures Reported
9	00/2910.22	City Of Las Cruces, Town of Mesilla	N/A	12/21/1999	Perpetual	Metropolitan Planning Organization	Project costs vary from year to year	\$ 16,740	CLC	CLC
10	04-0015	NM Taxation and Revenue Department	TRD	10/3/2003	Perpetual	DAC to Issue Taxpayer NM CRS ID Numbers.	Project costs vary from year to year	\$ -	TRD	TRD
11	09-039	City of Las Cruces-Animal Services	CLC	10/30/2008	Perpetual	Mesilla Valley Animal Services Center	Project costs vary from year to year	\$ 1,161,364	CLC	CLC
12	09-191	Dona Ana County, City of Sunland Park, CRRUA	CSP/DAC	2/24/2009	Perpetual	Camino Real Regional Utility Authority	Project costs vary from year to year	\$ -	CRRUA	CRRUA
13	10-167	EMNRD - Forestry Division	DAC/Forestry	1/18/2010	Perpetual	Wildland Fire Protection and Suppression. Replaces JPA executed 3/2/83 and JPA 79-521-2300-0028. Spells out reimbursement terms.	Per Event	\$ -	DAC	DAC
14	Resolution 2014-51	Dona Ana County, CRRUA	CRRUA	3/25/2014	Ongoing	To provide staffing and other administrative services for th subdivision, zoning, planning & platting areas	Amount vaires based on fees charged and collected to CRRUA customers aplying/paying for SZPPA permits	\$ 281	CRRUA	CRRUA/Dona Ana County
15	15-106	Dona Ana County, CRRUA	CRRUA	2/1/2012	10/12/2021 (5 yr increments)	To Provide Fiscal Management and Administrative Services	\$135,000 per year. Increase annually based on Consumer Price Index (CPI) increase after the second year.	\$ 151,588	CRRUA	CRRUA/Dona Ana County

Legend:

CLC - City of Las Cruces
CRRUA - Camino Real Regional Utility Authority
CSP- City of Sunland Park
DAC - Doña Ana County
EBID - Elephant Butte Irrigation District
EMNRD - Energy, Minerals and Natural Resouces Department
LRGWUO - Lower Rio Grande Water Users Organization
MVRDA - Mesilla Valley Regional Dispatch Authority
TRD - New Mexico Taxation and Revenue Department

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

Federal Grantor/Program Title	Federal AL Number	Project/ Pass-Through Number	Award Amount	Accrued or (Unearned) Revenue at June 30, 2020	Receipts	Expenditures	Accrued or (Unearned) Revenue at June 30, 2021	Passed Through to Subrecipients
U.S. Department of the Interior								
<i>Passed through NM Bureau of Land Management:</i>								
Law Enforcement Services	15.227	140L2218P0012	20,000	-	(9,489)	17,334	7,845	-
Total U.S. Department of the Interior			20,000	-	(9,489)	17,334	7,845	-
U.S. Department of Justice								
<i>Direct</i>								
COVID 19 - 2020-VD-BX-1148 DOJ COVID-19	16.034	2020-VD-BX-1148	45,845	-	-	36,738	36,738	-
Comprehensive Opioid Abuse Site-based Program (Year 1)	16.838	2019-AR-BX-K078	43,589	4,881	(43,588)	38,707	-	-
Comprehensive Opioid Abuse Site-based Program (Year 2)	16.838	2019-AR-BX-K078	856,065	-	(54,855)	94,294	39,439	-
Federal Bureau of Investigation:								
Organized Crime Drug Enforcement Task Forces	16.111	SW-NM-0367	8,000	6,245	(6,245)	-	-	-
Total U.S. Department of Justice			953,499	11,126	(104,688)	169,739	76,177	-
U.S. Department of Transportation								
<i>Direct</i>								
Federal Aviation Administration:								
Airport Improvements								
Runway 10-28 Reconstruction Phase II	20.106	#3-35-0055-025-2019	4,908,753	903,804	(835,347)	169,189	237,646	-
COVID 19 - FAA CARES Act Grant	20.106	#3-35-0055-026-2020	69,000	-	(34,720)	34,720	-	-
Apron Sealcoat	20.106	#3-35-0055-027-2021	311,828	-	-	60,492	60,492	-
<i>Passed through NM State Highway and Transportation Department</i>								
NMDOT TAP Funds-Lisa Drive	20.205	D16096-E100280/E100290 NMDOT TAP-Lisa Dr.	91,063	1,997	(1,997)	-	-	-
NMDOT TAP Funds-Airport Road Sidewalk	20.205	D18638-E100330 NMDOT TAP Funds-Airport Road Sidewalk	292,227	-	-	39	39	-
NMDOT TAP Funds-Elks Drive Connectivity Project	20.205	D18443-LC00390 NMDOT TAP Funds-Elks Drive Connectivity Project	106,500	-	(39)	39	-	-
Hazardous Materials Emergency Preparedness Grant Program	20.703	HM-HMP-0579-16-03-00-Dona Ana County Fire & Emergency Services	2,040	1,950	(2,040)	-	(90)	-
Highway Safety Cluster								
STEP GRANT	20.600	20-PT-RF-031	47,027	13,611	(24,025)	10,414	-	-
STEP GRANT	20.600	01-PT-RF-031	47,040	-	(10,008)	23,532	13,524	-
Subtotal Highway Safety Cluster			94,067	13,611	(34,033)	33,946	13,524	-
ENDWI (FY20-FY21)	20.608	20-AL-64-031	46,576	-	(3,343)	3,343	-	-
ENDWI (FY21-FY22)	20.608	01-AL-64-031	46,578	-	(7,061)	10,509	3,448	-
Traffic and Criminal Software (TraCS)	20.608	16-HE-64-P01, P03, P04	527,020	52,496	(114,997)	112,420	49,919	-
BCKL-UP	20.608	20-OP-RF-031	10,004	-	(7,484)	7,484	-	-
BCKL-UP	20.608	01-OP-RF-031	9,996	-	(2,586)	3,808	1,222	-
Total U.S. Department of Transportation			6,515,652	973,858	(1,043,647)	435,989	366,200	-
U.S. Department of the Treasury								
<i>Direct</i>								
COVID 19 - American Rescue Plan	21.027		42,317,577	-	(21,190,911)	31,538	(21,159,373)	-
COVID 19 - U.S. Treasury Emergency Rental Assistance	21.023	*	9,365,356	-	(9,365,356)	2,671,019	(6,694,337)	-
COVID 19 - U.S. Treasury Emergency Rental Assistance II	21.023	*	7,117,671	-	(2,847,068)	-	(2,847,068)	-
<i>Passed through NM Department of Finance and Administration</i>								
COVID 19 - CARES Act Coronavirus Relief Fund	21.019	* CARES-BUS-07000-DAC	3,039,750	-	(3,039,750)	3,039,750	-	-
COVID 19 - CARES Act Coronavirus Relief Fund	21.019	* CARES-07000-DAC	139,506	-	(139,506)	139,506	-	-
COVID 19 - CARES Act Coronavirus Relief Fund	21.019	* CARES-07000-DAC	1,260,494	-	(1,260,494)	1,260,494	-	-
Total U.S. Department of the Treasury			63,240,354	-	(37,843,085)	7,142,307	(30,700,778)	-
U.S. Environmental Protection Agency								
<i>Direct</i>								
Vado Lift Station #7 and Sleepy Farms	66.202	TAA-010NADBC-19-127	337,935	28,762	(164,079)	144,491	9,174	-
Total U.S. Environmental Protection Agency			337,935	28,762	(164,079)	144,491	9,174	-
U.S. Department of Health and Human Services								
<i>Direct</i>								
Assisted Outpatient Treatment Grant Program (Year 4)	93.997	5H79SM063538-04	789,315	173,894	(531,021)	357,127	-	158,166
<i>Passed Through New Mexico Department of Health</i>								
Prevent Prescription Drug/Opioid Overdose Grant (Year 3)	93.243	PDO-BF30	167,209	4,202	(4,202)	-	-	-
Prevent Prescription Drug/Opioid Overdose Grant (Year 3)	93.243	PDO-BF30	55,951	-	(55,873)	55,873	-	-
Prevent Prescription Drug/Opioid Overdose Grant (Year 4)	93.243	PDO-BF30	163,937	-	(44,172)	163,003	118,831	-
Opioid STR Grant	93.788	5H79TI080267-02	20,000	(1,577)	-	-	(1,577)	-
Opioid STR Grant (Year 2)	93.788	5H79TI080267-02	15,000	(6,254)	-	-	(6,254)	-
<i>Passed Through the National Association of County and City Health Officials</i>								
Medical Reserve Corps Small Grant Program	93.008	MRC 17-0553	13,000	(3,035)	-	-	(3,035)	-
<i>Passed Through the NM Human Services Dept./Falling Colors</i>								
Medical Reserve Corps Small Grant Program	92.243	SPP-PFS2020-BE90	82,639	-	(20,694)	45,986	25,292	11,569
Total U.S. Department of Health and Human Services			1,307,051	167,230	(655,962)	621,989	133,257	169,735
U.S. Department of Homeland Security								
<i>Passed Through the New Mexico Department of Homeland Security and Emergency Management</i>								
JAG Program								
State Homeland Security Grant EMPG	97.042	EMT-2018-EP-00006-S01-DAC	134,776	44,926	(44,926)	-	-	-
State Homeland Security Grant EMPG	97.042	EMT-2019-EP-00006-S01-DAC	118,686	68,288	(68,288)	-	-	-
State Homeland Security Grant EMPG	97.042	EMT-2020-EP-00005-S01-DAC	130,647	-	(64,469)	114,446	49,977	-
Subtotal JAG Program			384,109	113,214	(177,683)	114,446	49,977	-
Homeland Security								
State Homeland Security Grant	97.067	EMW-2017-SS-00032-S01-Dona Ana County	267,554	-	-	-	-	-
State Homeland Security Grant	97.067	EMW-2018-SS-0056-S01	244,346	-	(43,995)	43,995	-	-
State Homeland Security Grant	97.067	EMW-2019-SS-00083-S01	127,971	-	(28,841)	117,750	88,909	-
State Homeland Security Grant	97.067	EMW-2018-SS-00056-S01-DAC	800,000	188,858	(662,243)	473,385	-	-
State Homeland Security Grant	97.067	EMW-2019-SS-00083-S01-DAC	877,500	-	(258,571)	497,712	239,141	164,801
Hazard Mitigation								
State Homeland Security Grant	97.039	FEMA-4199-DR-NM-014	77,499	35,449	(35,449)	-	-	-
State Homeland Security Grant	97.047	FEMA-PDMC-PL-06-NM-2017-08	60,000	27,819	(13,007)	22,401	37,213	-
COVID 19 - FEMA Public Assistance Category B	97.036	136618-4529DR	207,777	85,130	(127,456)	42,326	-	-
COVID 19 - FEMA Public Assistance Category B II	97.036	136618-4529DR	81,121	-	-	64,389	64,389	-
Public Assistance Grant 452DR-NM 175157	97.036	DAC Vaccine Costs 175157	1,019,855	-	(509,928)	509,928	-	-
Total U.S. Department of Homeland Security			4,147,732	450,470	(1,857,173)	1,886,332	479,629	164,801
Total Federal Expenditures			\$ 76,522,223	1,631,446	(41,678,123)	10,418,181	(29,628,496)	334,536

* denotes major program

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

Reconciliation to Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds

Federal grant revenue per fund financials	\$ 10,435,930
Federal expenditures per SEFA	<u>10,418,181</u>
Difference - due to grants that are not reimbursement based	<u>\$ 17,749</u>

Notes to Schedule of Expenditures of Federal Awards

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant expenditure activity for the financial statements of the organization. The schedule is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Uniform Guidance.

Note 2 - Non-Cash Federal Assistance

No non-cash federal assistance was received during the year ended June 30, 2021.

Note 3 - Indirect Cost Rate

The organization did not use the 10 percent de minimis indirect cost rate.

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

The Board of County Commissioners
State of New Mexico, Doña Ana County
Las Cruces, New Mexico
Mr. Brian Colón, State Auditor
State of New Mexico, Office of the State Auditor
Santa Fe, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, the budgetary comparisons for the general fund and major special revenue fund of Doña Ana County (County) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated November 30, 2021.

Internal Control Over Financial Reporting

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

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

November 30, 2021

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that were not 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2021-001.

The County's Response to the Finding

The County's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

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



Hinkle + Landers, P.C.
Albuquerque, NM
November 30, 2021

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

The Board of County Commissioners
State of New Mexico, Doña Ana County
Las Cruces, New Mexico
Mr. Brian Colón, State Auditor
State of New Mexico, Office of the State Auditor
Santa Fe, New Mexico

Report on Compliance for Each Major Federal Program

We have audited Doña Ana County's (County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended June 30, 2021. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, the County, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2021-001 that we consider to be a significant deficiency.

The County's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

November 30, 2021

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY UNIFORM GUIDANCE,
CONTINUED

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

Hinkle & Landers, P.C.

Hinkle + Landers, P.C.

Albuquerque, NM

November 30, 2021

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of report independent auditor issued on financial statements **Unmodified**

Internal control over financial reporting:

- Material weakness(es) identified? ☐Yes☒No
- Significant deficiency(ies) identified
that are (is) not considered to be a material weakness(es)? ☐Yes☒No
- Noncompliance material to the financial statements noted? ☐Yes☒No

Federal Awards

Type of opinion independent auditor issued on compliance for major federal awards **Unmodified**

Internal control over major programs:

- Material weakness(es) identified? ☐Yes☒No
- Significant deficiency(ies) identified
that are (is) not considered to be a material weakness(es)? ☒Yes☐No

Any audit findings disclosed that are required to be reported in accordance with
section 2 CFR section 200.516(a) ☒Yes☐No

Identification of major programs:

<u>AL Number</u>	<u>Name of Federal Programs or Cluster</u>	<u>Federal Funding Source</u>
21.019	COVID 19 - CARES Act Coronavirus Relief Fund	U.S. Department of the Treasury
21.023	COVID 19 - U.S. Treasury Emergency Rental Assistance	U.S. Department of the Treasury

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

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

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

SECTION II & III – FINANCIAL STATEMENT AND FEDERAL FINDINGS

Findings				
Reference #	Description	Current or Prior Year Finding	Status of Findings	Type of Finding*
2020-001	Vendor Controls	Prior Year	Resolved	B
2020-002	Federal Subgrantee Reporting Compliance	Prior Year	Resolved	E, F
2020-003	Unclaimed Property	Prior Year	Resolved	C, G
2021-001	COVID-19: Emergency Rental Assistance File Management	Current Year	New	E, G

* Legend for Type of Findings

- A. Material Weakness in Internal Control Over Financial Reporting
- B. Significant Deficiency in Internal Control Over Financial Reporting
- C. Finding that Does Not Rise to the Level of a Significant Deficiency (Other Matters) Involving Internal Control Over Financial Reporting
- D. Material Weakness in Internal Control Over Compliance of Federal Awards
- E. Significant Deficiency in Internal Control Over Compliance of Federal Awards
- F. Instance of Non-compliance related to Federal Awards
- G. Non-compliance with State Audit Rule, NM State Statutes, NMAC, or Other Entity Compliance
- H. Instance of Material Non-compliance

CURRENT YEAR

2021-001 – COVID-19: EMERGENCY RENTAL ASSISTANCE FILE MANAGEMENT

Type of Finding: (E, G): Significant Deficiency in Internal Control over Compliance of Federal Awards, Non-compliance with State Audit Rule, NM State Statutes, NMAC, or other entity compliance

Funding Agency: U.S. Department of the Treasury

Title: Emergency Rental Assistance I

AL Number: 21.023

Award#: N/A

Award Period: January 1, 2021 - September 30, 2022

Estimated Questioned Costs: N/A

Statement of Condition

During testing of the eligibility of individuals and landlords who received rental assistance, we noted that the applications and documentation uploaded to the Neighborly software was not consistently accurate. It is important to note, we did not note any instances where the incomplete or incorrect information would impact the eligibility of the individual or amount of assistance. We identified deficiencies in compliance with the County's Emergency Rental Program internal policies and procedures listed in the Criteria.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

Criteria

Per Doña Ana County's Emergency Rental Assistance Policies and Procedures:

Software and Paper Applications

Doña Ana County went live with paper applications on February 10, 2021. They are available on the website. On March 2, 2021 Neighborly software portal was launched for online applications. The County continues to accept paper applications, however most applications received are online. Neighborly software has the application embedded in the software to be the sole source of document retention and review. A reviewer checklist is added to the software to ensure application is complete.

- The software does initial vetting of applications based on income guidelines and partially ensures completed packages are submitted.
- On review if it is determined that the application is missing documentation, the applicant or landlord (as applicable) is contacted.
- All applications submitted online will be in the system.
- Paper applications are entered in the system and applicants will be provided tracking numbers. Starting August 2021, all paper applications are entered in Neighborly software. For paper applications previously received, already processed and paid, it will be done at a future date. The applicant is called, or notification is mailed to them if they do not have computer access.

Review of Application

The employee assigned is responsible for conducting and evaluation of applicant eligibility to include the requirements of the ERA program:

1. Income hardship (qualify for unemployment benefits or reduction in income or significant increase in expenses due to COVID-19)
2. Demonstrate a risk of experiencing homelessness or housing instability
3. A household income that is not more than 80 percent of the area median income

Review the application for the following:

1. Proof of rent or utilities in arrears (past due bills, eviction notice)
2. Proof the applicant is a New Mexico renter
3. Proof that applicant is showing loss of income and meeting eligibility criteria
4. Check the address and information matches on tenant and landlord form
5. Eligibility of the payee including review of the W-9 and TIN (if applicable)

A final review of approved and denied application will be done by a different employee and signed off.

Cause

The County started with paper applications which were then converted to the Neighborly software. There were some transposition errors when the paper applications were converted to the Neighborly software. County hired additional staff to facilitate the Emergency Rental Assistance program and to get assistance

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

out to the public as quickly as possible. This resulted in some data entry mistakes in the Neighborly software that were not caught until the audit.

Effect

The errors could result in providing assistance to non-eligible individuals, landlords, or utility companies. Although, no such instances were noted during our testing, where the errors impacted the eligibility of the individual or amount of assistance.

Recommendation

We recommend the County improve their review of the applications and support documents in the Neighborly software to ensure completeness and accuracy of the file.

View of Responsible Officials and Corrective Action Plan

When Emergency Rental Assistance (ERA) program was established in February 2021, the county hired two temporary full-time employees, now we have a team of eight full time employees including a grants manager working on the ERA program, that are within the county's finance department. We will hire two more full time employees, one as case manager and one as processor. We efficiently meet the increased need in the community.

The case manager reviews the application and support documentation, then the processor reviews the application and all the supporting documents to ensure completeness and accuracy of the file, prior to submitting for approval and payment. We will provide additional refresher training to our employees, case managers and processors, and other ERA program staff on items to review, to check for any data entry errors, use of checklist and file management.

Finding resolved timeline: In December 2021, additional training will be provided to the staff.

Designation of employee position responsible for meeting this deadline: Grants Manager, Emergency Rental Assistance Program

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
OTHER DISCLOSURES
YEAR ENDED JUNE 30, 2021**

A. PREPARATION OF FINANCIAL STATEMENTS

Presentation: The accompanying financial statements are the responsibility of the County and are based on information from the County's financial records. Assistance was provided by Hinkle + Landers, PC to the County in preparing the financial statements.

B. EXIT CONFERENCE

An exit conference was held on November 30, 2021. The following individuals were in attendance.

Doña Ana County Officials

Manuel Sanchez	Chair, County Commissioner District 5
Eric L. Rodriguez	County Treasurer
Fernando R. Macias	County Manager
Chuck McMahon	Assistant County Manager
Asma J. Dawood, CPA (licensed in the state of Washington)	Finance Director
Nasreen Nelson, CPA, CGMA	Controller
Mireya Hernandez	Accountant III
Jonathan Macias	Grants Manager

Hinkle + Landers, PC Auditors

Farley Vener, CPA, CFE, CGMA	President & Managing Shareholder
Katelyn Constantin	Senior Audit Manager