

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND
NATURAL RESOURCES DEPARTMENT**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED JUNE 30, 2015

Wealth Advisory

Outsourcing

Audit, Tax, and Consulting

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
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**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OFFICIAL ROSTER
JUNE 30, 2015**

Office of the Secretary

David Martin, Cabinet Secretary

Brett F. Woods, Deputy Cabinet Secretary

Division Directors

Ronald Cruz, Director, Administrative Services

Bersabe Rodriguez, Chief Financial Officer

Fernando Martinez, Director, Mining and Minerals

David Catanach, Director, Oil Conservation

Louise Martinez, Director, Energy Conservation and Management

Tony Delfin, Director, Forestry Division

Tommy Mutz, Director, State Parks Division

Joe I. Montano, Information Systems Manager



INDEPENDENT AUDITORS' REPORT

State of New Mexico Energy, Minerals,
and Natural Resources Department and
Mr. Timothy Keller
New Mexico State Auditor

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of the State of New Mexico Energy, Minerals, and Natural Resources Department (the Department) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Department's nonmajor governmental and fiduciary funds and the budgetary comparisons for the major capital project funds, debt service fund, and all nonmajor funds presented as supplementary information, as defined by the Government Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2015, 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider 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.

State of New Mexico Energy, Minerals,
and Natural Resources Department and
Mr. Timothy Keller
New Mexico State Auditor

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Department as of June 30, 2015, and the respective changes in financial position and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended, in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund and fiduciary fund of the Department as of June 30, 2015, and the respective changes in financial position and the respective budgetary comparisons for the major capital project fund, debt service fund, and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Department are intended to present the financial position and changes in financial position of only that portion of the governmental activities, each major fund, the aggregate remaining fund information and all respective budgetary comparisons of the State of New Mexico that is attributable to the transactions of the Department. They do not purport to, and do not present fairly the financial position of the entire State of New Mexico as of June 30, 2015, and the changes in the financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 21 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.

State of New Mexico Energy, Minerals,
and Natural Resources Department and
Mr. Timothy Keller
New Mexico State Auditor

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 Department's financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The Schedule of Expenditures of Federal Awards as required by Office of Management and Budget *Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*, and the other schedules required by 2.2.2.NMAC as identified in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards and other schedules (1 – 6) required by 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with the auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures and other schedules (1 – 5) required by 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Vendor Schedule (6) required by 2.2.2.10(A)(2)(g) NMAC has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2015 on our consideration of the Department'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 Department's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Albuquerque, New Mexico
November 30, 2015

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015

The State of New Mexico Energy, Minerals, and Natural Resources Department's (the Department) discussion and analysis is designed to assist the reader in focusing on significant financial issues, provide an overview of the Department's financial activity, identify changes in the Department's financial position (e.g. ability to address future year challenges), identify any material deviations from the financial plan, and identify any fund issues of concern.

Management's Discussion and Analysis (MD&A) is designed to focus on the past year's activities, resulting changes and currently known facts. Please read this report in conjunction with the Department's financial statements and notes which follow this section.

Financial Highlights

- The Department's governmental net position decreased by (\$294,971) in fiscal year 2015.
- The Department's total revenues decreased by \$2,808,534 for fiscal year 2015.
- The total cost of all Department programs was \$64,946,488, a decrease of \$4,057,614 for fiscal year 2015.

Mission

The mission of the Department is to position New Mexico as a leader in energy and natural resource management. To meet this mandate, the Department uses a flexible, team-based management system that is proactive, demands accountability and concentrates on customer service. The system allows the Department to provide leadership in the protection, management, conservation and responsible use of the state's natural resources.

The Department is charged with protecting the environment and ensuring the reclamation of land and resources affected by mining activities, growing and sustaining healthy forests; leading the development of reliable energy supplies and improving the state's parks system while sustaining cultural and natural resources.

Program Highlights

Youth Conservation Corps. The Youth Conservation Corps (YCC) Commission continues to improve relationships with educational institutions, non-profit organizations, Native American tribes, local governments, federal and state agencies and our Project Sponsors. By developing strong partnerships, the YCC Commission is confident that YCC is expanding its services and opportunities to our communities and the young people of the State of New Mexico. This support is important to the success of each project because of the opportunity to leverage funds and, by leveraging funds, expand the projects. In FY15 the YCC Commission funded 45 projects. There has been an increase of interest by the Soil and Water Conservation Districts because of the success of projects in the last couple of years. The YCC Commission is also pleased to report an increase of services to the Navajo Nation through our partnership with Capacity Builders in San Juan and McKinley counties. Two communities have used YCC funding to establish crews for wildland-urban interface thinning projects, fire suppression and a new endeavor, search and rescue.

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

Program Highlights (Continued)

Renewable Energy and Energy Efficiency. The Energy Conservation and Management Division (ECMD) plans and administers the Renewable Energy and Energy Efficiency Program to develop and implement effective clean energy programs – renewable energy, energy efficiency and conservation, alternative fuels, and safe transportation of radioactive waste – to promote and administer policies for environmental and economic sustainability and to protect public health and safety for New Mexico and its citizens. The Program's goals of reduced energy consumption and expenditures and effective administration of federally funded programs lead to many achievements for the state, including generation of new jobs and revenues; environmental protection and improvement ; enhancement of public health; decreased consumptive water use for power generation; lessened dependence on foreign oil; and greater energy security. ECMD provides services to implement statutorily-required state and federal clean energy programs. Technical assistance is provided to the general public, industry, and state-funded agencies on renewable energy, energy efficiency, conservation, alternative transportation, and building codes. Beneficiaries vary by program area and include individual citizens/taxpayers, corporate taxpayers, landowners, facility owners, utilities, renewable energy developers, and private-sector businesses and vendors contracted for energy efficiency and renewable energy projects. Public sector beneficiaries include public schools, universities and community colleges; state government agencies, cities, counties, and tribal organizations.

ECMD provides oversight for five Clean Energy tax incentive programs, administers federal programs, reviews technical studies to provide certifications as required by law, manages and administers policies for safe transportation of radioactive waste, compiles reports required under existing federal and state legislation, and monitors Clean Energy Projects.

Healthy Forests Program. The New Mexico State Forestry Division's role is to protect and improve New Mexico's forests and watershed health. This mission is largely driven on two fronts: advocacy for forest restoration and watershed health, and the prevention and suppression of wildland fires. Forest and watershed health efforts require strong partnerships and collaborations between and among local, state, tribal, federal, and private entities. The Division provides the driving leadership for these partnerships and collaborations. The forestry field offices follow the New Mexico Forest Action Plan to establish and maintain a collaborative, landscape-scale framework for these efforts.

The fiscal year 2015 fire season was less severe in terms of the numbers of acres burned and fires. This year, the Division had 281 fires that burned approximately 10,529 acres of state and private lands. Large fire activity was minimal throughout New Mexico. The Division believes the pre-positioning of additional fire suppression forces helped to keep many fires small and less expensive. In FY 15, the Division provided training to 1,625 non-federal wildland firefighters throughout the state, and assisted 112 communities at risk to wildfire with funding for wildland firefighting equipment and training.

The fiscal year 2016 fire season's predicted weather pattern indicates that there are minimal concerns for significant fire potential to develop through the early and mid-winter timeframe. This is due to adequate precipitation during the past six months as well as the expectation of a varied weather pattern. Some concern exists about a drier area focused in the western region across New Mexico. Abnormally dry conditions still persist and are predicted to remain throughout the winter. A pattern change is expected sometime in late December or early January, when a more active jet stream and frequent weather systems will impact New Mexico.

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

Program Highlights (Continued)

Additionally, the Division treated 15,142 acres across the state to increase forest health, reduce hazardous fuels around communities, and to restore New Mexico's critical watersheds. Part of these treatments were accomplished through the Division's successful implementation of Governor Susana Martinez's Watershed Restoration Initiative. Due to these efforts, approximately 7,700 acres in fourteen watersheds on public lands throughout the state--identified as high priorities in the New Mexico Forest Action--will be treated and restored.

Over the summer, the Returning Heroes program employed and trained thirty military veterans as wildland fire hand crew members. These veterans spent 34,686 man hours on twenty different incidents in New Mexico, Arizona, Oregon, Montana and Washington.

During FY15, the Energy, Minerals and Natural Resources Department leased state land and established the Returning Heroes program in Santa Fe, NM. The Division purchased crew transport vehicles and modular buildings to house and equip staff, as well as provide a classroom for wildland fire trainings. Staff also actively conducted a hazardous fuels mitigation project on eighty acres within Hyde Memorial State Park in the Santa Fe watershed.

Mine Reclamation Program. The Mine Reclamation Program continues to make strides in assuring the responsible utilization, reclamation and safeguarding of New Mexico's lands affected by mining. New Mexico is a leader in responsible mine operation and reclamation.

The Office of the Director (OFD) formulates division resource development, policy, planning, administrative and fiscal management, and oversight and management of four programs: the Abandoned Mine Land Program, the Coal Mine Reclamation Program, the Mine Registration Program, and the Mining Act Reclamation Program.

The Abandoned Mine Land Program (AML) implements a federally funded program that works to reclaim and safeguard high priority coal and non-coal abandoned mines in New Mexico. AML's mandate is to protect public health, public safety, and property from the danger and adverse effects of historic mining practices and to restore land, water resources and the environment degraded by the same adverse effects. MMD estimates that more than 15,000 hazardous mine openings remain unreclaimed throughout New Mexico, although a comprehensive state-wide inventory has never been done.

In fiscal year 2015 AML completed nine abandoned mine safeguarding and reclamation projects, including six small construction projects. These small construction projects were to install a concrete plug at a mine subsidence in the village of Santa Clara in Grant County, to construct two bat gates at Cookes Peak for a scientific study on the effects of gating on bats, to fill a coal mine adit and subsidence in Madrid, to plug a coal mine vent shaft near Madrid using polyurethane foam, to safeguard a couple of other coal mine openings and to maintain previous bat compatible mine closures near Madrid, and to seed and mulch bare areas at the Swastika coal mine reclamation site near Raton.

In August 2014, remedial reclamation of gob (coal mine waste) piles in Sugarite Canyon State Park and in nearby Yankee Canyon in Colfax County was completed in the Sugarite Gob Reclamation Phase VIII project. In September 2014, the Grants Uranium – Hogan Mine Phase I Project in Grant County was completed to safeguard a uranium mine shaft using a cap of precast concrete panels.

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015

Program Highlights (Continued)

Another project, the Vermejo Park Ranch – Swastika Mine Stream Crossing Maintenance Project, removed storm-damaged culverts installed in an earlier reclamation project and replaced them with a hardened low-water crossing in September and October 2014. AML Program staff assisted Sandia Pueblo with design and construction monitoring of a Pueblo-funded project to safeguard a mine audit in the Sandia Mountains, completed in December 2014. The San Pedro Phase I Mine Safeguard Project was completed in May 2015 to backfill 23 mine openings, construct bat compatible closures at six mine openings, and temporarily fence several mine openings until full clearances are received. By May 2015, construction in Madrid on an erosion control project on and near gob piles on hill slopes above businesses and residences and improvements to the drainage channel that carries water from the hill slopes to a NM Department of Transportation drop inlet was complete; only final documentation and any needed short-term maintenance work on sediment and erosion control measures remain for this project. In June 2015, work began on a project to safeguard numerous, scattered hazardous mine openings in the Cerrillos Hills in Santa Fe County.

AML continues to develop abandoned mine safeguarding and reclamation projects throughout the state.

The Coal Mine Reclamation Program (CMRP) is responsible for regulating coal mines on all federal, state and private lands within New Mexico, with the exception of Indian lands. CMRP's mandate is to protect the general public, adjacent landowners and the environment from the effects of mining. CMRP oversees more than 85,000 acres of permitted mine lands and nearly \$500 million in financial assurance. CMRP currently has eight coal mines under permit, although only three, BHP-Billiton's San Juan Underground Mine and Peabody's Lee Ranch Surface Mine and El Segundo Surface Mine, are currently extracting coal. Chevron's McKinley, Ancho, and York Canyon Surface and Underground mines, as well as BHP-Billiton's La Plata Mine, are passing through the minimum ten-year post reclamation bond liability period, during which the ability to support the approved post mine land use is demonstrated. Processing applications for liability bond release, upon demonstration of successful reclamation, is a large part of CMRP's current workload.

The Mine Registration, Reporting and Safeguarding Program (MRRSP) ensures decision-makers throughout New Mexico benefit from the valuable information compiled and disseminated through this program. Comprehensive information is provided on mineral resources, mine registration, reclamation and safeguarding efforts, legislation, and other MMD activities related to New Mexico's mineral extraction industry and mineral resources. A public portal now provides real time information linked to the latest MMD database content (by statute, some information is kept confidential): <http://www.emnrd.state.nm.us/MMD/mmdonline.html>. The program prides itself on its responsiveness to questions received via telephone or email.

State Parks. Continuing the legacy of the New Mexico State Parks Commission, established in 1933, the New Mexico State Parks Division (Division) has grown into a 35-park system that includes 19 lakes and nearly 197,000 surface acres of land and water. State parks can be found in 25 of New Mexico's 33 counties. New Mexicans and visitors to the Land of Enchantment want and deserve access to their natural and cultural resources for enrichment and to improve their quality of life.

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015

Program Highlights (Continued)

The Division plays an integral role in creating and sustaining jobs, supporting communities, generating tax revenue and is critical to driving our state economy. As an essential part of the state's outdoor recreation economy, New Mexico's state parks contribute \$6.1 billion in consumer spending, 68,000 jobs and \$458 million in state and local taxes annually (source: Statewide Comprehensive Outdoor Recreation Plan 2015). Visitation at state parks directly correlates to economic activity in the state, particularly in rural areas where many of the parks are located.

As an enterprise agency, the Division is required to generate 69% of its operating budget through self-generated revenues, such as camping and admission fees, concession fees, other state/federal funds. In FY 15, State Parks revenues were at \$8,069,054 with a total of 4.2 million visitors to parks.

Park management plans continue to be a critical element of our strategic planning efforts and four plans were processed during FY 15. Park management plans provide direction for capital improvements funds used in FY 15 to ensure compliance with the Americans with Disabilities Act (ADA), increase accessibility to park facilities, and procure needed park vehicles, equipment and supplies. Notably, in FY 15, \$1.96 million was spent on capital projects including infrastructure statewide.

The Division continued to research, review, and implement operation and administration efficiency measures during FY 15 such as:

- Reviewed and established planning and design to address failing water and wastewater systems.
- Created a draft Statewide Comprehensive Outdoor Recreation Plan.
- Negotiating a new statewide lease for Bureau of Reclamation properties.
- Finalized plans for a web-based reporting and tracking of critical volunteer efforts.

The Division has made significant progress during challenging times. For example, the Division Boating Program achieved the second straight year of zero boating related fatalities due to a robust public outreach and education campaign. The Division has critical planning efforts in place in conjunction with the Department for FY 16 and will continue to work diligently to benefit and enrich the lives of park visitors.

Oil and Gas Conservation Program. Oil and Gas Conservation Program. The Division conducted 47,593 inspections of oil and gas wells and associated facilities in FY15, exceeding its performance target of 37,500. FY15 inspections exceeded the actual number of inspections for FY14 by 8,673 or 22%.

OCD plugged a total of 31 wells in FY15, which was below its performance target of 50 wells. The number of wells plugged in FY15 was in line, however, with the number of wells actually plugged in FY14 (32). One of the reasons OCD did not meet its performance target for FY15 for plugging wells was due to the loss of several attorneys within the Division, who found employment with other agencies or industry. This loss caused a delay in OCD's ability to bring compliance cases to hearing, and consequently, OCD did not have any wells available to plug for several months in FY15. OCD is now fully staffed in the legal bureau, and compliance cases are being brought to hearing. There is currently a waiting list of approximately 200 wells available for OCD to plug.

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015

Program Highlights (Continued)

With respect to the work of the Engineering Bureau, the goal for administrative orders is to review, approve, and issue seventy-five (75%) percent of all administrative applications within thirty (30) days of their receipt. In FY15, the Division issued 80% of all administrative applications within thirty (30) days of their receipt. In addition, the overall average turnaround time for all administrative orders issued was twenty-five (25). The Division exceeded its performance target during FY15 in spite of an increase in the number of administrative applications filed.

With respect to the increase in the number of spills of oil, produced water and natural gas, it has been implied that this increase raises concerns about the effectiveness of OCD's well inspection program. An OCD inspection of a producing well or facility cannot result in a "prediction" that a leak or spill will occur. The vast majority of leaks and spills are spontaneous non-intentional discharges that occur, generally, as a result of equipment failure. In reality, an increased number of inspections should result in an increased number of detected leaks or spills. For various reasons, many leaks and spills are not reported to OCD, consequently, by conducting more inspections, more unreported spills and leaks are found.

Finally, the Division continues to participate in projects related to the Carlsbad Brine well including maintenance of an early warning system and technical measurement of the proclivity of that cavern's collapse. In addition to providing data analysis, monitoring and re-entry efforts, Division staff members provide technical guidance to other government entities involved in the project and participate in all of the committees that have been formed to plan for a successful resolution to the situation.

Program Support. Program Support consists of the Office of the Secretary (OFS), as well as the administrative support functions (Legal, HR, Fiscal and IT). The purpose of the program is to support the Energy, Conservation and Management Division, Forestry Division, State Parks Division, Mining and Minerals Division, the Oil Conservation Division, by providing administrative services as well as policy direction and management. The program also provides administrative support to the Youth Conservation Corps Commission, an entity administratively attached to the Department, pursuant to an agreement between the Department and the Commission.

The Office of the Secretary provides policy direction for the Energy, Minerals and Natural Resources Department and its communications with The Office of the Governor, the New Mexico State Legislature and other State Agencies. In addition, the Secretary has administrative oversight of the Waste Isolation Pilot Plant Transportation Safety Coordinator, the New Mexico Department of Game and Fish, the Game Commission, and the Youth Conservation Corps.

The Information Technology Office (ITO) operates and develops information technology (IT) systems and projects that support the Department goals and initiatives. IT encompasses computer and communications infrastructure, including hardware and software, security, communications (voice and data) and databases, as well as the applications that run on, or use, that infrastructure to deliver the actual services to internal and external customers. ITO is also responsible for the department's IT planning, policy and procedures; and approves all IT purchases. The Information Technology Office is the central information technology and information systems provider for the Department. The Information Technology Office is responsible for maintaining and supporting computer systems,

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

Program Highlights (Continued)

Network-telecommunications infrastructure and application development needs of the Department, using the latest technology for windows applications and web applications on the Intranet and Internet.

Additionally, ITO provides the focus for the development of information technology and information systems strategy and policy for the Department.

Administrative Services Division directs the Department's financial operations, particularly budget, federal grants and accounting and support services. Responsibilities' include the oversight of the Department's annual audit.

The Human Resource Bureau supports the Department and its employees in all aspects of personnel administration, personnel policy and benefits. The Program beneficiaries are Energy, Conservation and Management, Forestry, State Parks, Mining and Minerals, the Oil Conservation Divisions and the Youth Conservation Corps.

Using This Annual Report

The focus of this report is on both the Department (government-wide) and the major individual funds. Both perspectives (government-wide and major funds) allow the user to address relevant questions, broaden a basis for comparison and enhance accountability. Although the Department is one of several agencies within the State of New Mexico Government, the primary Government focus in this financial report is the Department and not the State of New Mexico as a whole.

Management's Discussion and Analysis

MD&A should provide an objective and easily readable analysis of the Department's financial activities based on currently known facts, decisions or conditions. It should provide an analysis of the Department's overall financial position and results of operations to assist users in assessing whether the financial position has improved as a result of the year's activities. Additionally, it should provide an analysis of significant changes that occur in funds and significant budget variances.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Department's basic financial statements. The Department's basic financial statements comprise four components: 1) government-wide financial statements, 2) fund financial statements, 3) budgetary comparisons, and 4) notes to the financial statements. This report also contains other supplementary information, including the schedule of expenditures of Federal Grants, in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements consist of a statement of net assets and a statement of activities. These statements should report all of the assets, liabilities, revenues, expenses, and gains and losses of the government.

Fiduciary activities whose resources are not available to finance the government's programs are excluded from the government-wide statements.

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015

Overview of the Financial Statements (Continued)

Most of the Department's basic services are included in the governmental activities. State appropriations and federal grants finance most of these activities. The funds included in Governmental Activities for the Department are the General Operating Fund, Special Revenue Funds, Debt Service Fund and Capital Project Funds.

GASB #34 requires that infrastructure assets (roads, bridges, traffic signals, etc.) be valued and reported within the Governmental column of the Government-wide Statements. Additionally, the government must elect to either depreciate these assets over their estimated useful life or develop a system of asset management designed to maintain the service delivery potential. The Department does not own a material interest in any infrastructure assets and, therefore, is not required to implement this portion of GASB #34.

Fund Financial Statements. Fund financial statements consist of a series of statements that focus on information about the major governmental and enterprise funds. Governmental fund financial statements also report information about a government's fiduciary funds. Governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Fiduciary fund financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The fund financial statements are similar to the financial statements presented in the previous accounting model. The Department has two types of funds: governmental funds and agency funds.

Governmental Funds. Most of the Department's services are included in governmental funds which focus on: (1) how cash and other financial assets that can be readily converted to cash flow in and out, and (2) the balances left at year-end that are available for spending. The governmental fund statements provide a detailed short-term view and help the user determine whether there are more or fewer financial resources that can be spent in the near future to finance the Department's programs. Since this information does not include the additional long-term focus of the government-wide statements, reconciliation between the government-wide statements and the fund financial statements is provided for governmental-type activities.

Agency Funds. The agency funds are used to report assets held in trustee or agency capacity for others and therefore are not available to support Department programs. The reporting focus is upon net assets and changes in net assets and employs accounting principles similar to proprietary funds. With the implementation of GASB #34, agency funds are not included with the governmental-type funds since these funds are not available to support the Department's programs. The Department's agency funds are the Parks and Recreation Division Boat Fund, Gross Receipts Tax Suspense Fund, Oil Disposition Holding Fund, and Water Quality Penalty Fund.

Budgetary Comparisons

In addition to the MD&A, GASB #34 requires budgetary comparison schedules for the general fund and for each major special revenue fund that has a legally adopted annual budget to be presented as Required Supplementary Information (RSI).

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015

Budgetary Comparisons (Continued)

The budgetary comparison schedules should present both the original and the final appropriated budgets for the reporting period, as well as the actual inflows, outflow and balances, stated on the government's budgetary basis. As required by the Office of the State Auditor in 2 NMAC 2.2, the Statements of Revenues and Expenditures – Budget and Actual are also presented. This information is provided at the approved budget level to demonstrate compliance with legal requirements.

The budget to actual statement reflected a significant difference between budgeted federal revenues and actual revenues, as well as budgeted expenditures and actual expenditures. The primary cause for both of these differences is related to multi-year federal grants and the related contractual obligations against these grants. The budgeted federal revenues and expenditures (both in the Contractual and Other Costs categories) are higher based on encumbering the entire amount of these multi-year federal contracts. Because the full amounts of these multi-year contracts are encumbered, there is a related increase in the budgeted revenues and budgeted expenditures. The actual federal revenues and expenditures only include expended funds for this fiscal year and are therefore significantly lower than budgeted amounts. This difference does not indicate a significant shortfall in budgeted revenues or expenditures, but is instead related to the process of fully encumbering multi-year federal grant commitments.

Notes to the Financial Statements

The notes to the financial statements consist of notes that provide information that is essential to a user's understanding of the basic financial statements.

Required Supplementary Information (Other than MD&A)

In addition to the basic statements and accompanying notes, this report also presents certain required supplementary information.

Financial Analysis of the Department as a Whole

Net Position. Table A-1 summarizes the Department's net position for the fiscal year ended June 30, 2015. Total Department net position for fiscal year 2015 was \$95,203,231. Unrestricted net position in Governmental Activities was \$6,566,131 at the end of the fiscal year. Restricted net assets including capital projects, debt service and special appropriations were \$32,451,445. The balance of \$56,185,655 in net assets represent those invested in capital assets, net of related debt (buildings, equipment, etc.)

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

Financial Analysis of the Department as a Whole (Continued)

**Table A-1
The Department's Net Position**

	FY 2015	FY 2014	Amount Change	Total % Change
Assets:				
Current and Other Assets	\$ 39,092,944	\$ 42,471,482	\$ (3,378,538)	-8%
Capital and Non-Current Assets	72,010,993	71,244,973	766,020	1%
Total Assets	<u>\$ 111,103,937</u>	<u>\$ 113,716,455</u>	<u>\$ (2,612,518)</u>	-2%
Liabilities:				
Current Liabilities	\$ 10,047,469	\$ 10,273,250	\$ (225,781)	-2%
Long-Term Liabilities	5,853,237	7,945,004	(2,091,767)	-26%
Total Liabilities	<u>15,900,706</u>	<u>18,218,254</u>	<u>(2,317,548)</u>	-13%
Net Position:				
Net Investment in				
Capital Assets	56,185,655	53,453,039	2,732,616	5%
Restricted	32,451,445	35,501,697	(3,050,252)	-9%
Unrestricted	6,566,131	6,543,466	22,665	0%
Total Net Position	<u>95,203,231</u>	<u>95,498,202</u>	<u>(294,971)</u>	0%
Total Liabilities and Net Position	<u>\$ 111,103,937</u>	<u>\$ 113,716,456</u>	<u>\$ (2,612,519)</u>	-2%

The Department's net position decreased \$294,971 over the course of this fiscal year's operations. The following financial information is a comparison of net position for 2015 and 2014.

The total assets consist of cash and cash equivalents, investment in the State Treasurer's General Fund Investment Pool, receivables from the federal government for grants, receivables from other state agencies, amount due from fiduciary fund, other receivables and capital assets (net of accumulated depreciation). Total liabilities consist of accrued interest payable, accounts payable, amounts due to fiduciary funds, accrued salaries and employee benefits payable, amounts due to the state's general fund and other agencies and the current amount of other obligations and compensated absences payable. Net assets are comprised of investment in capital assets, restricted and unrestricted amounts. In 2015, the amount that was restricted was used to illustrate reserved amounts in the fund financial statements as stated above.

The variances consist of:

Total assets. The variance of current and other assets is due to the fact that cash, cash equivalents and investment in the State Treasurer's General Fund Investment Pool increased by \$3,727,232 from fiscal year 2014. Also there was a decrease in net receivables of \$7,023,337 from fiscal year 2014. Net capital assets increased from the fiscal year 2014 stated amount by \$766,020, partly due to including projects in process.

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
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Financial Analysis of the Department as a Whole (Continued)

Total liabilities. In current liabilities, a major factor contributing to the variance was a decrease in the amount of Due to State General Fund, which decreased by \$655,922. Other liabilities, such as accounts payable, increased from FY14.

Total net position. The net position for the Department decreased from 2014 by \$294,971. The Department's total revenue decreased by approximately 4% from \$68,154,291 to \$65,345,757. The Department's total expenses decreased by approximately 6.4% from \$70,085,025 to \$65,640,728.

Changes in Net Position

The Department's change in net position for fiscal year 2015 was a decrease of \$294,971 (see Table A-2). A significant portion, thirty-two percent (32%), of the Department's revenue comes from State General Fund Appropriations. Thirty-three percent (33%) comes from federal grant funds, thirteen percent (13%) comes from gross receipts tax and seven percent (7%) comes from charges for services.

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Changes in Net Position (Continued)

**Table A-2
Change in the Department's Net Position**

	<u>FY 2015</u>	<u>FY 2014</u>	<u>Amount Change</u>	<u>Total % Change</u>
Revenues:				
Program Revenues:				
Charges for Services	\$ 4,791,194	\$ 4,229,883	\$ 561,311	13.3%
Operating Grants and Contributions	<u>22,755,914</u>	<u>21,493,529</u>	<u>1,262,385</u>	6%
Total Program Revenues	27,547,108	25,723,412	1,823,696	7%
General Revenues:				
Appropriations, Net of Reversions	17,503,804	20,540,486	(3,036,682)	-15%
Interest	23,389	13,179	10,210	77%
Other State Funds	1,139,226	1,004,079	135,147	13%
Gross Receipts Tax	8,763,412	8,562,999	200,413	2%
Conservation Tax	4,815,097	7,004,531	(2,189,434)	-31%
Gasoline Tax	195,636	192,288	3,348	2%
Bond Proceeds - Severance Tax	4,781,914	3,354,030	1,427,884	43%
Gain on Sale of Equipment	(1,512,252)	15,323	(1,527,575)	-9969%
Other	<u>2,088,423</u>	<u>1,743,964</u>	<u>344,459</u>	20%
Total General Revenues	<u>37,798,649</u>	<u>42,430,879</u>	<u>(4,632,230)</u>	-11%
Total Revenues	65,345,757	68,154,291	(2,808,534)	-4%
Expenses:				
Natural Resources and Recreation	64,946,488	69,004,102	(4,057,614)	-6%
Interagency Transfers, Net	<u>694,240</u>	<u>1,080,923</u>	<u>(386,683)</u>	-36%
Total Expenses	<u>65,640,728</u>	<u>70,085,025</u>	<u>(4,444,297)</u>	-6.3%
CHANGE IN NET POSITION	(294,971)	(1,930,734)	(1,635,763)	85%
Net Position - Beginning of Year	95,498,202	95,840,939	(342,737)	0%
Restatement	<u>-</u>	<u>1,587,997</u>	<u>(1,587,997)</u>	100%
Net Position - Beginning of Year, Restated	<u>95,498,202</u>	<u>97,428,936</u>	<u>(1,930,734)</u>	-2%
NET POSITION - END OF YEAR	<u>\$ 95,203,231</u>	<u>\$ 95,498,202</u>	<u>\$ (294,971)</u>	-0.3%

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015

Changes in Net Position (Continued)

Total Revenues. Revenue received is comprised mostly of appropriations from the state's general fund, but also includes federal grant funds, gross receipts tax, bond proceeds, severance tax, interest, gasoline tax and other miscellaneous revenue. Also included in revenue are charges for services of \$4,791,194, which include park admissions, overnight camping, concessionaire income, license and permit sales, and land and shelter rentals.

Total Expenses. The expenses consist of Personal Services and Benefits. Due to the nature of the Department's activities in the areas of mining, oil production, etc., the Department is staffed with a high volume of technical positions and engineers. In addition, expenditures also include the cost of salaries, overtime and other costs associated with fire suppression activities.

Another area of expenditures within the Department is the category of Contractual Services, which includes costs associated with fire suppression activities. In addition, this category is used to flow federal grant funds through to local communities within the state.

Significant expenditures within the Department were in the category of Other Costs. This category pays for operational expenses of the Department including utilities, postage and rent of equipment, which are a major portion of the Department costs with 35 field offices statewide. The majority of expenditures within this category are the costs associated with forest protection and safeguarding activities, abandoned mine reclamation, and oil and gas well reclamation projects, as well as Joint Powers Agreements for construction of outdoor recreational trails projects and conservation projects under the YCC program.

Governmental Activities by Program

The Department has multiple and varied programs that our resources fund. The Divisions within our Department include the Energy Conservation and Management Division, the Forestry Division, the Mine Reclamation Division, the Oil and Gas Conservation Division, the State Parks Division, Youth Conservation Corps, Multiple Capital Projects and the Program Support Division. The table below shows the expenses by division/program and the percentage of all expenses which was taken from the fund financial statements. The difference in this amount and the amount shown in the statement of activities is approximately \$5,468,026, which is mainly comprised of adjustments made for depreciation, capital outlay, compensated absences and debt service.

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

Governmental Activities by Program (Continued)

**Table A-3
Governmental Activities by Program**

Program	Expenses	Percentage Spent by Program
Renewable Energy & Energy Efficiency	\$ 5,558,087	9%
Forestry & Fire Disasters	14,351,235	24%
Mine Reclamation	6,015,790	10%
Oil and Gas Conservation	7,248,202	12%
State Parks	17,422,761	29%
Program Support	4,882,622	8%
Youth Conservation Corps	3,999,765	7%
	<u>\$ 59,478,462</u>	100%

Fund Balance

As the Department completed the year, its governmental funds reported a combined fund balance of \$32,503,341, which is \$3,064,386 lower than last year. There was a significant deficiency of revenues under expenditures, but this deficiency decreased from FY14 by approximately \$6 million dollars.

The ending fund balance of \$32 million is comprised of amounts restricted and committed. The restricted fund balance is \$27 million. \$5 million is categorized as committed.

The general fund is the chief operating fund for the Department. It accounts for revenue and expenses not designated for specific purposes in all the program areas except Parks. The Parks fund is non-reverting, while the General fund reverts all unreserved fund balance.

The total fund balance of the Department's general fund decreased by \$357,161 during the current fiscal year.

Besides the general fund, the other major funds were the Emergency Fire Disaster fund, Abandoned Mine Reclamation, State Parks, Youth Conservation Corps, ARRA, Debt Service and the EMNRD Capital Projects GGRT Fund. Changes in these fund balances from FY14 are as follows:

- The Emergency Fire Disaster fund decreased by \$5,538,360.
- The Abandoned Mine fund increased by \$3,936.
- The State Parks fund increased by \$1,362,270.
- The Oil Reclamation fund increased by \$2,291,613
- The Youth Conservation Corps fund decreased by \$713,044.
- The Debt Service fund decreased by \$209,160.
- The Capital Projects GGRT fund decreased by \$55,962.

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015

General Fund Budgetary Highlights

The New Mexico State Legislature makes annual appropriations to the Department. Amendments to the appropriated budget require approval by the Budget Division of the Department of Finance and Administration with review by the Legislative Finance Committee.

Over the course of the year, the Department adjusts its budget as authorized in the Appropriations Act. The budget adjustments fall into four categories:

- Supplemental and special appropriations that are reflected in the actual beginning account balances (correcting the estimated amounts in the budget adopted for the fiscal year).
- Capital Improvement Project appropriations that are budgeted during the year based on legislative appropriations.
- Budget adjustment requests made during the fiscal year to allow the Department to utilize funds where needed.
- Budget adjustment requests that increase or decrease other state funds based on actual revenues.

The Department expended \$148,874 of the special appropriations carried over from prior years in FY 2015.

The Department received four capital project appropriations for FY 2015.

The Governor issued 2 executive orders for FY 2015 for emergency fire suppression activities in the amount of \$1,500,000.

Capital Assets and Debt Administration

At the end of fiscal year 2015, the Department has invested a total of \$154,940,469 in governmental-type activities in a variety of capital assets (fixed assets). This amount represents a net increase (including additions and deductions, excluding depreciations) of \$3,715,682, which is approximately a 2% increase over last fiscal year. The major increases in capital assets during the fiscal year were in the areas of machinery and equipment, projects in process and data processing equipment. The State Parks Division funds numerous capital projects annually to include various boat ramp extensions, visitor center remodeling, statewide water and wastewater improvements, statewide shelter/picnic table replacements, campground facilities construction and enhancement, and repairs to historic administration buildings and walkways. This is due in part to a concerted effort by the State Parks Division to maintain facilities in a manner that will attract both in-state and out-of-state visitors.

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

Capital Assets and Debt Administration (Continued)

**Table A-4
Department's Capital Assets**

	(Dollars in Millions)			
	FY 2015	FY 2014	Amount Change	Total % Change
Land	\$ 11.2	\$ 8.2	\$ 3.0	37%
Land Improvements	28.0	28.8	(0.8)	(2.8)
Buildings and Improvements	79.6	78.9	0.7	0.9
Equipment and Machinery	14.5	14.3	0.2	1.4
Furniture and Fixtures	0.5	0.5	-	-
Vehicles and Automotive	9.2	8.7	0.5	5.7
Data Processing Equipment	1.3	1.2	0.1	8.3
Museum Acquisitions	0.5	0.5	-	-
Projects in Process	1.8	1.9	(0.1)	(5.3)
Easements and other Intangibles	8.2	8.2	-	-
Total Assets	\$ 154.8	\$ 151.2	\$ 3.6	2.4

The Department has many capital projects in process, several which are tentatively scheduled for completion next fiscal year. More detailed information about the Department's capital assets is presented in Note 7 to the financial statements. Accumulated depreciation for these capital assets is calculated at \$82,929,476.

GASB #34 requires the recording and depreciation of infrastructure assets such as roads, bridges, traffic signals, etc. The Department does not own a material interest in any infrastructure assets.

Long Term Debt

The Department's long-term debt includes nine outstanding bond issues. At the end of FY 2015, the amount outstanding on these obligations was \$7.6 million. Detailed information about the Department's long-term debt is presented in Note 9 to the financial statements.

Economic Factors and Next Year's Budget and Rates

The Department's budget is appropriated to the following programs:

- Energy Conservation and Management
- Healthy Forest
- State Parks
- Mining and Minerals
- Oil Conservation
- Program Support

The Department's operating budget for Fiscal Year 16 is \$68,959,800 and includes 492 full time equivalents (FTE).

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2015**

Economic Factors and Next Year's Budget and Rates (Continued)

As required by the Accountability in Government Act, fiscal year 2015 was the 14th year the Department has submitted performance based and program budgets. The Department continues to work with the Legislative Finance Committee (LFC) and the State Budget Division to report and streamline measures that are meaningful and useful.

Contacting The Department's Financial Management

This financial report is designed to provide citizens, taxpayers, customers, legislators and investors and creditors with a general overview of the Department's finances and to demonstrate the Department's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact:

New Mexico Energy, Minerals and Natural Resources Department
Financial Services Bureau
1220 South Saint Francis Drive
Santa Fe, New Mexico 8750

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF NET POSITION
JUNE 30, 2015**

	Governmental Activities
ASSETS	
Cash and Cash Equivalents	\$ 24,968
Investment in State Treasurer General Fund Investment Pool	27,068,448
Restricted Cash	2,248,374
Receivables:	
Federal Government	5,171,971
Due from Fiduciary Fund	41,516
Due from Other State Agencies	4,402,158
Other Receivables	135,509
Total Current Assets	39,092,944
NON-CURRENT ASSETS	
Intangible Assets	8,190,318
Capital Assets	146,750,151
Less: Accumulated Depreciation	(82,929,476)
Total Non-Current Assets	72,010,993
Total Assets	\$ 111,103,937

See accompanying Notes to Financial Statements.

	<u>Governmental Activities</u>
LIABILITIES	
Accounts Payable	\$ 5,430,226
Accrued Interest Payable	51,896
Due to State General Fund	11,386
Due to Other State Agencies	181,760
Due to Federal Government	-
Accrued Payroll	966,231
Current Portion of Compensated Absences Payable	1,398,320
Current Portion of Long-Term Obligations	<u>2,007,650</u>
Total Current Liabilities	10,047,469
LONG-TERM OBLIGATIONS	
Non-Current Compensated Absences	225,867
Non-Current Portion of Long-Term Obligations	<u>5,627,370</u>
Total Long-Term Obligations	<u>5,853,237</u>
Total Liabilities	15,900,706
NET POSITION	
Net Investment in Capital Assets	56,185,655
Restricted for:	
Capital Projects	4,233,011
Debt Services, Net of Accrued Interest Payable	2,210,396
Special Monies	26,008,038
Unrestricted	<u>6,566,131</u>
Total Net Position	<u>95,203,231</u>
Total Liabilities and Net Position	<u>\$ 111,103,937</u>

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015**

	<u>Governmental Activities</u>
EXPENSES	
State Parks Program	\$ 18,906,762
Healthy Forests Program	11,491,242
Oil & Gas Conservation Program	7,865,575
Fire Disasters	4,082,378
Mine Reclamation Program	6,528,191
Program Support	5,275,840
Conservation	4,340,449
Renewal Energy Program	6,031,501
Interest	401,647
Other	22,903
Total Expenses	<u>64,946,488</u>
PROGRAM REVENUE	
Charges for Services	4,791,194
Operating Grants and Contributions	22,755,914
Net Program Expense	<u>(37,399,380)</u>
GENERAL REVENUES AND TRANSFERS	
General Fund Appropriations	23,666,600
Reversions	(6,162,796)
Interest	23,389
Other State Funds	1,139,226
Gross Receipts Tax	8,763,412
Conservation Taxes	4,815,097
Gasoline Tax	195,636
Bond Proceeds - Severance Tax	4,781,914
Inter-Agency Transfers	(694,240)
Loss on Disposal of Equipment	(1,512,252)
Other Revenue	2,088,423
Total General Revenues and Transfers	<u>37,104,409</u>
CHANGE IN NET POSITION	(294,971)
Net Position - Beginning of Year	<u>95,498,202</u>
NET POSITION - END OF YEAR	<u><u>\$ 95,203,231</u></u>

See accompanying Notes to Financial Statements.

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
BALANCE SHEET – GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2015

	Major Funds				
	General Fund 19900	Emergency Fire Disaster Fund 21300	Abandoned Mine Reclamation Fund 65600	State Parks Fund 20010	Oil Reclamation Fund 31100
ASSETS					
Cash and Cash Equivalents	\$ 3,768	\$ -	\$ -	\$ 21,200	\$ -
Investment in State Treasurer General Fund Investment Pool		2,043,203	4,715,449	5,252,458	7,816,666
Restricted Cash	-	-	-	-	-
Receivables:					
Federal Government	3,082,251	402,229	-	440,397	-
Due from Other Funds	1,323	-	-	48,290	2,946,661
Due from Fiduciary Fund	-	-	-	41,516	-
Due from Other State Agencies	17,162	-	333	201,202	941,524
Other Receivables	5,641	44	-	129,522	-
	<u>5,641</u>	<u>44</u>	<u>-</u>	<u>129,522</u>	<u>-</u>
Total Assets	<u>\$ 3,110,145</u>	<u>\$ 2,445,476</u>	<u>\$ 4,715,782</u>	<u>\$ 6,134,585</u>	<u>\$ 11,704,851</u>
LIABILITIES					
Accounts Payable	\$ 1,061,418	\$ 278,099	\$ -	\$ 722,695	\$ 124,585
Due to Other Funds	1,465,679	-	-	215	-
Due to State General Fund	11,386	-	-	-	-
Due to Other State Agencies	130,329	-	-	51,169	-
Due to Federal Government	-	-	-	-	-
Accrued Payroll	440,192	79,696	-	344,629	63,250
Total Liabilities	<u>3,109,004</u>	<u>357,795</u>	<u>-</u>	<u>1,118,708</u>	<u>187,835</u>
FUND BALANCES					
Restricted	-	2,087,681	4,715,782	-	11,517,016
Committed	1,141	-	-	5,015,877	-
Total Fund Balances	<u>1,141</u>	<u>2,087,681</u>	<u>4,715,782</u>	<u>5,015,877</u>	<u>11,517,016</u>
Total Liabilities and Fund Balances	<u>\$ 3,110,145</u>	<u>\$ 2,445,476</u>	<u>\$ 4,715,782</u>	<u>\$ 6,134,585</u>	<u>\$ 11,704,851</u>

See accompanying Notes to Financial Statements.

Major Funds						
Youth Conservation Corps 01400	ARRA Fund 89000	Debt Service Fund 30000	EMNRD Capital Projects GGRT Fund 64600	EMNRD Capital Projects - STB 89200	Other Governmental Funds	Total Governmental
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,968
1,897,412	-	13,918	3,878,163	-	1,451,179	27,068,448
-	-	2,248,374	-	-	-	2,248,374
-	1,243,494	-	-	-	3,600	5,171,971
-	-	-	10	-	23,096	3,019,380
-	-	-	-	-	-	41,516
671,961	-	-	940,617	1,593,758	35,601	4,402,158
-	-	-	302	-	-	135,509
<u>\$ 2,569,373</u>	<u>\$ 1,243,494</u>	<u>\$ 2,262,292</u>	<u>\$ 4,819,092</u>	<u>\$ 1,593,758</u>	<u>\$ 1,513,476</u>	<u>\$ 42,112,324</u>
\$ 1,352,527	\$ 772,764	\$ -	\$ 545,171	\$ 538,292	\$ 34,675	\$ 5,430,226
-	470,730	-	27,290	1,055,466	-	3,019,380
-	-	-	-	-	-	11,386
-	-	-	-	-	262	181,760
-	-	-	-	-	-	-
4,716	-	-	13,620	-	20,128	966,231
1,357,243	1,243,494	-	586,081	1,593,758	55,065	9,608,983
1,212,130	-	2,262,292	4,233,011	-	1,060,737	27,088,649
-	-	-	-	-	397,674	5,414,692
1,212,130	-	2,262,292	4,233,011	-	1,458,411	32,503,341
<u>\$ 2,569,373</u>	<u>\$ 1,243,494</u>	<u>\$ 2,262,292</u>	<u>\$ 4,819,092</u>	<u>\$ 1,593,758</u>	<u>\$ 1,513,476</u>	<u>\$ 42,112,324</u>

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2015**

Total Fund Balance - Governmental Funds (Governmental Fund Balance Sheet)	\$	32,503,341
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Amounts reported for governmental activities in the Statement of Net Position are different because:

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

Cost of Capital Assets is		154,940,469
Accumulated Depreciation is		(82,929,476)
Total Capital Assets		72,010,993

Long-term and certain other liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds.

Long-term and other liabilities at year end consist of:

Loan and Bonds Payable		(7,635,020)
Accrued Interest Payable		(51,896)
Compensated Absences Payable		(1,624,187)
Total Long-Term and Other Liabilities		(9,311,103)

Net Position of Governmental Activities (Statement of Net Position)	\$	95,203,231
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STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2015

	Major Funds				
	General Fund 19900	Emergency Fire Disaster Fund 21300	Abandoned Mine Reclamation Fund 65600	State Parks Fund 20010	Oil Reclamation Fund 31100
REVENUES					
Boating Fees	\$ -	\$ -	\$ -	\$ 158,874	\$ -
Interest	-	-	3,936	1,038	-
Other State Funds	-	-	-	1,413	-
Park Admissions	29,746	-	-	1,383,341	-
Lease and Rental Income	900	-	-	2,814,451	-
Federal Funds	16,980,947	683,601	-	2,729,418	-
Concession Income	-	-	-	403,882	-
Gross Receipts Tax	-	-	-	-	-
Conservation Taxes	-	-	-	-	4,815,097
Gasoline Tax	-	-	-	-	-
Other	10,015	13,828	-	576,637	1,448,013
Total Revenues	<u>17,021,608</u>	<u>697,429</u>	<u>3,936</u>	<u>8,069,054</u>	<u>6,263,110</u>
EXPENDITURES					
Current:					
Renewable Energy Program	1,424,909	-	-	-	-
Healthy Forests Program	10,200,180	-	-	-	-
State Parks Program	-	-	-	15,704,555	-
Mine Reclamation Program	5,224,656	-	-	-	-
Oil & Gas Conservation Program	3,821,823	-	-	-	3,426,379
Program Support	4,882,622	-	-	-	-
Conservation	-	-	-	-	-
Fire Disasters	-	1,534,379	-	-	-
Capital Outlay	3,346,768	-	-	1,956,269	208,818
Debt Service - Principal	-	-	-	-	-
Debt Service - Interest	-	-	-	-	-
Debt Service - Miscellaneous	-	-	-	-	-
Total Expenditures	<u>28,900,958</u>	<u>1,534,379</u>	<u>-</u>	<u>17,660,824</u>	<u>3,635,197</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(11,879,350)	(836,950)	3,936	(9,591,770)	2,627,913
OTHER FINANCING SOURCES (USES)					
Inter-Agency Transfers - State General Fund Appropriation:					
Regular	11,273,300	-	-	10,893,300	-
Special	-	1,500,000	-	-	-
Intra-Agency Transfers, Net	1,040,007	(50,000)	-	(233,735)	(336,300)
Inter-Agency Transfers - Reversions	(11,386)	(6,151,410)	-	-	-
Inter-Agency Transfers - Severance Tax	-	-	-	-	-
Inter-Agency Transfers - Other, Net	(779,732)	-	-	221,435	-
Proceeds from Sale of Capital Assets	-	-	-	73,040	-
Total Other Financing Sources (Uses)	<u>11,522,189</u>	<u>(4,701,410)</u>	<u>-</u>	<u>10,954,040</u>	<u>(336,300)</u>
NET CHANGE IN FUND BALANCES	(357,161)	(5,538,360)	3,936	1,362,270	2,291,613
Fund Balances - Beginning of Year	<u>358,302</u>	<u>7,626,041</u>	<u>4,711,846</u>	<u>3,653,607</u>	<u>9,225,403</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,141</u>	<u>\$ 2,087,681</u>	<u>\$ 4,715,782</u>	<u>\$ 5,015,877</u>	<u>\$ 11,517,016</u>

Youth Conservation Corps 01400	ARRA Fund 89000	Debt Service Fund 30000	EMNRD Capital Projects GGRT Fund 64600	EMNRD Capital Projects - STB 89200	Other Governmental Funds	Total Governmental
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 158,874
-	-	18,405	-	-	10	23,389
-	-	-	-	-	1,137,813	1,139,226
-	-	-	-	-	-	1,413,087
-	-	-	-	-	-	2,815,351
-	2,227,568	-	-	-	134,380	22,755,914
-	-	-	-	-	-	403,882
3,651,714	-	-	5,111,698	-	-	8,763,412
-	-	-	-	-	-	4,815,097
-	-	-	-	-	195,636	195,636
-	-	-	1,436	-	15,319	2,065,248
<u>3,651,714</u>	<u>2,227,568</u>	<u>18,405</u>	<u>5,113,134</u>	<u>-</u>	<u>1,483,158</u>	<u>44,549,116</u>
-	-	-	-	4,133,178	-	5,558,087
-	-	-	-	-	389,108	10,589,288
-	-	-	1,606,224	-	111,982	17,422,761
-	-	-	-	-	791,134	6,015,790
-	-	-	-	-	-	7,248,202
-	-	-	-	-	-	4,882,622
3,999,765	-	-	-	-	-	3,999,765
-	2,227,568	-	-	-	-	3,761,947
-	-	-	1,153,657	648,736	80,030	7,394,278
-	-	1,966,596	-	-	-	1,966,596
-	-	415,781	-	-	-	415,781
-	-	22,903	-	-	-	22,903
<u>3,999,765</u>	<u>2,227,568</u>	<u>2,405,280</u>	<u>2,759,881</u>	<u>4,781,914</u>	<u>1,372,254</u>	<u>69,278,020</u>
(348,051)	-	(2,386,875)	2,353,253	(4,781,914)	110,904	(24,728,904)
-	-	-	-	-	-	22,166,600
-	-	-	-	-	-	1,500,000
(225,000)	-	2,177,715	(2,409,215)	-	36,528	-
-	-	-	-	-	-	(6,162,796)
-	-	-	-	4,781,914	-	4,781,914
(139,993)	-	-	-	-	4,050	(694,240)
-	-	-	-	-	-	73,040
<u>(364,993)</u>	<u>-</u>	<u>2,177,715</u>	<u>(2,409,215)</u>	<u>4,781,914</u>	<u>40,578</u>	<u>21,664,518</u>
(713,044)	-	(209,160)	(55,962)	-	151,482	(3,064,386)
1,925,174	-	2,471,452	4,288,973	-	1,306,929	35,567,727
<u>\$ 1,212,130</u>	<u>\$ -</u>	<u>\$ 2,262,292</u>	<u>\$ 4,233,011</u>	<u>\$ -</u>	<u>\$ 1,458,411</u>	<u>\$ 32,503,341</u>

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015**

Net Changes in Fund Balances - Total Governmental Funds
(Statement of Revenues, Expenditures, and Changes in Fund Balances) \$ (3,064,386)

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

In the Statement of Activities, certain operating expenses - compensated absences (sick and annual leave) are measured by the amounts earned during the year. In the Governmental Funds, however, expenditures for these items are measured by the amounts of financial resources used (essentially, the amounts actually paid). The increase in the liabilities for the fiscal year was: 22,665

Repayment of bond and note principal is an expenditure in the Governmental Funds, but it reduces long-term liabilities in the Statement of Net Assets and does not affect the Statement of Activities. Bond and note payments during the current fiscal year were: 1,966,596

Interest on long-term debt in the Statement of Activities differs from the amount reported in the Governmental Funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrued, regardless of when it is due. The additional interest reported in the Statement of Activities is the net result of two factors: accrued interest on bonds and notes payable. The decrease in the liability for the fiscal year was: 14,134

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 and reported as depreciation expense. In the current period, these amounts were:

Capital Outlay	7,394,278
Donated Asset	23,175
Depreciation Expense	<u>(5,066,141)</u>
Excess of Depreciation Expense Over Capital Outlay	2,351,312

The Statement of Activities reports the loss on the sale of equipment, while the Statement of Revenues, Expenditures and Changes in Fund Balance reports the proceeds. The reconciling amount is the difference: (1,585,292)

Change in Net Position of Governmental Activities (Statement of Activities) \$ (294,971)

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES – MAJOR GOVERNMENTAL FUNDS –
BUDGET AND ACTUAL (BUDGETARY BASIS)
YEAR ENDED JUNE 30, 2015**

	GENERAL FUND-TOTAL			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
REVENUES				
Charges for Services	\$ 27,800	\$ 27,800	\$ 34,358	\$ 6,558
Federal Funds	18,626,800	22,200,268	16,980,947	(5,219,321)
State General Fund Appropriation:				
Regular	11,273,300	11,273,300	11,273,300	-
Special	-	50,000	-	(50,000)
Interest	-	-	-	-
Other State Funds	-	-	-	-
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	1,626,200	1,626,200	1,527,235	(98,965)
Proceeds from Sale of Capital Assets	-	-	5,000	5,000
Other Income	-	-	1,303	1,303
Fund Balance	-	357,177	-	(357,177)
	<u>\$ 31,554,100</u>	<u>\$ 35,534,745</u>	29,822,143	<u>\$ (5,712,602)</u>
EXPENDITURES				
Personal Services and Benefits	\$16,388,300	\$16,893,893	15,947,177	\$ 946,716
Contractual Services	6,818,500	6,597,879	3,656,606	2,941,273
Other Costs	6,773,600	10,210,893	9,297,175	913,718
Other Financing Uses	1,573,700	1,683,205	1,266,960	416,245
	<u>\$ 31,554,100</u>	<u>\$ 35,385,870</u>	<u>30,167,918</u>	<u>\$ 5,217,952</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			(345,775)	
GAAP BASIS RECONCILIATION				
Reversions			(11,386)	
Timing Difference Related to Accounts Payable			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (357,161)</u>	

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES – MAJOR GOVERNMENTAL FUNDS –
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

EMERGENCY FIRE DISASTER FUND				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	683,601	683,601
State General Fund Appropriation:				
Regular	-	-	-	-
Special	1,500,000	1,500,000	1,500,000	-
Interest	-	-	-	-
Other State Funds	-	-	-	-
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	13,828	13,828
Fund Balance	-	1,769,297	-	(1,769,297)
	<u>-\$ 1,500,000</u>	<u>-\$ 3,269,297</u>	<u>2,197,429</u>	<u>-\$ (1,071,868)</u>
Total Revenues	<u>\$ 1,500,000</u>	<u>\$ 3,269,297</u>	<u>2,197,429</u>	<u>\$ (1,071,868)</u>
EXPENDITURES				
Personal Services and Benefits	\$ 625,000	\$ 676,478	541,253	\$ 135,225
Contractual Services	-	-	-	-
Other Costs	825,000	2,482,646	993,126	1,489,520
Other Financing Uses	50,000	110,173	50,000	60,173
	<u>\$ 1,500,000</u>	<u>\$ 3,269,297</u>	<u>1,584,379</u>	<u>\$ 1,684,918</u>
Total Expenditures	<u>\$ 1,500,000</u>	<u>\$ 3,269,297</u>	<u>1,584,379</u>	<u>\$ 1,684,918</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			613,050	
GAAP BASIS RECONCILIATION				
Reversions			(6,151,410)	
Timing Difference Related to Accounts Payable			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (5,538,360)</u>	

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES – MAJOR GOVERNMENTAL FUNDS –
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	ABANDONED MINE RECLAMATION			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-
State General Fund Appropriation:				
Regular	-	-	-	-
Special	-	-	-	-
Interest	-	-	3,936	3,936
Other State Funds	-	-	-	-
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	-	-
Fund Balance	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	3,936	<u>\$ 3,936</u>
EXPENDITURES				
Personal Services and Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	-	-	-	-
Other Financing Uses	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			3,936	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing Difference Related to Accounts Payable			-	
			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 3,936</u>	

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES – MAJOR GOVERNMENTAL FUNDS –
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	STATE PARKS			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
REVENUES				
Charges for Services	\$3,671,300	\$3,671,300	\$ 4,760,548	\$ 1,089,248
Federal Funds	2,883,300	3,680,161	2,729,418	(950,743)
State General Fund Appropriation:				
Regular	10,893,300	10,893,300	10,893,300	-
Special	-	-		-
Interest	-	-	1,038	1,038
Other State Funds	-	-		-
Tax Revenue	285,600	285,600	1,413	(284,187)
Bond Proceeds	-	-		-
Other Financing Sources	299,100	299,100	221,435	(77,665)
Proceeds from Sale of Capital Assets	-	-	73,040	73,040
Other Income	595,500	595,500	576,637	(18,863)
Fund Balance	851,200	851,200	-	(851,200)
	<u>\$ 19,479,300</u>	<u>\$ 20,276,161</u>	19,256,829	<u>\$ (1,019,332)</u>
EXPENDITURES				
Personal Services and Benefits	\$11,774,700	\$11,774,700	11,124,958	\$ 649,742
Contractual Services	506,500	506,500	337,849	168,651
Other Costs	6,715,400	7,512,261	6,196,669	1,315,592
Other Financing Uses	482,700	482,700	233,735	248,965
	<u>\$ 19,479,300</u>	<u>\$ 20,276,161</u>	17,893,211	<u>\$ 2,382,950</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			1,363,618	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing Difference Related to Accounts Payable			(1,348)	
NET CHANGE IN FUND BALANCE			<u>\$ 1,362,270</u>	

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES – MAJOR GOVERNMENTAL FUNDS –
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	OIL RECLAMATION FUND			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-
State General Fund Appropriation:				
Regular	-	-	-	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	-	-	-	-
Tax Revenue	-	-	-	-
Bond Proceeds	4,844,900	5,194,900	4,815,097	(379,803)
Other Financing Sources	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	1,448,013	1,448,013
Fund Balance	1,200,300	1,200,300	-	(1,200,300)
	<u>1,200,300</u>	<u>1,200,300</u>	<u>-</u>	<u>(1,200,300)</u>
 Total Revenues	 <u>\$ 6,045,200</u>	 <u>\$ 6,395,200</u>	 6,263,110	 <u>\$ (132,090)</u>
EXPENDITURES				
Personal Services and Benefits	\$ 1,454,500	\$ 1,614,500	1,602,458	\$ 12,042
Contractual Services	4,142,800	3,842,800	1,512,927	2,329,873
Other Costs	111,600	601,600	519,812	81,788
Other Financing Uses	336,300	336,300	336,300	-
	<u>336,300</u>	<u>336,300</u>	<u>336,300</u>	<u>-</u>
 Total Expenditures	 <u>\$ 6,045,200</u>	 <u>\$ 6,395,200</u>	 <u>3,971,497</u>	 <u>\$ 2,423,703</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			2,291,613	
GAAP BASIS RECONCILIATION				
Reversions				
Timing difference related to accounts payable			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 2,291,613</u>	

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES – MAJOR GOVERNMENTAL FUNDS –
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	YOUTH CONSERVATION CORPS			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-
State General Fund Appropriation:				
Regular	-	-	-	-
Special	100,000	100,000	-	(100,000)
Interest	-	-	-	-
Other State Funds	-	-	-	-
Tax Revenue	3,815,000	3,815,000	3,651,714	(163,286)
Bond Proceeds	-	-	-	-
Other Financing Sources	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	-	-
Fund Balance	939,400	983,800	-	(983,800)
	<u>939,400</u>	<u>983,800</u>	<u>-</u>	<u>(983,800)</u>
 Total Revenues	 <u>\$ 4,854,400</u>	 <u>\$ 4,898,800</u>	 3,651,714	 <u>\$ (1,247,086)</u>
EXPENDITURES				
Personal Services and Benefits	\$ 168,400	\$ 168,400	168,149	\$ 251
Contractual Services	4,142,000	4,152,000	3,602,579	549,421
Other Costs	94,000	165,835	93,661	72,174
Other Financing Uses	450,000	412,565	364,993	47,572
	<u>450,000</u>	<u>412,565</u>	<u>364,993</u>	<u>47,572</u>
 Total Expenditures	 <u>\$ 4,854,400</u>	 <u>\$ 4,898,800</u>	 <u>4,229,382</u>	 <u>\$ 669,418</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			(577,668)	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing difference related to accounts payable			<u>(135,376)</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (713,044)</u>	

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES – MAJOR GOVERNMENTAL FUNDS –
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	AMERICAN REINVESTMENT & RECOVERY ACT (ARRA)			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance From Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	2,486,420	2,227,568	(258,852)
State General Fund Appropriation:				
Regular	-	-	-	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	-	-	-	-
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	-	-
Fund Balance	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>\$ -</u>	<u>\$ 2,486,420</u>	2,227,568	<u>\$ (258,852)</u>
EXPENDITURES				
Personal Services and Benefits		\$ 32,548	9,196	\$ 23,352
Contractual Services		2,453,872	2,218,372	235,500
Other Costs			-	-
Other Financing Uses			-	-
		<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ -</u>	<u>\$ 2,486,420</u>	2,227,568	<u>\$ 258,852</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			-	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing Difference Related to Accounts Payable			-	
			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES – AGENCY FUNDS
JUNE 30, 2015**

	Agency Funds
ASSETS	
Investments in State General Fund Investment Pool	\$ 62,817
Due from other funds	-
Interest Receivable	2
Due from Other State Agencies	43,591
	43,591
Total Assets	\$ 106,410
LIABILITIES	
Accounts payable	\$ -
Due to Other Funds	41,516
Due to Other State Agencies	2,000
Due to State General Fund	41,516
Deposits Held in Custody for Others	21,378
	21,378
Total Liabilities	\$ 106,410

See accompanying Notes to Financial Statements.

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 1 DEFINITION OF REPORTING ENTITY

On July 1, 1987, the Energy, Minerals, and Natural Resources Department (the Department) was formed by NMSA Section 95A-1 through 95A-7, 1978 Compilation. The basic function of the Department is to maintain responsibility for the protection, preservation and proper utilization of extractive and renewable resources residing within the state. These include, but are not limited to, petroleum, natural gas, coal, uranium, potash, timber, soils and wildlife. The Department administers programs directed toward the promotion of energy conservation, outdoor recreation and natural resources planning. The Department does not have any component units.

The chief executive of the Department is the Secretary, who is appointed by the Governor of New Mexico and is a member of the Governor's cabinet. The Department is a "department" of the executive branch and these financial statements include all funds, account groups and activities over which the Department Secretary has oversight responsibility.

The accompanying financial statements of the Department include all funds and activities over which the Department has oversight responsibility. Even though the Governor appoints the Department Secretary, the Secretary has decision-making authority, the power to designate management, the responsibility to significantly influence operations and is primarily accountable for fiscal matters.

The Department is part of the primary government of the State of New Mexico, and its financial data is included with the financial data in the State of New Mexico's Comprehensive Annual Financial Report. These financial statements present financial information that is attributable to the Department and does not purport to present the financial position of the State of New Mexico.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates in Preparing Financial Statements

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

Financial Reporting Entity

The financial statements for the Department have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Reporting Entity (Continued)

Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of these accounting policies are described below.

Government-wide and Fund Financial Statements

The basic financial statements include both government-wide (based on the Department as a whole) and fund financial statements. The reporting model focus is on either the Department as a whole or major individual fund (within the fund financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as governmental activities. In the Government-Wide Statement of Net Assets, the governmental activities column is presented on a consolidated basis by column, and is reflected on a full accrual, economic resources basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities reflects both the gross and net cost per functional category, which are otherwise being supported by general government revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function. Inter-fund balances have been eliminated in the government-wide financial statements.

The net cost (by function) is normally covered by general revenues (intergovernmental revenues, interest income, etc.).

This government-wide focus is more on the sustainability of the Department as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

The governmental fund statements are presented on a current financial resource and modified accrual basis of accounting. This presentation is deemed appropriate to (1) demonstrate legal compliance, (2) demonstrate the source and use of liquid resources, and (3) demonstrate how the Department's actual experience conforms to the budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented on the page following each statement, which briefly explains the adjustment necessary to transform the fund based financial statements into the governmental column on the government-wide presentation.

The Department's fiduciary funds (agency funds) are presented in the fund financial statements. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated in the government-wide statements.

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-wide and Fund Financial Statements (Continued)

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the Department first uses restricted resources, then unrestricted resources.

Basis of Presentation – Fund Accounting

The accounts of the Department are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures. The various funds are summarized by type in the accompanying financial statements. The following fund types are used by the Department:

Governmental Funds – All governmental fund types are accounted for on a spending or financial flow measurement focus. Only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of available spendable resources. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period.

Due to their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

The major governmental funds presented in these financial statements include the General Fund, the Emergency Fire Disaster Fund, the Abandoned Mine Reclamation Fund, the State Parks Fund, the Oil Reclamation Fund, the Youth Conservation Corps, the American Recovery and Reinvestment Act Fund, the Debt Service Fund, the Capital Projects GGRT Fund, and the Capital Projects – STB Fund.

General Fund - Fund No. 19900 – The General Fund is the operating fund of the Department. It is used to account for all operating activities of the Department, except those requiring other governmental fund types. It is funded primarily through the State of New Mexico Appropriations Act. This is a major fund. Included in the General Fund are:

- Energy Efficiency - reverting
- Forestry - reverting
- Mine Reclamation Program – reverting
- Voluntary Compliance (Oil & Gas Conservation) - reverting
- Program Support - reverting

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation – Fund Accounting (Continued)

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.

Energy Conservation and Management Division

Petroleum Violation Escrow Fund (31600) – Stripper Well – Petroleum Violation Escrow Fund (non-reverting) was established to account for the State of New Mexico's proportionate share of the Petroleum Violation Escrow Funds (oil overcharge monies) pursuant to the 1983 Further Continuing Appropriations Act, Public Law No. 970-377, enacted on December 20, 1982. Funds received are to be utilized for the purpose of funding energy conservation projects in public and nonpublic schools and hospitals in New Mexico, for promoting the introduction of solar energy measures to residential buildings through reduction of interest rates charged by banks, and for demonstrating and promoting energy conservation technology to residences and small businesses. The Department has special revenue funds for the following petroleum violation escrow account: Stripper Well.

Energy Efficiency Assessment Revolving Fund (20150) - The Energy Efficiency Assessment Revolving Fund (non-reverting) was established in accordance with Section 6, Chapter 171, Laws of 2007. The fund consists of appropriations, gifts, grants, donations and bequests made to the fund and reimbursements of costs incurred by the Department in performing energy efficiency assessments pursuant to the Energy Efficiency and Renewable Energy Bond Act. Income from the fund is credited to the fund and money in the fund at year end is not revertible and nontransferable to any other fund.

Oil Conservation Division

Oil Reclamation Fund (31100) - The Oil Reclamation Fund (non-reverting), established in accordance with Section 70-2-37, NMSA, 1978 Compilation, provides funds for the plugging of dry and abandoned oil wells. The fund was originally allocated a percentage of the oil conservation tax. The tax revenues are used to award performance contracts to independent contractors. This is a major fund.

Water Quality Permit Fees Fund (40120) - The Water Quality Permit Fees Fund was established in accordance with Section 74-6-5, NMSA, 1978 Compilation, to issue water quality permits for the discharge of any water contaminant or for the disposal or reuse of septage or sludge.

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation – Fund Accounting (Continued)

Forestry Division

Emergency Fire Disaster Fund (21300) - The Emergency Fire Disaster Fund (reverting) was established in accordance with Section 68-2-18, NMSA, 1978 Compilation, to account for the operations of the State Forestry and Resources Division in the execution of emergency fire suppression. This is funded from the Governor's contingency fund. This is a major fund of the Department.

Forest Land Protection Fund (32200) - The Forest Land Protection Fund (non-reverting) was established in accordance with Section 68-2-28, NMSA, 1978 Compilation.

Conservation Planting Revolving Fund (32100) - The Conservation Planting Revolving Fund (non-reverting) was established in accordance with Section 68-2-21, NMSA, 1978 Compilation, to account for the collection and payment to the State's general fund of the proceeds from the sale of tree seedlings to New Mexican landowners for conservation plantings.

Inmate Work Camp Fund (95600) - The Inmate Work Camp Fund (non-reverting) was established in accordance with Section 33-13-1 to 33-13-8, NMSA, 1978 Compilation, to provide inmate labor for natural resource work planned by the forestry division.

State Parks Division

State Parks Fund (20010) - The Parks Fund (non-reverting) was established to account for monies derived from the operation of state park and recreation areas or from governmental gross receipts tax distributions pursuant to Section 70106.38 NMSA 1978 appropriated to the Department. This is a major fund of the Department.

Motor Boat Fuel Tax Fund (30900) - The Motor Boat Fuel Tax Fund (non-reverting) was established in accordance with Section 16-2-19.1, NMSA, 1978 Compilation, to account for ongoing financing, construction and maintenance for motor boat facilities throughout the State. Financing is provided through distribution of gasoline taxes.

Mining and Minerals Division

Abandoned Mine Reclamation Fund (65600) - The Abandoned Mine Reclamation Fund (non-reverting) was established in accordance with Section 69-25B-4, NMSA, 1978 Compilation, to retain a portion of the reclamation fees collected in an interest-bearing account to be used after August 3, 1992, for abandoned mine and land reclamation projects. This is a major fund of the Department.

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation – Fund Accounting (Continued)

Surface Mining Penalty Fund (32000) - The Surface Mining Penalty Fund (non-reverting) was established in accordance with Section 69-25A-22, NMSA, 1978 Compilation, as an escrow account for penalties assessed under the Surface Mining Act, which are contested by persons charged with violations of the Act. Proposed penalty amounts are deposited to this fund until the penalty case is adjudicated, at which time such amounts are transferred to the Surface Mining Permit Fees Fund or returned to the depositor.

Surface Mining Permit Fees Fund (31900) - The Surface Mining Permit Fees Fund (non-reverting) was established in accordance with Section 69-25A-10, NMSA, 1978 Compilation, to account for fees accompanying applications for surface coal mining and reclamation permits pursuant to the Surface Mining Act. Fees collected are appropriated for expenditures in the General Fund for administration of the Surface Mining Act.

New Mexico Mining Act Fund (56600) - The New Mexico Mining Act Fund (non-reverting) was established in accordance with Section 69-36-1, NMSA, 1978 Compilation, to promote responsible utilization and reclamation of lands affected by exploration, mining or the extraction of minerals that are vital to the welfare of New Mexico.

New Mexico Mining Act Penalty Fund (73100) - The New Mexico Mining Act Penalty Fund (non-reverting) was established in accordance with Section 69-36-19, NMSA, 1993, to establish a fund in order to properly deposit fines and penalties collected per the act.

Multiple Divisions

ARRA Fund (89000) - The American Recovery and Reinvestment Act (ARRA) Fund is a special revenue fund that was administratively created by the Department of Finance and Administration for New Mexico state agencies to capture all financial activity related to the ARRA of 2009. This fund is non-reverting. This is a major fund of the Department.

Office of the Secretary

Youth Conservation Corps (01400) - The Youth Conservation Corps (YCC) fund (non-reverting) was established in accordance with Section 9-5B-1, NMSA, 1978 Compilation, to provide a process to employ young persons in projects to conserve New Mexico's natural resources and provide community benefits of lasting value. The monies are received according to the Laws of 1994, Chapter 145, which states that, "A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the Energy, Minerals, and Natural Resources Department in an amount equal to 25% of the net receipts attributable to the governmental gross receipts tax. 40% of the distribution is appropriated to the Department to

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation – Fund Accounting (Continued)

implement the provisions of the New Mexico Youth Conservation Corps Act, and 60% of the distribution is appropriated to the Department for state park and recreation area capital improvements, including the costs of planning, engineering, design, construction, renovation, repair, equipment and furnishings.”

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.

Park and Recreation Division

EMNRD Capital Projects (64600) - The EMNRD Capital Projects - GGRT Fund (non-reverting) was established by law to account for financing resources to be used for improving roads; purchasing equipment; and developing, improving and acquiring capital facilities. This fund is financed by governmental gross receipts taxes and federal funds. This is a major fund of the Department.

EMNRD Capital Projects GF/STB (50900) - The EMNRD Capital Projects Fund (non-reverting) was established to account for financing resources to be used for the acquisition of capital assets as outlined by state law. The fund was created pursuant to Laws of 1995 and is funded primarily by state general fund appropriations and debt issuances of severance tax bonds.

Capital Projects Fund (89200) - The Capital Projects Fund was established to track severance tax funded capital projects that were appropriated in Laws of 2010 and future years.

Debt Service Fund (30000) - The Debt Service Fund is used to account for financial resources set aside to meet current and future debt service requirements as required by the 1995A and 1995B Series bond issuances, 1996A and 1996B Series bond issuances, 1997A and 1997B Series bond issuances, 1998A and 1998B Series bond issuances and 2001 Series bond issuances. This is a major fund of the Department.

Fiduciary Funds - Fiduciary Funds include trust and agency funds, which are used to account for assets held by the Department in the capacity of trustee or agent for individuals, private organizations, other governmental entities and/or other funds.

These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation – Fund Accounting (Continued)

Boat Suspense Fund (77300) - The Boat Suspense Fund (non-reverting) was established by Statute 66-12-6.1H NMSA 1978, Annotated. An excise tax is imposed upon the sale of every boat required to be registered in the state. All taxes collected under the provision of this section shall be paid to the State Treasurer for credit to the "boat suspense fund" hereby created. At the end of each month, the State Treasurer shall transfer 50% of the excise tax collections in the boat suspense fund to the Department, and the balance to the state general fund. The amounts transferred to the Department are appropriated for use by the Department for improvements and maintenance of lakes and boating facilities owned by the state and for administration and enforcement of the Boat Act.

Governmental Gross Receipts Tax Suspense Fund (77400) - The Governmental Gross Receipts Tax (GGRT) Suspense Fund (non-reverting) was established by Chapter 08, Laws of 1991. The Governmental Gross Receipts Tax Act, effective July 1, 1991, Section 7-9-4.1 NMSA 1978, states in pertinent part that "For the privilege of engaging in certain activities by governments, there is imposed on the State of New Mexico and any agency, institution, instrumentality or political subdivision... an excise tax of 5% of governmental gross receipts."

To account for the governmental gross receipts tax the agency must pay, the agency established the GGRT fund. Transferred to the fund from the operating fund, state parks fund and conservation planting revolving fund are monies that represent 5% of the collections for seedling sales and for admissions and campsite rentals at the various state parks. Payments of the governmental gross receipts tax to the TRD are effected through state warrants.

Oil Disposition Holding Fund (89100) - The Oil Disposition Holding Fund (non-reverting) was established by the Oil and Gas Proceeds Payment Act contained in sections 70-10-1 to 70-10-6 to hold funds until parties who have claim to these monies have been determined.

Water Quality Suspense Fund (40110) - The Water Quality Suspense Fund was established by statutes 74-6-1 through 74-6-17. This fund was established to account for penalties collected for the violation of the Water Quality Act. The Department is a pass through Agency and all penalties collected are transferred to the General Fund at DFA.

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide financial statements are 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. Non-exchange transactions, in which the Department gives (or receives) value without directly receiving (or giving) equal value in exchange, include gross receipts taxes, grants and appropriations. On an accrual basis, revenue from gross receipts taxes is recognized in the fiscal year for which the taxes are collected. Revenue from grants and appropriations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

Governmental fund types follow the modified accrual basis of accounting for financial statement purposes. Under the modified accrual basis of accounting, revenues and other governmental fund financial resource increments are recognized in the accounting period in which they become susceptible to accrual - that is, when they become both measurable and available to finance expenditures of the fiscal period (available meaning collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, typically 90 days).

Revenues from grants that are restricted for specific uses are recognized as revenues and as receivables when the related costs are incurred. Interest earned is accrued currently by the appropriate funds. Contributions, gross receipts tax and other monies held by other state and local agencies are recorded as a receivable at the time the money is made available to the specific fund. All other revenues are recognized when they are received and are not susceptible to accrual.

Expenditures, other than vacation, compensatory and sick pay, are recorded when they are incurred. Expenditures charged to federal programs are recorded utilizing the cost principles prescribed or permitted by the various funding sources. Interest expense is recognized when paid.

Federal Grants Receivable

Various reimbursement procedures are used for federal awards received by the Department. Consequently, timing differences between expenditures and program reimbursements can exist at any time during the fiscal year. Receivable balances at fiscal year end represent an excess of modified accrual basis expenditures over cash reimbursements received to date. Generally, receivables caused by differences in the timing of cash reimbursements and expenditures will be reversed in the remaining grant period.

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balances

In the governmental fund financial statements, fund balances are classified as nonspendable, restricted, committed, assigned or unassigned. Restricted represents those portions of fund balance where constraints placed on the resources are either externally imposed or imposed by law through constitutional provisions or enabling legislation. Committed fund balance represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislative and Executive branches of the State. Assigned fund balance is constrained by the Legislature's and Executive Branch's intent to be used for specific purposes or, in some cases, by legislation. See Note 20 for additional information about fund balances.

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the State's policy to use restricted resources first. When expenditures/expenses are incurred for purposes for which unrestricted (committed, assigned and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the State's policy to spend committed resources first.

Budgets and Budgetary Accounting

The state Legislature makes annual appropriations to the Department. Annual appropriations lapse at fiscal year end unless otherwise specified in the legislation. Legal compliance is monitored through the establishment of a budget (modified accrual) and a financial control system that permits a budget to actual expenditure comparison. Expenditures may not legally exceed appropriations for each budget at the category level. Budgeted category amounts may be amended upon approval from the Budget Division of the State of New Mexico Department of Finance and Administration (DFA) within the limitations as specified in the General Appropriations Act.

The budgetary legal authorization to incur obligations is on a basis that differs from the basis of accounting required by accounting principles generally accepted in the United States of America (GAAP). Significant differences between the budgetary basis and GAAP include the following:

The budget is adopted on a modified accrual basis of accounting that is consistent with GAAP. This basis was implemented with the Laws of 2004, Chapter 114, Section 3, paragraph N and paragraph O. There remains a difference, however, between the budgetary basis and the GAAP presentation which is a result of receipts in prior years and payments made in the current year on outstanding prior year encumbrances. Budgetary comparisons presented in the financial statements include a reconciliation to GAAP.

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund and Interagency Transactions

During the year, the Department makes various transfers of monies to fund debt service payments, capital projects and to reimburse the General Fund for costs incurred on behalf of other funds. Transfers which, because of budgetary or legal restrictions, must be expended by funds other than the fund initially receiving the revenue, are recorded as operating transfers in (out) under the other financing sources (uses) category. These transactions are eliminated in the statement of activities.

Modified Accrual

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to Governmental Accounting Standards Board Statement No. 33 (GASB 33), *Accounting and Financial Reporting for Nonexchange Transactions*, the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenues when the applicable eligibility requirements, including time requirements, are met.

Capital Assets

Capital assets are recorded at historical cost and depreciated over their estimated useful lives (with no salvage value). Donated capital assets are recorded at their estimated fair value at the date of donation. Additions, improvements and other capital outlays exceeding \$5,000 that significantly extend the useful life of an asset are capitalized per Section 12-6-10 NMSA 1978. Other costs incurred for repairs and maintenance are expensed as incurred.

Estimated useful life is management's estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives in years:

Land improvements	20
Buildings and building improvements	25
Furniture and equipment	5 - 10
Vehicles	5

The Department capitalizes computer software, whether purchased or developed internally, in accordance with guidelines provided by the GSD Rule NMAC Chapter 20, Part 1, Sections 2.20.1.9C(5) and 2.20.1.10C, and FASB 86 accounting principles. Museum acquisitions are considered inexhaustible assets and therefore are not depreciated.

Compensated Absences

The Department accounts for the accumulated vacation leave on the accrual basis. Accrued vacation up to 240 hours is recorded in the Statement of Net Assets at 100% of the employee's hourly wage. In addition, accrued sick leave over 600 and up to 720 hours less the amount classified as current is recorded in the Statement of Net Assets at 50% of the employee's hourly wage. Compensatory time is accrued at a rate of one and one-half hours for each hour of employment for which overtime compensation is required for those

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences (Continued)

employees covered by the Fair Labor Standards Act (FLSA). Employees exempt from coverage by FLSA earn one hour of compensatory time for each overtime hour. The accrual for compensated absences is calculated at pay rates in effect at June 30, 2015, and includes direct and incremental salary related payments, such as the employees' share of social security taxes.

Risk Management

The Department, as a "State Agency" defined in the New Mexico Tort Claims Act, is insured through the Risk Management Division of the State of New Mexico. The Department pays annual premiums to the Risk Management Division for various coverages. Please refer to Note 19 for additional information.

Use of Restricted Resources

When an expenditure/expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the Department's policy to use restricted resources first. When expenditures/expenses are incurred for purposes for which unrestricted (committed, assigned and unassigned) resources are available, and amounts in any of these unrestricted classifications could be used, it is the Department's policy to spend committed resources first.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Department did not have any items that qualified for reporting in this category as of June 30, 2015.

In addition to liabilities, the statement of financial position 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 that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Department did not have any items that were required to be reported in this category as of June 30, 2015.

Net Position

The government-wide statements utilize a net position presentation categorized as follows:

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

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position (Continued)

Restricted net position: For the government-wide statement of net position, net position is reported as restricted when constraints placed on net position used are imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position: This category reflects net position of the District not restricted for any project or other purpose.

Pensions

In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27*. This Statement improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards governing accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

In January 2013, GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Compliant with the requirements of Government Accounting Standards Board Statement No.68 and No.71, the State of New Mexico has implemented the standards for the fiscal year ending June 30, 2015.

The Department, as part of the primary government of the State of New Mexico, is a contributing employer to a cost-sharing multiple employer defined benefit pension plan administered by the Public Employees Retirement Association (PERA). Overall, the total pension liability exceeds Plan net position resulting in a Net pension liability. The State has determined the State's share of the net pension liability to be a liability of the State as a whole, rather than any agency or department of the State and will not be reported in the department or agency level financial statements of the State. All required disclosures will be presented in the Comprehensive Annual Financial Report (CAFR) of the State of New Mexico.

**STATE OF NEW MEXICO ENERGY, MINERALS,
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NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions (Continued)

Information concerning the net pension liability, pension expense, and pension-related deferred inflows and outflows of resources of the primary government will be contained in the General Fund and the CAFR and will be available, when issued, from the Office of State Controller, Room 166, Bataan Memorial Building, 407 Galisteo Street, Santa Fe, New Mexico, 87501.

NOTE 3 PVE FUND GRANT EXPENDITURES

Various grant programs allocate expenditures to the Petroleum Violation Escrow (PVE) accounts included as cost centers in the General Fund and as Special Revenue Funds. These expenditures are included in the General Fund and within the Combined Special Revenue Funds. However, these expenditures have not been included within the accompanying Supplemental Schedule of Expenditures of Federal Awards because of the unique nature of these funds. Revenues included in the PVE Funds are derived from interest earned on deposits with the State Treasurer recorded as Other State Funds and federal draw downs from the U.S. Department of Energy. During the current fiscal year, the PVE accounts did not incur any expenditures.

NOTE 4 STATE GENERAL FUND INVESTMENT POOL

Compliant with statute 6-10-3 (NMSA 1978), and to optimize state cash management and investment practices, funds of various state agencies are deposited in the State General Fund Investment Pool (SGFIP). This pool is managed by the New Mexico State Treasurer's Office (STO). Claims on the SGFIP are reported as financial assets by the various agencies investing in the SGFIP.

Agency claims against the SGFIP and fiduciary resources held at STO to fulfill those claims were not reconciled from the inception of SHARE (the State's centralized accounting system), in July 2006 through January 2013, which caused uncertainty as to the validity of the claims and the ability of fiduciary resources to fulfill those claims. As a result of business process and systems configuration changes made during the Cash Management Remediation Project Phase I, the Department of Finance and Administration's Financial Control division began reconciling transactional activity reported by the State's fiscal agent bank to the SHARE general ledger on a point-forward basis beginning February 1, 2013. In March 2015, the Financial Control Division implemented a reconciliation process that compares statewide agency claims against the resources held in the SGFIP at STO. This process is known as the claims to resources reconciliation. The claims to resources reconciliation process has been applied to fiscal year-end 2014 and the months from January 2015 through June 2015.

Agency claims on the SGFIP will be honored in their entirety. Any adjustment necessary to the claims balance will be applied against the General Operating Reserve. No portion of the adjustment shall be allocated to any specific agency that participates in the SGFIP.

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NOTE 4 STATE GENERAL FUND INVESTMENT POOL (CONTINUED)

The Department has established daily and monthly procedures that mitigate the risk of misstatement of the Department's balances within the Pool. In addition, as required by Section 6-5-2.1 (J) NMSA 1978, DFA/FCD is to complete, on a monthly basis, reconciliation with the balances and accounts kept by the state treasurer and adopt and promulgate rules regarding reconciliation for state agencies.

NOTE 5 INTEREST IN THE STATE GENERAL FUND INVESTMENT POOL

State law (Section 8-6-3 NMSA 1978) requires the Department's cash be managed by the New Mexico State Treasurer's Office. Accordingly, the investments of the Department consist of an interest in the State General Fund Investment Pool managed by the New Mexico State Treasurer's Office.

At June 30, 2015, the Department had the following invested in the State General Fund Investment Pool:

Governmental Funds - State General Fund Investment Pool	\$	27,068,449
Fiduciary Funds	\$	62,817

Interest Rate Risk

The New Mexico State Treasurer's Office has an investment policy that limits investment maturities to five years or less on allowable investments. This policy is a means of managing exposure to fair value losses arising from increasing interest rates. This policy is reviewed and approved annually by the New Mexico State Board of Finance.

Credit Risk

The New Mexico State Treasurer pools are not rated. For additional GASB 40 disclosure information regarding cash held by the New Mexico State Treasurer, the reader should see the separate audit report for the New Mexico State Treasurer's Office for the fiscal year ended June 30, 2015.

NOTE 6 CASH DEPOSIT ACCOUNTS AND INVESTMENTS

Cash, other than petty cash, is deposited by the Department into its accounts with the State Treasurer and is pooled and invested by the State Treasurer. The Department is required by statute to deposit any money received into the State Treasury. The State Treasurer issues separate financial statements, which disclose the collateral pledged to secure these deposits, the categories of risk involved, and the market value of purchased investments, which may differ from the cash deposited by the Department.

Other bank accounts are used by the Department to deposit revenue from its various locations in order to transfer the funds into its accounts with the State Treasurer. The Department's investments are held by agents of the Department in the Department's name.

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NOTE 6 CASH DEPOSIT ACCOUNTS AND INVESTMENTS (CONTINUED)

All funds deposited at financial institutions were fully insured by the Federal Deposit Insurance Corporation up to \$250,000 at June 30, 2015.

Account Name	Account Number	Type	Balances, June 30, 2015
General Fund:			
Operating Fund	199-521	State Treasury Account	\$ -
Petty Cash	N/A	Petty cash accounts	2,650
Other Cash	N/A	Other Cash Accounts	1,118
Special Revenue Funds:			
State Parks	2001-521	State Treasury Account	5,252,458
Motor Boat Fuel Tax Fund	309-521	State Treasury Account	311,566
Emergency Fire Disaster Fund	213-521	State Treasury Account	2,043,203
Oil Reclamation Fund	311-521	State Treasury Account	7,816,666
Conservation Planting Revolving Fund	321-521	State Treasury Account	63,151
Forest Land Protection Fund	322-521	State Treasury Account	1,321
Petroleum Violation Escrow Funds - Stripper Well	316-521	State Treasury Account	11,998
Surface Mining Permit Fees	319-521	State Treasury Account	110,391
Surface Mining Penalty Fund	320-521	State Treasury Account	7,365
	401-521	State Treasury Account	206,678
Abandoned Mine Reclamation Fund	656-521	State Treasury Account	4,715,449
NM Mining Act Fund	566-621	State Treasury Account	122,135
NM Youth Conservation Corps	014-522	State Treasury Account	1,897,412
NM Mining Act Penalty Fund	731-521	State Treasury Account	75,380
Energy Efficiency Assessment Fund	2015-521	State Treasury Account	134,216
Inmate Workcamp Fund	956-521	State Treasury Account	406,978
Bank Accounts (see Schedule 2)	Various	Various	1,500
Other Cash	N/A	Other Cash Accounts	2,500
Petty Cash	N/A	Petty Cash Accounts	17,200
Capital Projects Funds:			
Capital Projects GGRT	646-521	State Treasury Account	3,878,163
Debt Service Funds:			
Debt Service	300-521	State Treasury Account	13,918
NM Finance Authority	N/A	Bank Accounts	53
Bonds 1995 & 1995A	N/A	Repurchase Agreement	529,976
Bonds 1995B issuance	N/A	Repurchase Agreement	-
Bonds 1996B issuance	N/A	Repurchase Agreement	29,839
Bonds 1997A & 1997B issuance	N/A	Repurchase Agreement	355,612
Bonds 1998A & 1998B issuance	N/A	Repurchase Agreement	367,089
Bonds 2000A & 2000B issuance	N/A	Repurchase Agreement	372,355
Bonds 2003	N/A	Repurchase Agreement	508,549
Bonds 2010	N/A	Repurchase Agreement	84,901
Governmental Funds Cash and Cash Equivalents			29,341,790

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NOTE 6 CASH DEPOSIT ACCOUNTS AND INVESTMENTS (CONTINUED)

Account Name	Account Number	Type	Balances, June 30, 2015
Agency Funds:			
Water Quality Penalty Fund	401-521	State Treasury Account	\$ 2,000
Boat Suspense Fund	773-521	State Treasury Account	39,441
Oil Disposition Holding Fund	891-521	State Treasury Account	21,376
Agency funds cash			<u>62,817</u>
Total Cash and Cash Equivalents			<u>\$ 29,404,607</u>

The Bank of New York Mellon (previously Bank of Albuquerque) funds are held in reserve bank accounts for the 1995, 1996, 1997, 1998, 2001 and 2003 Series bonds received from the New Mexico Finance Authority.

Cash balances at June 30, 2015 consisted of cash invested with and confirmed by the State Treasurer. In general, state statutes require that all deposits held by the State Treasurer be collateralized at a minimum level of 50%. The State Treasurer is in compliance with this requirement. The State Treasurer issues separate financial statements, which disclose the collateral pledged to secure these deposits, categories of risk involved and the market value of purchased investments, which may differ from the cash deposited by the Department (refer to Schedule 2 – Schedules of Cash Accounts.) All pledged securities for the Department are held in the name of the New Mexico State Treasurer by the Federal Home Loan Bank of Dallas Texas, an independent custodian.

Custodial credit risk is the risk that, in the event of failure of the counterparty, the Department will not be able to recover the value of its cash that is in the possession of an outside party. The Department's cash balances are exposed to custodial credit risk of \$13,400,666.

	Accounts at State Treasurer	BNY Mellon	All Other Banks
Total Amount of Deposit	\$ 27,131,264	\$ 2,248,321	\$ 25,022
Less FDIC	(250,000)	(250,000)	(25,022)
Total Uninsured Public Money	<u>26,881,264</u>	<u>1,998,321</u>	<u>-</u>
50% Collateral Requirement (A)	13,440,632	-	-
102% Reserve Funds with BNY			
Collateral Requirement (B)	-	2,038,287	-
Total Pledged	<u>(13,440,632)</u>	<u>(2,038,287)</u>	<u>-</u>
Over (Under) Pledged	<u>\$ (13,440,632)</u>	<u>\$ 39,966</u>	<u>\$ -</u>

(A) This amount is held at the Office of the State Treasurer and is detailed in the report of the Office of the State Treasurer, whose audit is covered by a separate report. Detail specific for the collateral is commingled by the Office of the State Treasurer, and they monitor the adequacy of the funds pledged for collateral to ensure they are fully covered as required by the Laws of the State of New Mexico and related statutes.

(B) Bank of New York Mellon pledges internal cash reserves of 102% of deposit amounts.

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NOTE 7 CAPITAL ASSETS

A summary of changes in capital assets follows:

Governmental-type Activities	Balance, June 30, 2014	Additions	Deletions	Adjust./ Reclass.	Balance, June 30, 2015
Buildings and Improvements	\$ 78,913,479	\$ 48,776	\$ (1,748,469)	\$ 2,414,969	\$ 79,628,755
Data Processing Equipment	1,126,189	129,947	-	73,215	1,329,351
Equipment and Machinery	14,331,891	421,872	(308,881)	60,860	14,505,742
Furniture and Fixtures	477,048	-	(10,731)	-	466,317
Land Improvements	28,755,993	23,206	(1,244,502)	506,494	28,041,191
Vehicles and Automotive	8,716,493	862,256	(370,088)	-	9,208,661
Intangibles	21,000	-	-	-	21,000
Total	<u>132,342,093</u>	<u>1,486,057</u>	<u>(3,682,671)</u>	<u>3,055,538</u>	<u>133,201,017</u>
Accumulated depreciation:					
Buildings and Improvements	(40,684,493)	(2,802,837)	819,429	-	(42,667,901)
Data Processing Equipment	(764,373)	(161,514)	-	-	(925,887)
Equipment and Machinery	(11,429,005)	(578,565)	304,995	-	(11,702,575)
Furniture and Fixtures	(445,072)	(7,384)	10,731	-	(441,725)
Land Improvements	(19,273,675)	(1,033,200)	611,236	-	(19,695,639)
Vehicles and Automotive	(7,382,613)	(482,641)	370,088	-	(7,495,166)
Intangibles	(583)	-	-	-	(583)
Total Accumulated Depreciation	<u>(79,979,814)</u>	<u>(5,066,141)</u>	<u>2,116,479</u>	<u>-</u>	<u>(82,929,476)</u>
Assets Not Being Depreciated:					
Projects in Progress	1,910,240	2,950,547	-	(3,055,538)	1,805,249
Library and Museum					
Acquisitions	556,231	-	(19,100)	-	537,131
Land	8,246,905	2,980,849	-	-	11,227,754
Intangibles - Easements	8,169,318	-	-	-	8,169,318
Total	<u>18,882,694</u>	<u>5,931,396</u>	<u>(19,100)</u>	<u>(3,055,538)</u>	<u>21,739,452</u>
Net Total	<u>\$ 71,244,973</u>	<u>\$ 2,351,312</u>	<u>\$ (1,585,292)</u>	<u>\$ -</u>	<u>\$ 72,010,993</u>

**STATE OF NEW MEXICO ENERGY, MINERALS,
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NOTE 7 CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to governmental function as follows:

Renewable Energy Program	\$	473,414
Healthy Forests Program		901,954
State Parks Program		1,484,001
Mine Reclamation Program		512,401
Oil & Gas Conservation Program		617,373
Program Support		415,883
Conservation		340,684
Fire Disasters		320,431
Total	<u>\$</u>	<u>5,066,141</u>

NOTE 8 REVERSION OF FUNDS

In accordance with statute Section 6-5-10(A) NMSA 1978, unrestricted fund balances in reverting funds and accounts as reflected in the central accounting system as of June 30 shall revert. A total of \$11,386 is payable at June 30, 2015 to the State General Fund and due by September 30, 2015. This payable may be adjusted within 45 days of the release of this audit by the New Mexico Office of the State Auditor.

	Reversion Amount	Fiscal Year of Appropriation or Collection
General Fund Appropriation	<u>\$ 11,386</u>	<u>2015</u>
Special Revenue Fund - Emergency Fire Disaster	<u>6,151,410</u>	<u>2015</u>
Total Governmental Funds	<u>\$ 6,162,796</u>	

Of these reversion amounts due to the State General Fund for the year ended June 30, 2015, \$11,386 was paid on September 30, 2015. The current year reversions due to the State General Fund as of June 30, 2015 were as follows:

General Fund	\$	11,386
Special Revenue Fund - Emergency Fire Disaster		-
Total Governmental Funds	<u>\$</u>	<u>11,386</u>

**STATE OF NEW MEXICO ENERGY, MINERALS,
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NOTE 9 LONG-TERM DEBT

The changes to long-term debt are as follows:

	Balance, June 30, 2014	Increase	(Decrease)	Balance, June 30, 2015	Amounts Due Within One Year
Compensated Absences	\$ 1,646,852	\$ 1,395,169	\$ (1,417,834)	\$ 1,624,187	\$ 1,398,320
Bonds Issued, 1995A & 1995B	21,675	-	(21,675)	-	-
Bonds Issued, 1996A & 1996B	50,160	-	(24,709)	25,451	25,451
Bonds Issued, 1997A & 1997B	1,034,677	-	(329,013)	705,664	344,884
Bonds Issued, 1998A & 1998B	1,400,757	-	(325,059)	1,075,698	340,961
Bonds Issued, 2001	1,892,354	-	(280,850)	1,611,504	293,629
Bonds Issued, 1995A & 1996A	780,000	-	(508,000)	272,000	272,000
Bonds Issued, 2003	3,981,348	-	(376,790)	3,604,558	390,578
Bonds Issued, 2010 Equipment	440,645	-	(100,500)	340,145	340,147
Net Total	<u>\$ 11,248,468</u>	<u>\$ 1,395,169</u>	<u>\$ (3,384,430)</u>	<u>\$ 9,259,207</u>	<u>\$ 3,405,970</u>

Typically, the General Fund has been used to liquidate other long-term liabilities.

During the 1997 fiscal year, the Parks Division issued series 1996A and 1996B Series bonds. These bonds were issued in accordance with 16-2-21 NMSA 1978, "State Park and Recreation Bond Act". These bonds were issued to provide for the acquiring, developing, operating and maintaining of state parks and recreation areas. Series 1996A was issued for \$3,510,000 and Series 1996B for \$390,000, with issuance costs of \$75,250. The 1996A bond series were paid off in the prior year with the 1995/1996 Series A bond issue. Parks and Recreation Division's share of governmental gross receipts tax is pledged to repay these bonds. The approximate amount of the pledge is equal to the remaining principal and interest payments on the debt. Excess gross receipts tax is available for other purposes. Interest rates on the 1996 series bonds vary from 3 to 6%. The issuances require a reserve of \$296,100 to be maintained in the debt service fund. Interest expense for the current fiscal year was \$1,379. The current portion of long-term debt is \$26,151. Current principal and interest payments were approximately 0.3% of total gross receipts tax revenue.

Maturities of the bond issuances for the next five years and thereafter are as follows:

Year Ended June 30,	Principal	Interest	Total
Series B:			
2016	\$ 25,451	\$ 700	\$ 26,151
Total	<u>\$ 25,451</u>	<u>\$ 700</u>	<u>\$ 26,151</u>

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NOTE 9 LONG-TERM DEBT (CONTINUED)

During the 1998 fiscal year, the Parks Division issued series 1997A and 1997B Series bonds. These bonds were issued in accordance with 16-2-21 NMSA 1978, "State Park and Recreation Bond Act". These bonds were issued to provide for the acquiring, developing, operating and maintaining of state parks and recreation areas. Series 1997A was issued for \$4,245,000 and Series 1997B for \$471,667, with issuance costs of \$106,995. Parks and Recreation Division's share of governmental gross receipts tax is pledged to repay these bonds. The approximate amount of the pledge is equal to the remaining principal and interest payments on the debt. Excess gross receipts tax is available for other purposes. Interest rates on the 1997 series bonds vary from 3 to 6%. The issuances require a reserve of \$352,885 to be maintained in the debt service fund. Interest expense for the current fiscal year was \$55,236. The current portion of long-term debt is \$382,672. Current principal and interest payments were approximately 4.7% of total gross receipts tax revenue.

Maturities of the bond issuances for the next five years and thereafter are as follows:

Year Ended June 30,	Principal	Interest	Total
Series A:			
2016	\$ 315,000	\$ 36,120	\$ 351,120
2017	330,000	18,480	348,480
Total A Series	<u>645,000</u>	<u>54,600</u>	<u>699,600</u>
Series B:			
2016	29,884	1,668	31,552
2017	30,780	846	31,626
Total B Series	<u>60,664</u>	<u>2,514</u>	<u>63,178</u>
Grand Total	<u>\$ 705,664</u>	<u>\$ 57,114</u>	<u>\$ 762,778</u>

During the 1999 fiscal year, the Parks Division issued series 1998A and 1998B Series bonds. These bonds were issued in accordance with 16-2-21 NMSA 1978, "State Park and Recreation Bond Act". These bonds were issued to provide for the acquiring, developing, operating and maintaining of state parks and recreation areas. Series 1998A was issued for \$4,530,000 and Series 1998B for \$503,334, with issuance costs of \$105,721. Parks and Recreation Division's share of governmental gross receipts tax is pledged to repay these bonds. The approximate amount of the pledge is equal to the remaining principal and interest payments on the debt. Excess gross receipts tax is available for other purposes. Interest rates on the 1998 series bonds vary from 3 to 8%. The issuances require a reserve of \$364,275 to be maintained in the debt service fund. Interest expense for the current fiscal year was \$69,783. The current portion of long-term debt is \$394,726. Current principal and interest payments were approximately 4.8% of total gross receipts tax revenue.

**STATE OF NEW MEXICO ENERGY, MINERALS,
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NOTE 9 LONG-TERM DEBT (CONTINUED)

Maturities of the bond issuances for the next five years and thereafter are as follows:

Year Ended June 30,	Principal	Interest	Total
Series A:			
2016	\$ 310,000	\$ 51,133	\$ 361,133
2017	325,000	35,013	360,013
2018	345,000	18,113	363,113
Total A Series	<u>980,000</u>	<u>104,259</u>	<u>1,084,259</u>
Series B:			
2016	30,961	2,632	33,593
2017	31,890	1,780	33,670
2018	32,847	903	33,750
Total B Series	<u>95,698</u>	<u>5,315</u>	<u>101,013</u>
Grand Total	<u>\$ 1,075,698</u>	<u>\$ 109,574</u>	<u>\$ 1,185,272</u>

During the 2001 fiscal year, the Parks Division issued series 2001 Series bonds. These bonds were issued in accordance with 16-2-21 NMSA 1978, "State Park and Recreation Bond Act". These bonds were issued to provide for the acquiring, developing, operating and maintaining of state parks and recreation areas. The 2001 Series was issued for \$4,825,403 with issuance costs of \$82,032. Parks and Recreation Division's share of governmental gross receipts tax is pledged to repay these bonds. The approximate amount of the pledge is equal to the remaining principal and interest payments on the debt. Excess gross receipts tax is available for other purposes. Interest rate on the 2001 series bonds is 4.7%. The issuances require a reserve of \$369,501 to be maintained in the debt service fund. Interest expense for the current fiscal year was \$88,650. The current portion of long-term debt is \$369,500. Current principal and interest payments were approximately 4.5% of total gross receipts tax revenue.

Maturities of the bond issuances for the next five years and thereafter are as follows:

Year Ended June 30,	Principal	Interest	Total
2001 Series:			
2016	\$ 293,629	\$ 75,871	\$ 369,500
2017	307,165	62,335	369,500
2018	321,479	48,021	369,500
2019	336,621	32,880	369,501
2020	352,610	16,890	369,500
Total	<u>\$ 1,611,504</u>	<u>\$ 235,997</u>	<u>\$ 1,847,501</u>

**STATE OF NEW MEXICO ENERGY, MINERALS,
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NOTE 9 LONG-TERM DEBT (CONTINUED)

During the 2004 fiscal year, the Parks Division issued series 1995/1996 Series A bonds. These bonds were issued in accordance with 16-2-21 NMSA 1978, "State Park and Recreation Bond Act". These bonds refunded the debt on the 1995 Series A and 1996 Series A bonds. The 1995\1996 Series A were issued for \$5,215,000 with issuance costs of \$13,038. Parks and Recreation Division's share of governmental gross receipts tax is pledged to repay these bonds. The approximate amount of the pledge is equal to the remaining principal and interest payments on the debt. Excess gross receipts tax is available for other purposes. Interest rate on the 1995\1996 Series A bonds is 4.4672%. The issuances require a reserve of \$467,500 to be maintained in the debt service fund. Interest expense for the current fiscal year was \$34,969. The current portion of long-term debt is \$282,149. Current principal and interest payments were approximately 6.6% of total gross receipts tax revenue.

Maturities of the bond issuances for the next five years and thereafter are as follows:

Year Ended June 30,	Principal	Interest	Total
1995/1996 Series A:			
2016	\$ 272,000	\$ 10,149	\$ 282,149
Total	<u>\$ 272,000</u>	<u>\$ 10,149</u>	<u>\$ 282,149</u>

During the 2004 fiscal year, the Parks Division issued series 2003 Series bonds. These bonds were issued in accordance with 16-2-21 NMSA 1978, "State Park and Recreation Bond Act". These bonds were issued to provide for the acquiring, developing, operating and maintaining of state parks and recreation areas. The 2003 Series was issued for \$7,338,915 with issuance costs of \$82,032. Parks and Recreation Division's share of governmental gross receipts tax is pledged to repay these bonds. The approximate amount of the pledge is equal to the remaining principal and interest payments on the debt. Excess gross receipts tax is available for other purposes. Interest rate on the 2003 Series bonds is 3.823%. The issuances require a reserve of \$541,514 to be maintained in the debt service fund. Interest expense for the current fiscal year was \$154,417. The current portion of long-term debt is \$532,184. Current principal and interest payments were approximately 6.3% of total gross receipts tax revenue.

Maturities of the bond issuances for the next five years and thereafter are as follows:

Year Ended June 30,	Principal	Interest	Total
2003 Series:			
2016	\$ 390,578	\$ 141,606	\$ 532,184
2017	405,535	127,662	533,197
2018	421,553	112,698	534,251
2019	438,627	96,721	535,348
2020 - 2023	<u>1,948,265</u>	<u>205,046</u>	<u>2,153,311</u>
Total	<u>\$ 3,604,558</u>	<u>\$ 683,733</u>	<u>\$ 4,288,291</u>

**STATE OF NEW MEXICO ENERGY, MINERALS,
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NOTE 9 LONG-TERM DEBT (CONTINUED)

During the 2010 fiscal year, the Parks Division issued series 2010 Series bonds. These bonds were issued in accordance with 16-2-22 through 16-2-29 NMSA 1978, "State Park and Recreation Bond Act". These bonds were issued to provide for the purchase of heavy equipment to be used for the development, operations and maintenance of state parks and recreation areas. The 2010 Series was issued for \$842,647 with issuance costs of \$12,453. Parks and Recreation Division's share of governmental gross receipts tax is pledged to repay these bonds. The approximate amount of the pledge is equal to the remaining principal and interest payments on the debt. Excess gross receipts tax is available for other purposes. Interest rate on the 2010 Series bonds is 2.164%. The issuances require a reserve of \$84,250 to be maintained in the debt service fund. Interest expense for the current fiscal year was \$10,750. The current portion of long-term debt is \$348,785. Current principal and interest payments were approximately 1.3% of total gross receipts tax revenue.

Maturities of the bond issuances for the next five years and thereafter are as follows:

Year Ended June 30,	Principal	Interest	Total
2010 Series:			
2016	\$ 340,145	\$ 8,640	\$ 348,785
Total	<u>\$ 340,145</u>	<u>\$ 8,640</u>	<u>\$ 348,785</u>

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NOTE 10 DUE FROM AND DUE TO OTHER FUNDS

Due from and due to other funds as of June 30, 2015 are as follows:

Amounts Due from Other Funds			Amounts Due to Other Funds		
Transfers to Fund Name	Fund No.	Amount	Transfers from - Fund Name	Fund No.	Amount
Governmental Funds:			Governmental Funds:		
General Fund	19900	\$ 1,323	General Fund	19900	\$ 1,465,679
State Parks	20010	62,515	State Parks	20012	215
State Parks	20012	27,290			
Oil Reclamation Fund	31100	2,946,661	Capital Projects/GGRT	64600	27,255
Capital Project Fund	64601	10		64601	34
Inmate Work Camp	95600	<u>23,096</u>			
			ARRA of 2009	89000	470,730
			STB Capital Outlay	89200	<u>1,055,466</u>
Total Governmental Funds		<u>3,060,895</u>	Total Governmental Funds		<u>3,019,379</u>
			Fiduciary Funds:		
			Boat Suspense Fund	77300	<u>41,516</u>
Total		<u>\$ 3,060,895</u>	Total		<u>\$ 3,060,895</u>

The due to/due from other funds arise when transactions occur in one fund that are partially attributable to another fund or funds. All transfers were made for operational purposes. All balances are expected to be paid within one year.

**STATE OF NEW MEXICO ENERGY, MINERALS,
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JUNE 30, 2015**

NOTE 11 DUE FROM AND DUE TO OTHER STATE AGENCIES

Due from and due to other state agencies represent interagency receivables and payables arising from interagency transactions.

Due to Other State Agencies	Fund No.	Amount	Due to Agency/Fund	Fund No.	Amount
Governmental Funds:			Governmental Funds:		
General Fund	19900	\$ 11,386	Taxation & Revenue Dept.	70700	\$ 211
	19902	130,329	Dept. of Health (WIPP)	06104	8,817
			Dept. of Public Safety (WIPP)	12804	63,644
			Dept. of Homeland Sec.	20052	24,119
			Dept. of Cultural Affairs	19305	12,830
			Environment Dept. (WIPP)	66700	10,856
State Parks	20010	51,169	Environment Dept.	06400	3,265
			NM Public Regulation	55000	6,583
			Dept. of Finance & Admin.	85300	11,390
Conservation Planting	32100	262			
			Taxation & Revenue Dept.	70700	38,921
			General Services Dept.	75203	342
			Corrections Dept.	90700	11,906
			Taxation & Revenue Dept.	70700	262
Total Governmental Funds		<u>193,146</u>	Total Governmental Funds		<u>193,146</u>
Agency Funds:			Agency Funds:		
Water Quality Penalty Fi	40110	2,000	Dept. of Finance & Admin.	85300	43,516
Boat Suspense Fund	77300	41,516			
Total Agency Funds		<u>43,516</u>	Total Agency Funds		<u>43,516</u>
Total All Funds		<u>\$ 236,662</u>	Total All Funds		<u>\$ 236,662</u>

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
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NOTE 11 DUE FROM AND DUE TO OTHER STATE AGENCIES (CONTINUED)

Due from Other State Agencies	Fund No.	Amount	Due from Agency/Fund	Fund No.	Amount
Governmental Funds:			Governmental Funds:		
YCC	01400	\$ 671,961	Taxation & Revenue Dept.	83200	\$ 671,961
General Fund	19900	17,162	Environment Dept.	34100	17,162
State Parks	20010	56,035	Taxation & Revenue Dept.	81900	383
	20012	145,167	Taxation & Revenue Dept.	82500	44,852
			Taxation & Revenue Dept.	82800	10,800
			NM Dept. of Transportation	20100	145,167
Motor Boal Fuel Tax	30900	33,872	Taxation & Revenue Dept.	82800	33,872
Oil Reclamation Fund	31100	941,524	Taxation & Revenue Dept.	83300	941,524
Petroleum Violation Escrow Fund	31600	1	State Treasurer's Office	80100	1
Conservation Planting	32100	228	Taxation & Revenue Dept.	81900	228
Water Quality Permit Fees	40120	1,500	Environment Dept.	34100	1,500
Capital Projects-GGRT	64600	940,617	Taxation & Revenue Dept.	83200	940,617
Abandoned Mine Reclamation Fund	65600	333	State Treasurer's Office	80100	333
STB Capital Projects	89200	1,593,758	Dept. of Finance & Admin.	10730	69,157
			Dept. of Finance & Admin.	11350	5,331
			Dept. of Finance & Admin.	11730	111,912
			Dept. of Finance & Admin.	20620	1,127,736
			Dept. of Finance & Admin.	20610	50,590
			Dept. of Finance & Admin.	11720	229,032
Total Governmental Funds		4,402,158	Total Governmental Funds		4,402,158
Agency Funds:			Agency Funds:		
Boat Suspense Fund	77300	43,591	Taxation & Revenue Dept.	82500	43,591
Oil Disposition Holding Fund	89100	2	State Treasurer's Office	80100	2
Total Agency Funds		43,593	Total Agency Funds		43,593
Total All Funds		\$ 4,445,751	Total All Funds		\$ 4,445,751

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
NOTES TO FINANCIAL STATEMENTS
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NOTE 12 TRANSFERS

Interagency and interfund transfers as of June 30, 2015 were as follows:

A - Intra-agency Transfers

	Transfers	Transfers	
Agency/Fund	In	Out	Total
19900 General Fund	\$ 1,324,435	\$ (284,428)	\$ 1,040,007
20010 State Parks	100,000	(333,735)	(233,735)
21300 Emergency Fire Disaster	-	(50,000)	(50,000)
30000 Debt Service	2,177,715	-	2,177,715
31100 Oil Reclamation	-	(336,300)	(336,300)
31900 Surface Mining Permit Fees	-	(17,900)	(17,900)
40120 Water Quality Permit Fees	204,128	-	204,128
56600 NM Mining Act	-	(116,600)	(116,600)
64600 Cap Projects - GGRT	-	(2,409,215)	(2,409,215)
95600 Inmate Work Camp	-	(33,100)	(33,100)
14000 Youth Conservation Corps	-	(225,000)	(225,000)
Total	<u>\$ 3,806,278</u>	<u>\$ (3,806,278)</u>	<u>\$ -</u>

**STATE OF NEW MEXICO ENERGY, MINERALS,
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NOTE 12 TRANSFERS (CONTINUED)

B - Inter-agency Transfers

Agency/Fund		Transfers In	Transfers Out
19900	General Fund - Reg Appropriation	\$ 11,273,300	
85300	Dept. of Finance & Admin.		\$ (11,273,300)
19900	General Fund - Reversion		(11,386)
85300	Dept. of Finance & Admin.	11,386	
19900	General Fund	254,228	(982,532)
06104	Department of Health	105,486	
06400	Environment Department	160,827	(51,428) *
12804	Dept. of Public Safety	308,361	
20052	Dept. of Homeland Sec.	121,827	
34100	Environment Department		
55000	Public Reg Commission	189,206	
62000	Dept. of Finance & Admin.		(202,800)
97000	General Services Department	96,825	
20010	State Parks	11,574,903	
51600	Game & Fish		(22,335)
20100	Dept. of Transportation		(145,168) *
51600	Game & Fish		(315,000) *
62000	Dept. of Finance & Admin.		(199,100)
85300	Dept. of Finance & Admin.		(10,893,300)
21300	Emergency Fire Disaster	1,500,000	(6,151,410)
85300	Dept. of Finance & Admin.	6,151,410	(1,500,000)
85400	Dept. of Finance & Admin.		
40120	Water Quality Permit Fees	4,050	
34100	Environment Department		(4,050)
89200	Capital Projects - STB	4,781,914	
10730	Dept. of Finance & Admin.		(509,460)
11350	Dept. of Finance & Admin.		(13,374)
11720	Dept. of Finance & Admin.		(488,060)
11730	Dept. of Finance & Admin.		(963,104)
20610	Dept. of Finance & Admin.		(464,139)
20620	Dept. of Finance & Admin.		(2,343,777)
01400	YCC		(139,993)
19305	Office of Cultural Affairs	139,993	
	Total	\$ 36,673,716	\$ (36,673,716)

* Amount represents a transfer of federal funds between agencies.

**STATE OF NEW MEXICO ENERGY, MINERALS,
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NOTES TO FINANCIAL STATEMENTS
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NOTE 13 SPECIAL APPROPRIATIONS AND GOVERNOR'S EXECUTIVE ORDERS

The Governor issued executive orders during the 2015 fiscal year to fund the Emergency Fire Disaster Program (21300). Any unexpended or unencumbered amounts revert in the subsequent fiscal year. The Department requested and received \$1,500,00 during the 2015 fiscal year. \$50,000 of this was transferred to the general fund for administrative costs, leaving \$1,450,000 in the emergency fire fund.

NOTE 14 PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Plan Description

Substantially all of the Departments 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, New Mexico 87504-2123. The report is also available on PERA's website at <http://www.pera.state.nm.us>.

Funding Policy

The contribution requirements of plan members and the Department are established in State statute under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The Department's contributions to PERA for the years ended June 30, 2015, 2014 and 2013 were \$3,203,789, \$2,908,893, and \$2,616,185, respectively, equal to the amount of the required contributions for each fiscal year.

NOTE 15 POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN

Plan Description

The Department contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

**STATE OF NEW MEXICO ENERGY, MINERALS,
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**NOTE 15 POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN
(CONTINUED)**

Plan Description (Continued)

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which the event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

Funding Policy

The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us.

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3,4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2014, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2014, the statute required

**STATE OF NEW MEXICO ENERGY, MINERALS,
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**NOTE 15 POST-EMPLOYMENT BENEFITS – STATE RETIREE HEALTH CARE PLAN
(CONTINUED)**

Funding Policy (Continued)

each participating employer to contribute 2.0% of each participating employee’s annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the Legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

The Department’s contributions to the RHCA for the years ended June 30, 2015, 2014 and 2013 were \$377,255, \$350,690, and \$346,952, respectively, which equal the required contributions for each year.

NOTE 16 OPERATING LEASE COMMITMENT

The Department leases certain equipment and premises under numerous operating leases. Leases are subject to future appropriation and as such are cancelable by the Department at the end of a fiscal year. Rental expense for the year ended June 30, 2015 was \$256,006.

The following is a schedule by years of future minimum lease payments required under operating leases that have initial or remaining non-cancelable terms in excess of one year as of June 30, 2015.

Year Ending June 30,	Amount
2016	\$ 186,159
2017	148,939
2018	118,557
2019	22,010
2020	11,148
Thereafter	-
Total	\$ 486,813

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NOTE 17 LEASING ACTIVITIES

The Department has and maintains operating leases consisting primarily of Department-owned communication towers leased to non-state entities. The following schedule presents minimum future rentals receivable from these operating leases:

Year Ending December 31,	Amount
2016	\$ 69,131
2017	24,912
2018	26,113
2019	27,374
Total	\$ 147,530

NOTE 18 CONTINGENT LIABILITIES (CLAIMS AND JUDGMENTS)

The Department, as a State Agency defined in the New Mexico Tort Claims Act, is insured through the Risk Management Division of the General Services Department of the State of New Mexico. The Office of Risk Management Division pays annual premiums for coverage provided in the following areas:

- Liability and civil rights protection for claims made by others against the State of New Mexico;
- Coverage to protect the State of New Mexico's property and assets; and
- Fringe benefit coverage for State of New Mexico employees.

In the case of civil actions or claims against the Department for financial damages, the Department's certificate of insurance with Risk Management does not cover claims for back wages but does cover civil rights claims for other compensatory damages.

NOTE 19 RISK MANAGEMENT

The Department obtains coverage through the Risk Management Division of the State of New Mexico General Services Department. This coverage includes public liability, property, workers compensation, surety bond unemployment compensation and group health insurance. These coverages are designed to satisfy the requirements of the State Tort Claims Act. The maximum limits provided by the Tort Claims Act are \$1,050,000 per occurrence.

The Department had no significant reductions in insurance coverage from coverage in the prior year. In the fiscal years ended June 30, 2015, 2014, and 2013, there were no settlements that exceeded insurance coverage.

**STATE OF NEW MEXICO ENERGY, MINERALS,
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 20 FUND BALANCE RESTRICTIONS

Per GASB 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the following are the fund balance classifications. The Department's fund balances represent: 1) Restricted purposes, which include balances that are legally restricted for specific purposes due to constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, 2) Committed purposes, which include balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Legislative and Executive branches; 3) Assigned purposes, which includes balances that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. A summary of the nature and purpose of these reserves by fund type at June 30, 2015 follows:

Fund Name	Restricted	Committed
General Fund		
Oil and Gas Conservation Program	\$ -	\$ 1,141
Emergency Fire Disaster		
Fire Disaster	2,087,681	-
Abandoned Mine Reclamation		
Mine Reclamation Program	4,715,782	-
State Parks		
State Parks Program	-	5,015,877
Debt Service		
Debt Service Activity	2,262,292	-
Capital Projects - GGRT		
Capital Projects Activity	4,233,011	-
Motor Boat Fuel Tax		
State Parks Program	251,134	83,711
Oil Reclamation Fund		
Oil & Gas Conservation Program	11,517,016	-
Conservation Planting Revolving Fund		
Healthy Forests Program	50,160	-
Forest Land Protection		
Healthy Forests Program	1,321	-
Petroleum Violation Escrow-Stripper Well		
Renewable Energy Program	11,999	-
Surface Mining Permit Fees		
Mine Reclamation Program	-	105,785
New Mexico Mining Act Penalty		
Mine Reclamation Program	75,380	-
Surface Mining Penalty Fund		
Mine Reclamation Program	7,365	-
New Mexico Mining Act		
Mine Reclamation Program	101,231	-
Inmate Work Camp		
Healthy Forests Program	427,931	-

**STATE OF NEW MEXICO ENERGY, MINERALS,
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 20 FUND BALANCE RESTRICTIONS (CONTINUED)

Fund Name	Restricted	Committed
Energy Efficiency Assessment		
Renewable Energy Program	\$ 134,216	\$ -
Youth Conservation Corps		
Conservation	1,212,130	-
Water Quality Permit Fees		
Conservation	-	208,178
Total	<u>\$ 27,088,649</u>	<u>\$ 5,414,692</u>

NOTE 21 SUBSEQUENT ACCOUNTING PRONOUNCEMENTS

GASB has issued the following statements, which are applicable in future years. At this time, management has not determined the impact, if any on the District.

Statement No. 72

Fair Value Measurement and Application

Effective Date: The requirements of this Statement are effective for financial statements for reporting periods beginning after June 15, 2015.

This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.

Statement No. 73

Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68

Effective Date: The provisions in Statement 73 are effective for fiscal years beginning after June 15, 2015, except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68, which are effective for fiscal years beginning after June 15, 2016.

The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits with regard to providing decision-useful

**STATE OF NEW MEXICO ENERGY, MINERALS,
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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 21 SUBSEQUENT ACCOUNTING PRONOUNCEMENTS (CONTINUED)

information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

This Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions. In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68 for pension plans and pensions that are within their respective scopes.

The requirements of this Statement extend the approach to accounting and financial reporting established in Statement 68 to all pensions, with modifications as necessary to reflect that for accounting and financial reporting purposes, any assets accumulated for pensions that are provided through pension plans that are not administered through trusts that meet the criteria specified in Statement 68 should not be considered pension plan assets. It also requires that information similar to that required by Statement 68 be included in notes to financial statements and required supplementary information by all similarly situated employers and nonemployer contributing entities.

This Statement also clarifies the application of certain provisions of Statements 67 and 68 with regard to the following issues:

1. Information that is required to be presented as notes to the 10-year schedules of required supplementary information about investment-related factors that significantly affect trends in the amounts reported.
2. Accounting and financial reporting for separately financed specific liabilities of individual employers and nonemployer contributing entities for defined benefit pensions.
3. Timing of employer recognition of revenue for the support of nonemployer contributing entities *not* in a special funding situation.

Statement No. 74

Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans

Effective Date: The provisions in Statement 74 are effective for fiscal years beginning after June 15, 2016.

The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

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NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2015**

NOTE 21 SUBSEQUENT ACCOUNTING PRONOUNCEMENTS (CONTINUED)

This Statement replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement 43, and Statement No. 50, *Pension Disclosures*.

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain nonemployer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities

The scope of this Statement includes OPEB plans—defined benefit and defined contribution—administered through trusts that meet the following criteria:

- Contributions from employers and nonemployer contributing entities to the OPEB plan and earnings on those contributions are irrevocable.
- OPEB plan assets are dedicated to providing OPEB to plan members in accordance with the benefit terms.
- OPEB plan assets are legally protected from the creditors of employers, nonemployer contributing entities, and the OPEB plan administrator. If the plan is a defined benefit OPEB plan, plan assets also are legally protected from creditors of the plan members.
- This Statement also includes requirements to address financial reporting for assets accumulated for purposes of providing defined benefit OPEB through OPEB plans that are *not* administered through trusts that meet the specified criteria.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*

Effective Date: The provisions in Statement 76 are effective for reporting periods beginning after June 15, 2015. Earlier application is encouraged.

The objective of this Statement is to identify—in the context of the current governmental financial reporting environment—the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

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NOTE 21 SUBSEQUENT ACCOUNTING PRONOUNCEMENTS (CONTINUED)

This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015, and should be applied retroactively. Earlier application is permitted.

**STATE OF NEW MEXICO ENERGY, MINERALS,
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STATEMENT OF REVENUES AND EXPENDITURES – MAJOR GOVERNMENTAL FUNDS –
BUDGET AND ACTUAL (BUDGETARY BASIS)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	GENERAL FUND - ENERGY EFFICIENCY (RENEWABLE ENERGY)			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	2,353,500	2,414,969	1,762,966	(652,003)
State General Fund Appropriation:				
Regular	602,300	602,300	602,300	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	-	-	-	-
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	12,700	12,700	12,700	-
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	-	-
Fund Balance	-	4,174	-	(4,174)
	<u>\$ 2,968,500</u>	<u>\$ 3,034,143</u>	2,377,966	<u>\$ (656,177)</u>
Total Revenues	<u>\$ 2,968,500</u>	<u>\$ 3,034,143</u>	2,377,966	<u>\$ (656,177)</u>
EXPENDITURES				
Personal Services and Benefits	\$1,089,800	\$1,166,121	1,004,793	\$ 161,328
Contractual Services	314,100	337,642	252,000	85,642
Other Costs	179,500	199,803	168,116	31,687
Other Financing Uses	1,385,100	1,330,577	957,214	373,363
	<u>\$ 2,968,500</u>	<u>\$ 3,034,143</u>	2,382,123	<u>\$ 652,020</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			(4,157)	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing difference related to accounts payable			-	
			<u> -</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (4,157)</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES – MAJOR GOVERNMENTAL FUNDS –
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	GENERAL FUND - FORESTRY			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
REVENUES				
Charges for Services	\$ 27,800	\$ 27,800	\$ 34,358	\$ 6,558
Federal Funds	8,119,400	11,630,300	9,264,768	(2,365,532)
State General Fund Appropriation:				
Regular	3,916,900	3,916,900	3,916,900	-
Special	-	50,000	-	(50,000)
Interest	-	-	-	-
Other State Funds	-	-	-	-
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	74,600	74,600	124,600	50,000
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	-	-
Fund Balance	-	148,875	-	(148,875)
	<u>\$ 12,138,700</u>	<u>\$ 15,848,475</u>	13,340,626	<u>\$ (2,507,849)</u>
Total Revenues	<u>\$ 12,138,700</u>	<u>\$ 15,848,475</u>	13,340,626	<u>\$ (2,507,849)</u>
EXPENDITURES				
Personal Services and Benefits	\$5,222,900	\$5,803,800	5,304,311	\$ 499,489
Contractual Services	1,531,600	1,231,600	295,787	935,813
Other Costs	5,341,800	8,621,800	7,843,227	778,573
Other Financing Uses	42,400	42,400	42,400	-
	<u>42,400</u>	<u>42,400</u>	<u>42,400</u>	<u>-</u>
Total Expenditures	<u>\$ 12,138,700</u>	<u>\$ 15,699,600</u>	<u>13,485,725</u>	<u>\$ 2,213,875</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			(145,099)	
GAAP BASIS RECONCILIATION				
Reversions			(3,781)	
Timing difference related to accounts payable			-	
NET CHANGE IN FUND BALANCE			<u>\$ (148,880)</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES – MAJOR GOVERNMENTAL FUNDS –
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

GENERAL FUND - MINE RECLAMATION PROGRAM				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	6,932,800	7,012,199	4,895,735	(2,116,464)
State General Fund Appropriation:				
Regular	386,000	386,000	386,000	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	-	-	-	-
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	8,400	8,400	8,400	-
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	-	-
Fund Balance	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Revenues	<u>\$ 7,327,200</u>	<u>\$ 7,406,599</u>	5,290,135	<u>\$ (2,116,464)</u>
EXPENDITURES				
Personal Services and Benefits	\$2,353,300	\$2,343,972	2,223,873	\$ 120,099
Contractual Services	4,717,600	4,715,437	2,801,895	1,913,542
Other Costs	256,300	347,190	264,367	82,823
Other Financing Uses	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	<u>\$ 7,327,200</u>	<u>\$ 7,406,599</u>	5,290,135	<u>\$ 2,116,464</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			-	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing difference related to accounts payable			-	
			<u> </u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES – MAJOR GOVERNMENTAL FUNDS –
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

GENERAL FUND - VOLUNTARY COMPLIANCE (OIL & GAS CONS.)				
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	344,500	266,200	216,841	(49,359)
State General Fund Appropriation:	-	-	-	-
Regular	3,608,800	3,608,800	3,608,800	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	-	-	-	-
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	61,200	61,200	61,200	-
Proceeds from Sale of Capital Assets	-	-	5,000	5,000
Other Income	-	-	-	-
Fund Balance	-	204,128	-	(204,128)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Revenues	<u>\$ 4,014,500</u>	<u>\$ 4,140,328</u>	3,891,841	<u>\$ (248,487)</u>
EXPENDITURES				
Personal Services and Benefits	\$3,177,900	\$3,145,400	3,145,377	\$ 23
Contractual Services	98,600	156,600	155,622	978
Other Costs	591,800	528,100	520,823	7,277
Other Financing Uses	146,200	310,228	267,346	42,882
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	<u>\$ 4,014,500</u>	<u>\$ 4,140,328</u>	4,089,168	<u>\$ 51,160</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			(197,327)	
GAAP BASIS RECONCILIATION				
Reversions			(6,797)	
Timing difference related to accounts payable			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (204,124)</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES – MAJOR GOVERNMENTAL FUNDS –
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	GENERAL FUND - PROGRAM SUPPORT			
	Budgeted Amounts		Actual Amounts	Variance From Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	876,600	876,600	840,637	(35,963)
State General Fund Appropriation:				
Regular	2,759,300	2,759,300	2,759,300	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	-	-	-	-
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	1,469,300	1,469,300	1,320,335	(148,965)
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	1,303	1,303
Fund Balance	-	-	-	-
	<u>\$ 5,105,200</u>	<u>\$ 5,105,200</u>	4,921,575	<u>\$ (183,625)</u>
Total Revenues	<u>\$ 5,105,200</u>	<u>\$ 5,105,200</u>	4,921,575	<u>\$ (183,625)</u>
EXPENDITURES				
Personal Services and Benefits	\$ 4,544,400	\$ 4,434,600	4,268,823	\$ 165,777
Contractual Services	156,600	156,600	151,302	5,298
Other Costs	404,200	514,000	500,642	13,358
Other Financing Uses	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 5,105,200</u>	<u>\$ 5,105,200</u>	4,920,767	<u>\$ 184,433</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			808	
GAAP BASIS RECONCILIATION				
Reversions			(808)	
Timing difference related to accounts payable			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES – MAJOR GOVERNMENTAL FUNDS –
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	DEBT SERVICE FUND			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-
State General Fund Appropriation:				
Regular	-	-	-	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	-	-	18,405	18,405
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	2,415,500	2,415,500	2,177,715	(237,785)
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	-	-
Fund Balance	-	209,160	-	(209,160)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Revenues	<u>\$ 2,415,500</u>	<u>\$ 2,624,660</u>	2,196,120	<u>\$ (428,540)</u>
EXPENDITURES				
Personal Services and Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	2,415,500	2,415,500	2,405,280	10,220
Other Financing Uses	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	<u>\$ 2,415,500</u>	<u>\$ 2,415,500</u>	2,405,280	<u>\$ 10,220</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			(209,160)	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing difference related to accounts payable			-	
			<u> </u>	
NET CHANGE IN FUND BALANCE			<u>\$ (209,160)</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES – MAJOR GOVERNMENTAL FUNDS –
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	CAPITAL PROJECTS GGRT			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-
State General Fund Appropriation:				
Regular	-	-	-	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	-	-	-	-
Tax Revenue	5,312,600	5,312,600	5,111,698	(200,902)
Bond Proceeds	-	-	-	-
Other Financing Sources	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	1,436	1,436
Fund Balance	-	2,724,000	-	(2,724,000)
	<u>5,312,600</u>	<u>8,036,600</u>	<u>5,113,134</u>	<u>(2,923,466)</u>
Total Revenues	\$ 5,312,600	\$ 8,036,600	5,113,134	\$ (2,923,466)
EXPENDITURES				
Personal Services and Benefits	\$ 400,000	\$ 500,000	344,765	\$ 155,235
Contractual Services	194,100	294,100	166,693	127,407
Other Costs	2,071,500	4,595,500	2,242,080	2,353,420
Other Financing Uses	2,647,000	2,647,000	2,409,215	237,785
	<u>5,312,600</u>	<u>8,036,600</u>	<u>5,162,753</u>	<u>2,873,847</u>
Total Expenditures	\$ 5,312,600	\$ 8,036,600	5,162,753	\$ 2,873,847
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			(49,619)	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing difference related to accounts payable			(6,343)	
NET CHANGE IN FUND BALANCE			<u>\$ (55,962)</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES – MAJOR GOVERNMENTAL FUNDS –
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	CAPITAL PROJECTS - STB			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-
State General Fund Appropriation:				
Regular	-	-	-	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	-	-	-	-
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	2,551,078	11,086,578	4,781,914	(6,304,664)
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	-	-
Fund Balance	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Revenues	<u>\$ 2,551,078</u>	<u>\$ 11,086,578</u>	4,781,914	<u>\$ (6,304,664)</u>
EXPENDITURES				
Personal Services and Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	1,444,969	9,980,469	4,781,914	5,198,555
Other Financing Uses	1,106,109	1,106,109	-	1,106,109
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	<u>\$ 2,551,078</u>	<u>\$ 11,086,578</u>	4,781,914	<u>\$ 6,304,664</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES				-
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing difference related to accounts payable			-	
			<u> </u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
COMBINING BALANCE SHEET – BY FUND TYPE -
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	Special Revenue Funds	Capital Projects Funds	Total
ASSETS			
Cash and Cash Equivalents	\$ -	\$ -	\$ -
Investment in State Treasurer General Fund Investment Pool	1,451,179	-	1,451,179
Receivables:			
Due from Other Funds	23,096	-	23,096
Due from Fiduciary Fund	-	-	-
Due from Other State Agencies	35,601	-	35,601
Other Receivables	-	-	-
Federal Government	3,600	-	3,600
Total Assets	\$ 1,513,476	\$ -	\$ 1,513,476
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 34,675	\$ -	\$ 34,675
Accrued Payroll	20,128	-	20,128
Due to Other State Agencies	262	-	262
Due to Fiduciary Funds	-	-	-
Due to Other Funds	-	-	-
Total Liabilities	55,065	-	55,065
FUND BALANCE			
Nonspendable	-	-	-
Restricted	1,060,737	-	1,060,737
Committed	397,674	-	397,674
Total Fund Balances	1,458,411	-	1,458,411
Total Liabilities and Fund Balances	\$ 1,513,476	\$ -	\$ 1,513,476

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – BY FUND TYPE -
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	Special Revenue Funds	Capital Projects Funds	Total
REVENUES			
Interest	\$ 10	\$ -	\$ 10
Other State Funds	1,137,813	-	1,137,813
Federal Funds	134,380	-	134,380
Gross Receipts Tax	-	-	-
Conservation Taxes	-	-	-
Gasoline Tax	195,636	-	195,636
Other	15,319	-	15,319
Total Revenues	<u>1,483,158</u>	<u>-</u>	<u>1,483,158</u>
EXPENDITURES			
Current			
Renewal Energy Program	-	-	-
Healthy Forests Program	389,108	-	389,108
State Parks Program	109,970	2,012	111,982
Mine Reclamation Program	791,134	-	791,134
Oil & Gas Conservation Program	-	-	-
Program Support	-	-	-
Conservation	-	-	-
Capital Outlay	80,030	-	80,030
Debt Service - Principal	-	-	-
Debt Service - Interest	-	-	-
Debt Service - Miscellaneous	-	-	-
Total Expenditures	<u>1,370,242</u>	<u>2,012</u>	<u>1,372,254</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	112,916	(2,012)	110,904
OTHER FINANCING SOURCES (USES)			
Intra-Agency Transfers, Net	36,528	-	36,528
Inter-Agency Transfers - Reversions	-	-	-
Inter-Agency Transfers - Severance Tax	-	-	-
Inter-Agency Transfers - Other, Net	4,050	-	4,050
Total Other Financing Sources (Uses)	<u>40,578</u>	<u>-</u>	<u>40,578</u>
NET CHANGE IN FUND BALANCES	153,494	(2,012)	151,482
Fund Balances - Beginning of Year	<u>1,304,917</u>	<u>2,012</u>	<u>1,306,929</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,458,411</u>	<u>\$ -</u>	<u>\$ 1,458,411</u>

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	Motor Boat Fuel Tax Fund 30900	Conservation Planting Revolving Fund 32100	Forest Land Protection Fund 32200	Petroleum Violation Escrow Funds - Stripper Well 31600
ASSETS				
Investment in State Treasurer General Fund Investment Pool	\$ 311,566	\$ 63,151	\$ 1,321	\$ 11,998
Receivables:				
Due from Other Funds	-	-	-	-
Due from Fiduciary Fund	-	-	-	-
Due from Other State Agencies	33,872	228	-	1
Other Receivables	-	-	-	-
Federal Government	-	-	-	-
	<u>\$ 345,438</u>	<u>\$ 63,379</u>	<u>\$ 1,321</u>	<u>\$ 11,999</u>
Total Assets				
	<u>\$ 345,438</u>	<u>\$ 63,379</u>	<u>\$ 1,321</u>	<u>\$ 11,999</u>
LIABILITIES				
Accounts Payable	\$ 10,593	\$ 12,957	\$ -	\$ -
Accrued Payroll	-	-	-	-
Due to Other State Agencies	-	262	-	-
Due to Fiduciary Fund	-	-	-	-
Due to Other Funds	-	-	-	-
Total Liabilities	<u>10,593</u>	<u>13,219</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	251,134	50,160	1,321	11,999
Committed	83,711	-	-	-
Total Fund Balances	<u>334,845</u>	<u>50,160</u>	<u>1,321</u>	<u>11,999</u>
Total Liabilities and Fund Balances	<u>\$ 345,438</u>	<u>\$ 63,379</u>	<u>\$ 1,321</u>	<u>\$ 11,999</u>

Surface Mining Permit Fees Fund 31900	New Mexico Mining Act Penalty Fund 73100	Surface Mining Penalty Fund 32000	New Mexico Mining Act Fund 56600	Inmate Work Camp Fund 95600	Energy Efficiency Assessment Fund 20150
\$ 110,391	\$ 75,380	\$ 7,365	\$ 122,135	\$ 406,978	\$ 134,216
-	-	-	-	23,096	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	3,600	-
<u>\$ 110,391</u>	<u>\$ 75,380</u>	<u>\$ 7,365</u>	<u>\$ 122,135</u>	<u>\$ 433,674</u>	<u>\$ 134,216</u>
\$ 2,855	\$ -	\$ -	\$ 2,527	\$ 5,743	\$ -
1,751	-	-	18,377	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>4,606</u>	<u>-</u>	<u>-</u>	<u>20,904</u>	<u>5,743</u>	<u>-</u>
-	-	-	-	-	-
-	75,380	7,365	101,231	427,931	134,216
105,785	-	-	-	-	-
<u>105,785</u>	<u>75,380</u>	<u>7,365</u>	<u>101,231</u>	<u>427,931</u>	<u>134,216</u>
<u>\$ 110,391</u>	<u>\$ 75,380</u>	<u>\$ 7,365</u>	<u>\$ 122,135</u>	<u>\$ 433,674</u>	<u>\$ 134,216</u>

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)
JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	Water Quality Permit Fees Fund 40120	Total
ASSETS		
Investment in State Treasurer		
General Fund Investment Pool	\$ 206,678	\$ 1,451,179
Receivables:		
Due from Other Funds	-	23,096
Due from Fiduciary Fund	-	-
Due from Other State Agencies	1,500	35,601
Other Receivables	-	-
Federal Government	-	3,600
	<u> </u>	<u> </u>
Total Assets	<u>\$ 208,178</u>	<u>\$ 1,513,476</u>
LIABILITIES		
Accounts Payable	\$ -	\$ 34,675
Accrued Payroll	-	20,128
Due to Other State Agencies	-	262
Due to Fiduciary Fund	-	-
Due to Other Funds	-	-
	<u> </u>	<u> </u>
Total Liabilities	-	55,065
FUND BALANCES		
Nonspendable	-	-
Restricted	-	1,060,737
Committed	208,178	397,674
	<u> </u>	<u> </u>
Total Fund Balances	208,178	1,458,411
	<u> </u>	<u> </u>
Total Liabilities and Fund Balances	<u>\$ 208,178</u>	<u>\$ 1,513,476</u>

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – NON-MAJOR SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	Motor Boat Fuel Tax Fund 30900	Conservation Planting Revolving Fund 32100	Forest Land Protection Fund 32200	Petroleum Violation Escrow Funds - Stripper Well 31600
REVENUES				
Interest	\$ -	\$ -	\$ -	\$ 10
Other State Funds	-	118,154	-	-
Federal Funds	-	-	-	-
Gross Receipts Taxes	-	-	-	-
Conservation Taxes	-	-	-	-
Gasoline Tax	195,636	-	-	-
Other	-	14,031	-	-
Total Revenues	<u>195,636</u>	<u>132,185</u>	<u>-</u>	<u>10</u>
EXPENDITURES				
Renewal Energy Program	-	-	-	-
Healthy Forests Program	-	147,201	-	-
State Parks Program	109,970	-	-	-
Mine Reclamation Program	-	-	-	-
Oil & Gas Conservation Program	-	-	-	-
Program Support	-	-	-	-
Conservation	-	-	-	-
Capital Outlay	80,030	-	-	-
Total Expenditures	<u>190,000</u>	<u>147,201</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	5,636	(15,016)	-	10
OTHER FINANCING SOURCES (USES)				
Intra-Agency Transfers - Net	-	-	-	-
Inter-Agency Transfers - Reversions	-	-	-	-
Inter-Agency Transfers - Severance Tax	-	-	-	-
Inter-Agency Transfers - Other, Net	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	5,636	(15,016)	-	10
Fund Balances - Beginning of Year	<u>329,209</u>	<u>65,176</u>	<u>1,321</u>	<u>11,989</u>
FUND BALANCES - END OF YEAR	<u>\$ 334,845</u>	<u>\$ 50,160</u>	<u>\$ 1,321</u>	<u>\$ 11,999</u>

Surface Mining Permit Fees Fund 31900	New Mexico Mining Act Penalty Fund 73100	Surface Mining Penalty Fund 32000	New Mexico Mining Act Fund 56600	Inmate Work Camp Fund 95600	Energy Efficiency Assessment Fund 20150
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
120,263	4,562	-	577,264	317,570	-
-	-	-	-	134,380	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	800	488	-	-
<u>120,263</u>	<u>4,562</u>	<u>800</u>	<u>577,752</u>	<u>451,950</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	241,907	-
-	-	-	-	-	-
89,987	-	-	701,147	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>89,987</u>	<u>-</u>	<u>-</u>	<u>701,147</u>	<u>241,907</u>	<u>-</u>
30,276	4,562	800	(123,395)	210,043	-
(17,900)	-	-	(116,600)	(33,100)	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(17,900)</u>	<u>-</u>	<u>-</u>	<u>(116,600)</u>	<u>(33,100)</u>	<u>-</u>
12,376	4,562	800	(239,995)	176,943	-
<u>93,409</u>	<u>70,818</u>	<u>6,565</u>	<u>341,226</u>	<u>250,988</u>	<u>134,216</u>
<u>\$ 105,785</u>	<u>\$ 75,380</u>	<u>\$ 7,365</u>	<u>\$ 101,231</u>	<u>\$ 427,931</u>	<u>\$ 134,216</u>

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	Water Quality Permit Fees Fund 40120	Total
REVENUES		
Interest	\$ -	\$ 10
Other State Funds	-	1,137,813
Federal Funds	-	134,380
Gross Receipts Taxes	-	-
Conservation Taxes	-	-
Gasoline Tax	-	195,636
Other	-	15,319
Total Revenues	<u>-</u>	<u>1,483,158</u>
EXPENDITURES		
Renewal Energy Program	-	-
Healthy Forests Program	-	389,108
State Parks Program	-	109,970
Mine Reclamation Program	-	791,134
Oil & Gas Conservation Program	-	-
Program Support	-	-
Conservation	-	-
Capital Outlay	-	80,030
Total Expenditures	<u>-</u>	<u>1,370,242</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	112,916
OTHER FINANCING SOURCES (USES)		
Intra-Agency Transfers - Net	204,128	36,528
Inter-Agency Transfers - Reversions	-	-
Inter-Agency Transfers - Severance Tax	-	-
Inter-Agency Transfers - Other, Net	4,050	4,050
Total Other Financing Sources (Uses)	<u>208,178</u>	<u>40,578</u>
NET CHANGE IN FUND BALANCES	208,178	153,494
Fund Balances - Beginning of Year	<u>-</u>	<u>1,304,917</u>
FUND BALANCES - END OF YEAR	<u>\$ 208,178</u>	<u>\$ 1,458,411</u>

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
COMBINING BALANCE SHEET –
NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	Capital Projects GF/STB Fund 50900	Total
ASSETS		
Cash and Cash Equivalents	\$ -	\$ -
Investment in State Treasurer General Fund Investment Pool	-	-
Receivables:		
Due from Other Funds	-	-
Due from Other State Agencies	-	-
Other Receivables	-	-
Total Assets	\$ -	\$ -
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Accounts Payable	\$ -	\$ -
Accrued Payroll	-	-
Due to Other State Agencies	-	-
Due to Fiduciary Funds	-	-
Due to Other Funds	-	-
Total Liabilities	-	-
FUND BALANCE		
Nonspendable	-	-
Restricted	-	-
Total Fund Balances	-	-
Total Liabilities and Fund Balances	\$ -	\$ -

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES –
NON-MAJOR CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	Capital Projects GF/STB Fund 50900	Total
REVENUES		
Interest	\$ -	\$ -
Federal Funds	-	-
Gross Receipts Tax	-	-
Conservation Taxes	-	-
Gasoline Tax	-	-
Other	-	-
Total Revenues	-	-
EXPENDITURES		
Current		
Renewal Energy Program	-	-
Healthy Forests Program	-	-
State Parks Program	2,012	2,012
Mine Reclamation Program	-	-
Oil & Gas Conservation Program	-	-
Program Support	-	-
Conservation	-	-
Capital Outlay	-	-
Debt Service - Principal	-	-
Debt Service - Interest	-	-
Debt Service - Miscellaneous	-	-
Total Expenditures	2,012	2,012
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,012)	(2,012)
OTHER FINANCING SOURCES (USES)		
Intra-Agency Transfers, Net	-	-
Inter-Agency Transfers - Reversions	-	-
Inter-Agency Transfers - Severance Tax	-	-
Inter-Agency Transfers - Other, Net	-	-
Total Other Financing Sources (Uses)	-	-
NET CHANGE IN FUND BALANCES	(2,012)	(2,012)
Fund Balances - Beginning of Year	2,012	2,012
FUND BALANCES - END OF YEAR	\$ -	\$ -

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
NON-MAJOR SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	MOTOR BOAT FUEL TAX FUND			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-
State General Fund Appropriation:				
Regular	-	-	-	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	-	-	-	-
Tax Revenue	190,000	190,000	195,636	5,636
Bond Proceeds	-	-	-	-
Other Financing Sources	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	-	-
Fund Balance	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Revenues	<u>\$ 190,000</u>	<u>\$ 190,000</u>	195,636	<u>\$ 5,636</u>
EXPENDITURES				
Personal Services and Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	190,000	190,000	190,000	-
Other Financing Uses	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	<u>\$ 190,000</u>	<u>\$ 190,000</u>	190,000	<u>\$ -</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			5,636	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing difference related to accounts payable			-	
			<u> </u>	
NET CHANGE IN FUND BALANCE			<u>\$ 5,636</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
NON-MAJOR SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	CONSERVATION PLANTING REVOLVING FUND			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-
State General Fund Appropriation:				
Regular	-	-	-	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	135,000	135,000	118,154	(16,846)
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	17,400	17,400	14,031	(3,369)
Fund Balance	10,800	15,016	-	(15,016)
	<u>10,800</u>	<u>15,016</u>	<u>-</u>	<u>(15,016)</u>
Total Revenues	<u>\$ 163,200</u>	<u>\$ 167,416</u>	132,185	<u>\$ (35,231)</u>
EXPENDITURES				
Personal Services and Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	163,200	163,200	147,201	15,999
Other Financing Uses	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 163,200</u>	<u>\$ 163,200</u>	147,201	<u>\$ 15,999</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			(15,016)	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing difference related to accounts payable			-	
			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (15,016)</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
NON-MAJOR SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	FOREST LAND PROTECTION FUND			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-
State General Fund Appropriation:				
Regular	-	-	-	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	-	-	-	-
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	-	-
Fund Balance	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
EXPENDITURES				
Personal Services and Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	-	-	-	-
Other Financing Uses	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			-	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing difference related to accounts payable			-	
			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
NON-MAJOR SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	PETROLEUM VIOLATION ESCROW FUND-STRIPPER WELL			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-
State General Fund Appropriation:				
Regular	-	-	-	-
Special	-	-	-	-
Interest	-	-	10	10
Other State Funds	-	-	-	-
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	-	-
Fund Balance	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	10	<u>\$ 10</u>
EXPENDITURES				
Personal Services and Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	-	-	-	-
Other Financing Uses	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			10	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing difference related to accounts payable			-	
			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 10</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
NON-MAJOR SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	SURFACE MINING PERMIT FEES FUND			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-
State General Fund Appropriation:				
Regular	-	-	-	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	122,600	122,600	120,263	(2,337)
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	-	-
Fund Balance	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Revenues	<u>\$ 122,600</u>	<u>\$ 122,600</u>	120,263	<u>\$ (2,337)</u>
EXPENDITURES				
Personal Services and Benefits	\$ 84,600	\$ 84,600	69,887	\$ 14,713
Contractual Services	5,300	5,300	5,300	-
Other Costs	14,800	14,800	14,800	-
Other Financing Uses	17,900	17,900	17,900	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	<u>\$ 122,600</u>	<u>\$ 122,600</u>	<u>107,887</u>	<u>\$ 14,713</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			12,376	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing difference related to accounts payable			-	
			<u> </u>	
NET CHANGE IN FUND BALANCE			<u>\$ 12,376</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
NON-MAJOR SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	NEW MEXICO MINING ACT PENALTY FUND			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-
State General Fund Appropriation:				
Regular	-	-	-	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	-	-	4,562	4,562
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	-	-
Fund Balance	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	4,562	<u>\$ 4,562</u>
EXPENDITURES				
Personal Services and Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	-	-	-	-
Other Financing Uses	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			4,562	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing difference related to accounts payable			-	
			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 4,562</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
NON-MAJOR SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	SURFACE MINING PENALTY FUND			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-
State General Fund Appropriation:				
Regular	-	-	-	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	-	-	-	-
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	800	800
Fund Balance	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	800	<u>\$ 800</u>
EXPENDITURES				
Personal Services and Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	-	-	-	-
Other Financing Uses	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			800	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing difference related to accounts payable			-	
			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 800</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
NON-MAJOR SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	NEW MEXICO MINING ACT FUND			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-
State General Fund Appropriation:				
Regular	-	-	-	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	628,000	628,000	577,264	(50,736)
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	488	488
Fund Balance	97,500	341,227	-	(341,227)
	<u>97,500</u>	<u>341,227</u>	<u>-</u>	<u>(341,227)</u>
Total Revenues	<u>\$ 725,500</u>	<u>\$ 969,227</u>	577,752	<u>\$ (391,475)</u>
EXPENDITURES				
Personal Services and Benefits	\$ 486,000	\$ 654,000	648,548	\$ 5,452
Contractual Services	50,600	25,600	8,355	17,245
Other Costs	72,300	57,300	44,244	13,056
Other Financing Uses	116,600	116,600	116,600	-
	<u>116,600</u>	<u>116,600</u>	<u>116,600</u>	<u>-</u>
Total Expenditures	<u>\$ 725,500</u>	<u>\$ 853,500</u>	<u>817,747</u>	<u>\$ 35,753</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			(239,995)	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing difference related to accounts payable			-	
			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ (239,995)</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
NON-MAJOR SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	INMATE WORK CAMP FUND			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	134,380	134,380
State General Fund Appropriation:				
Regular	-	-	-	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	223,700	223,700	317,570	93,870
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	-	-
Fund Balance	72,000	72,000	-	(72,000)
	<u>72,000</u>	<u>72,000</u>	<u>-</u>	<u>(72,000)</u>
 Total Revenues	 <u>\$ 295,700</u>	 <u>\$ 295,700</u>	 451,950	 <u>\$ 156,250</u>
EXPENDITURES				
Personal Services and Benefits	\$ 143,600	\$ 83,600	83,600	\$ -
Contractual Services	1,000	1,000	286	714
Other Costs	118,000	178,000	158,021	19,979
Other Financing Uses	33,100	33,100	33,100	-
	<u>33,100</u>	<u>33,100</u>	<u>33,100</u>	<u>-</u>
 Total Expenditures	 <u>\$ 295,700</u>	 <u>\$ 295,700</u>	 <u>275,007</u>	 <u>\$ 20,693</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			176,943	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing difference related to accounts payable			-	
			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 176,943</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
NON-MAJOR SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	ENERGY EFFICIENCY ASSESSMENT REVOLVING FUND			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-
State General Fund Appropriation:				
Regular	-	-	-	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	-	-	-	-
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	-	-
Fund Balance	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
EXPENDITURES				
Personal Services and Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	-	-	-	-
Other Financing Uses	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			-	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing difference related to accounts payable			-	
			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ -</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES –
NON-MAJOR SPECIAL REVENUE FUNDS
BUDGET AND ACTUAL (BUDGETARY BASIS) (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	WATER QUALITY PERMIT FEES FUND			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-
State General Fund Appropriation:				
Regular	-	-	-	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	-	-	-	-
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	-	-	208,178	208,178
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	-	-
Fund Balance	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>\$ -</u>	<u>\$ -</u>	208,178	<u>\$ 208,178</u>
EXPENDITURES				
Personal Services and Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	-	-	-	-
Other Financing Uses	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			208,178	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing difference related to accounts payable			-	
			<u>-</u>	
NET CHANGE IN FUND BALANCE			<u>\$ 208,178</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
STATEMENT OF REVENUES AND EXPENDITURES – CAPITAL PROJECTS
BUDGET AND ACTUAL (BUDGETARY BASIS)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	CAPITAL PROJECTS - GF/STB			
	Budgeted Amounts		Actual	Variance From
	Original	Final	Amounts (Budgetary Basis)	Final Budget Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ -	\$ -
Federal Funds				-
State General Fund Appropriation:				
Regular	-	-	-	-
Special	-	-	-	-
Interest	-	-	-	-
Other State Funds	-	-	-	-
Tax Revenue	-	-	-	-
Bond Proceeds	-	-	-	-
Other Financing Sources	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Other Income	-	-	-	-
Fund Balance	2,012	2,012	-	(2,012)
	<u>2,012</u>	<u>2,012</u>	<u>-</u>	<u>(2,012)</u>
Total Revenues	<u>\$ 2,012</u>	<u>\$ 2,012</u>	<u>-</u>	<u>\$ (2,012)</u>
EXPENDITURES				
Personal Services and Benefits	\$ -	\$ -	-	\$ -
Contractual Services	-	-	-	-
Other Costs	2,012	2,012	2,012	-
Other Financing Uses	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ 2,012</u>	<u>\$ 2,012</u>	<u>2,012</u>	<u>\$ -</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES			(2,012)	
GAAP BASIS RECONCILIATION				
Reversions			-	
Timing difference related to accounts payable			-	
NET CHANGE IN FUND BALANCE			<u>\$ (2,012)</u>	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE 1 – FIDUCIARY FUNDS – AGENCY
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	June 30, 2014	Additions	Deletions	June 30, 2015
PARKS AND RECREATION DIVISION				
BOAT SUSPENSE FUND				
ASSETS				
Cash and Cash Equivalents	\$ 54,494	\$ 397,041	\$ 412,094	\$ 39,441
Due from Other State Agencies	72,884	43,591	72,884	43,591
Total Assets	<u>\$ 127,378</u>	<u>\$ 440,632</u>	<u>\$ 484,978</u>	<u>\$ 83,032</u>
LIABILITIES				
Due to Other Funds	\$ 63,689	\$ 359,419	\$ 337,246	\$ 41,516
Due to State General Fund	63,689	359,419	337,246	41,516
Total Liabilities	<u>\$ 127,378</u>	<u>\$ 718,838</u>	<u>\$ 674,492</u>	<u>\$ 83,032</u>
GOVERNMENTAL GROSS RECEIPTS				
TAX SUSPENSE FUND				
ASSETS				
Cash and Cash Equivalents	\$ 28,535	\$ 109	\$ 28,644	\$ -
Due from Other State Agencies	-	-	-	-
Total Assets	<u>\$ 28,535</u>	<u>\$ 109</u>	<u>\$ 28,644</u>	<u>\$ -</u>
LIABILITIES				
Accounts Payable	\$ -	\$ 23,535	\$ 23,535	\$ -
Due to Other Funds	-	-	-	-
Due to Other State Agencies	28,535	442,444	413,909	-
Total Liabilities	<u>\$ 28,535</u>	<u>\$ 465,979</u>	<u>\$ 437,444</u>	<u>\$ -</u>

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE 2 – SUPPLEMENTAL SCHEDULE OF BANK ACCOUNTS
JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	June 30, 2014	Additions	Deletions	June 30, 2015
OIL DISPOSITION HOLDING FUND				
ASSETS				
Cash and Cash Equivalents	\$ 21,358	\$ 21	\$ 3	\$ 21,376
Interest receivable	2	-	-	2
Total Assets	<u>\$ 21,360</u>	<u>\$ 21</u>	<u>\$ 3</u>	<u>\$ 21,378</u>
LIABILITIES				
Deposits Held in Custody for Others	\$ 21,360	\$ 4	\$ 22	\$ 21,378
Due to Other State Agencies	-	-	-	-
Total Liabilities	<u>\$ 21,360</u>	<u>\$ 4</u>	<u>\$ 22</u>	<u>\$ 21,378</u>
WATER QUALITY PENALTY SUSPENSE FUND				
ASSETS				
Cash and Cash Equivalents	\$ -	\$ 453,578	\$ 451,578	\$ 2,000
Total Assets	<u>\$ -</u>	<u>\$ 453,578</u>	<u>\$ 451,578</u>	<u>\$ 2,000</u>
LIABILITIES				
Due to Other State Agencies	\$ -	\$ 10,000	\$ 12,000	\$ 2,000
Total Liabilities	<u>\$ -</u>	<u>\$ 10,000</u>	<u>\$ 12,000</u>	<u>\$ 2,000</u>
TOTAL FIDUCIARY FUNDS				
ASSETS				
Cash	\$ 104,387	\$ 850,749	\$ 892,319	\$ 62,817
Interest Receivable	2	-	-	2
Due from Other State Agencies	72,884	43,591	72,884	43,591
Total Assets	<u>\$ 177,273</u>	<u>\$ 894,340</u>	<u>\$ 965,203</u>	<u>\$ 106,410</u>
LIABILITIES				
Accounts Payable	\$ -	\$ 23,535	\$ 23,535	\$ -
Due to Other Funds	63,689	359,419	337,246	41,516
Due to Other State Agencies	28,535	452,444	425,909	2,000
Due to State General Fund	63,689	359,419	337,246	41,516
Deposits Held in Custody for Others	21,360	4	22	21,378
Total Liabilities	<u>\$ 177,273</u>	<u>\$ 1,194,821</u>	<u>\$ 1,123,958</u>	<u>\$ 106,410</u>

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE 2 – SUPPLEMENTAL SCHEDULE OF BANK ACCOUNTS (CONTINUED)
JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

Bank Name	Account Title	Account Type	State Treasurer Account Number	Bank Balance
New Mexico State Treasurer	10290 - Agency	State Treasury	1029-521	\$ -
	19900 - General Fund	State Treasury	199-521	-
	20000 - Special Revenue	State Treasury	2000-521	-
	20010 - Special Revenue	State Treasury	2001-521	5,252,458
	20150 - Special Revenue	State Treasury	2015-521	134,216
	21300 - Special Revenue	State Treasury	213-521	2,043,203
	30000 - Debt Service	State Treasury	300-521	13,918
	30900 - Special Revenue	State Treasury	309-521	311,566
	31100 - Special Revenue	State Treasury	311-521	7,816,666
	31600 - Special Revenue	State Treasury	316-521	11,998
	31900 - Special Revenue	State Treasury	319-521	110,391
	32000 - Special Revenue	State Treasury	320-521	7,365
	32100 - Special Revenue	State Treasury	321-521	63,151
	32200 - Special Revenue	State Treasury	321-521	1,321
	40110 - Agency	State Treasury	401-521	2,000
	40120 - Special Revenue	State Treasury	401-521	206,678
	50900 - Capital Projects	State Treasury	509-521	-
	56600 - Special Revenue	State Treasury	566-521	122,135
	64600 - Capital Projects	State Treasury	646-521	3,878,163
	65600 - Special Revenue	State Treasury	646-521	4,715,449
	73100 - Special Revenue	State Treasury	731-521	75,380
	77300 - Agency	State Treasury	773-521	39,440
	77400 - Agency	State Treasury	774-521	-
	77500 - Agency	State Treasury	775-521	-
	89000 - Special Revenue	State Treasury	890-521	-
	89100 - Agency	State Treasury	891-521	21,376
	89200 - Capital Projects	State Treasury	892-521	-
	95600 - Special Revenue	State Treasury	956-521	406,978
	01400 - YCC - Special Revenue	State Treasury	014-522	1,897,412
Bank of New York - Mellon	30000 - Debt Service	Reserve	N/A	2,248,321
NM Finance Authority	30000 - Bond Proceeds	Reserve	N/A	53
Bank of the Southwest	2001 - State Parks	Checking	N/A	24,942 *
1st National Bank of Clayton	2001 - State Parks	Checking	N/A	1,397 *
Citizen Bank of Clovis	2001 - State Parks	Checking	N/A	4,268 *
Total Bank Balance of Cash				<u>29,410,245</u>
RECONCILIATION OF BANK BALANCES TO CASH REPORTED ON THE STATEMENT OF NET ASSETS				
	Outstanding Checks			(29,254) *
	Interest Earned			(2) *
	Replenishments to be Made			150 *
	Other Cash (Deposits in Transit)			3,618 *
	Agency Funds			(62,817)
	Petty Cash on Hand			19,850
TOTAL CASH BALANCE ON STATEMENT OF NET POSITION				<u>\$ 29,341,790</u>

* Sum of bank balances and reconciling items are the balance of the various bank accounts found at Note 6.

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE 3 – SUPPLEMENTAL SCHEDULE OF
SPECIAL (EMERGENCY) APPROPRIATIONS
JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

Special emergency funds were appropriated due to the wildfires resulting from the dry conditions throughout the state in fiscal year 2015 (see Note 13).

Executive Order	Amount
2014-012	\$ 750,000
2015-003	750,000
Special Appropriations for the Fire Disaster Fund as Shown on the Statement of Revenues, Expenditures, and Changes in Fund Balance	\$ 1,500,000

No encumbrances were outstanding at the end of the fiscal year.

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE 4 – SUPPLEMENTAL SCHEDULE OF
SEVERANCE TAX BOND PROCEEDS
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

The following is a list of the Department's severance tax bond proceeds for the STB Fund 89200.

DFA Fund	Project Department	Appr. ID	Chapter	Laws	Section
10730	09-3013	STB09SA	5	2009	2/B/15
11350	11-1295	STB11A-1	5	2011	9
11450	12-1333	STB12SA	64	2012	9
10730	13-1417	STB13A	226	2013	19/1
10730	13-1418	STB13SA	226	2013	19/2
10730	13-1419	STB13A	226	2013	20/2
20610	14-1581	STB14A	66	2014	14/1
20620	14-1582	STB14SA	66	2014	14/1
20610	14-1583	STB14A	66	2014	14/3
20620	14-1584	STB14SA	66	2014	14/4

<u>Expiration</u>	<u>Amount Appropriated</u>	<u>Current Year Expenditures</u>	<u>(Unaudited) Prior Years Incurred Balance</u>	<u>Receivable Balance June 30, 2015</u>	<u>Balance June 30, 2015</u>
06/30/16	\$ 2,215,864	\$ 509,460	\$ 1,449,639	\$ 69,157	\$ 256,765
06/30/16	500,000	13,374	486,626	5,331	-
06/30/16	300,000	-	300,000	-	-
06/30/16	500,000	75,943	424,057	-	-
06/30/17	2,500,000	963,104	1,259,951	111,913	276,945
06/30/17	1,000,000	412,116	544,514	229,032	43,370
06/30/18	235,500	-	-	-	235,500
06/30/18	400,000	333,095	-	105,718	66,905
06/30/16	1,700,000	460,895	-	47,346	1,239,105
06/30/18	<u>6,200,000</u>	<u>2,013,927</u>	<u>-</u>	<u>1,025,261</u>	<u>4,186,073</u>
	<u>\$ 15,551,364</u>	<u>\$ 4,781,914</u>	<u>\$ 4,464,787</u>	<u>\$ 1,593,758</u>	<u>\$ 6,304,663</u>

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE 5 – SUPPLEMENTAL SCHEDULE OF JOINT POWERS AGREEMENTS
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

The following is a list of Joint Powers Agreements the Department has entered into:

	Responsible Party	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
Bureau of Land Management Establish cooperative procedures to accomplish reclamation of abandoned mine sites on land administered by the BLM in accordance with SMCRA.	EMNRD	9/16/1999	Open	\$ -	N/A	EMNRD
City of Alamogordo Improvement of natural resources on lands the City owns through the performance of natural resource restoration projects.	EMNRD	9/14/2010	Open	\$ -	N/A	EMNRD
City of Albuquerque Document EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	4/1/2008	Open	\$ -	N/A	EMNRD
City of Albuquerque Provide support to the City by using inmate crews to perform natural resource improvements to City property.	EMNRD	7/31/2003	Open	\$ -	N/A	EMNRD
City of Albuquerque Contractor shall act as agent in the purchase of the remaining lots in the Boca Negra Unit of the Petroglyph National Monument.	EMNRD	5/30/2001	Open	\$ 5,000,000	N/A	EMNRD
City of Albuquerque Allow City to purchase wildland fire safety equipment.	EMNRD	7/23/2010	Open	\$ -	N/A	EMNRD
City of Artesia Document EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	4/28/2008	Open	\$ -	N/A	EMNRD
City of Aztec Document EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	2/27/2008	Open	\$ -	N/A	EMNRD
City of Bayard Documents EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	12/5/2008	Open	\$ -	N/A	EMNRD
City of Belen Documents EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	2/27/2008	Open	\$ -	N/A	EMNRD
City of Bloomfield Wildfire suppression on lands adjacent to the City of Bloomfield.	EMNRD	1/29/2008	Open	\$ -	N/A	EMNRD
City of Carlsbad Documents EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	12/27/2007	Open	\$ -	N/A	EMNRD
City of Clovis Documents EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	12/27/2007	Open	\$ -	N/A	EMNRD
City of Espanola Documents EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	1/15/2008	Open	\$ -	N/A	EMNRD
City of Farmington EMNRD will acquire from the USDA - Forest Service a unique U.S. General Services Administration number for the City of Farmington to use for the purchase of wildland fire equipment and supplies.	EMNRD	4/6/2009	Open	\$ -	N/A	EMNRD
City of Farmington Fire Suppression on lands adjacent to City of Farmington.	EMNRD	1/29/2008	Open	\$ -	N/A	EMNRD
City of Gallup Document EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	2/27/2008	Open	\$ -	N/A	EMNRD
City of Grants Document EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	2/27/2008	Open	\$ -	N/A	EMNRD

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE 5 – SUPPLEMENTAL SCHEDULE OF
JOINT POWERS AGREEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	Responsible Party	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
City of Grants Inmate Work Camp crews will perform natural resource improvements to City property.	EMNRD	3/17/2003	Open	\$ -	N/A	EMNRD
City of Hobbs Document EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	12/27/2007	Open	\$ -	N/A	EMNRD
City of Jal JPA documents EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	4/1/2008	Open	\$ -	N/A	EMNRD
City of Las Cruces Documents EMNRD's and the City's agreement and commitment to mutual wildland fire suppression and management assistance and cooperation.	EMNRD	2/21/2013	Open	\$ -	N/A	EMNRD
City of Las Vegas Documents EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	10/17/2007	Open	\$ -	N/A	EMNRD
City of Las Vegas Conduct wildland/urban interface projects. .	EMNRD	1/23/2004	Open	\$ -	N/A	EMNRD
City of Lordsburg JPA documents EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	4/1/2008	Open	\$ -	N/A	EMNRD
City of Lovington Documents EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	11/26/2007	Open	\$ -	N/A	EMNRD
City of Moriarty Documents EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	11/3/2008	Open	\$ -	N/A	EMNRD
City of Moriarty Purchase wildland firefighting equipment from the U.S. General Services Administration for the City's fire department.	EMNRD	10/15/2002	Open	\$ -	N/A	EMNRD
City of Portales Documents EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	12/27/2007	Open	\$ -	N/A	EMNRD
City of Raton Documents EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	2/18/2008	Open	\$ -	N/A	EMNRD
City of Raton Improvement of natural resources on lands the City owns through the performance of natural resource restoration projects.	EMNRD	8/13/2010	Open	\$ 86,000	N/A	EMNRD
City of Rio Rancho Documents EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	2/13/2008	Open	\$ -	N/A	EMNRD
City of Rio Rancho Provide support to the City by using inmate work crews to perform natural resource improvements to City property.	EMNRD	12/1/2003	Open	\$ -	N/A	EMNRD
City of Rio Rancho Allow the City of Rio Rancho to purchase wildland fire safety equipment and have EMNRD monitor.	EMNRD	3/25/1998	Open	\$ -	N/A	EMNRD
City of Rio Rancho Document EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	2/18/2008	Open	\$ -	N/A	EMNRD
City of Roswell Document EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	4/28/2008	Open	\$ -	N/A	EMNRD

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE 5 – SUPPLEMENTAL SCHEDULE OF
JOINT POWERS AGREEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	Responsible Party	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
City of Roswell Construct 1/4 mile of trail as part of the city's Spring River Parkway project.	EMNRD	5/27/2009	12/31/2013	\$ 70,568	N/A	EMNRD
City of Santa Fe JPA documents EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	4/1/2008	Open	\$ -	N/A	EMNRD
City of Santa Fe Transfer of operation responsibilities of Santa Fe River State Park .	EMNRD	12/12/1997	Open	\$ 150,000	N/A	EMNRD
City of Santa Fe Thinning projects.	EMNRD	3/7/2011	Open	\$ 68,250	N/A	EMNRD
City of Santa Fe Gives the City the ability to purchase wildland fire safety gear through the federal supply schedules of the U.S. General Services Administration (GSA).	EMNRD	5/20/2010	Open	\$ -	N/A	EMNRD
City of Santa Rosa Documents EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	12/27/2007	Open	\$ -	N/A	EMNRD
City of Socorro Documents EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	11/26/2007	Open	\$ -	N/A	EMNRD
City of Sunland Park Documents EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	5/28/2008	Open	\$ -	N/A	EMNRD
City of Texico Documents EMNRD's and the City's commitment to wildland fire suppression.	EMNRD	12/27/2007	Open	\$ -	N/A	EMNRD
Ciudad Soil & Water Conservation District Conduct Inmate Work Camp projects on public lands in Ciudad SWCD's boundaries.	EMNRD	1/15/2004	Open	\$ -	N/A	EMNRD
Ciudad Soil and Water Conservation District Improvement of natural resources on lands the SWCD manages through the performance of natural resource restoration projects.	EMNRD	7/14/2010	Open	\$ 1,093,700	N/A	EMNRD
Claunch-Pinto SWCD EMNRD shall provide support to CPSWCD by using inmate crews to perform natural resource improvements to lands CPSWCD manages and providing vocational training for inmates.	EMNRD	7/1/2007	Open	\$ -	N/A	EMNRD
Claunch-Pinto SWCD Improvement of natural resources on lands the SWCD manages through the performance of natural resource restoration projects.	EMNRD	5/20/2010	Open	\$ 816,000	N/A	EMNRD
Colfax Soil and Water Conservation District Improvement of natural resources on lands the SWCD manages through the performance of natural resource restoration projects.	EMNRD	4/30/2010	Open	\$ 672,000	N/A	EMNRD
County of Bernalillo IWC shall provide support to the Bernalillo County Open Space Division by using inmate crews to perform natural resource improvements to lands BCOSD owns and providing vocational training for inmates.	EMNRD	3/20/2008	Open	\$ -	N/A	EMNRD
County of Bernalillo EMNRD will acquire a GSA number for the County to use in purchasing wildland fire equipment and supplies, provide training to County.	EMNRD	12/13/2004	Open	\$ -	N/A	EMNRD

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	Responsible Party	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
County of Bernalillo Designate a local contact person with knowledge of the County Fire Departments to have authority to mobile resources, advise EMNRD as to the status of county resources.	EMNRD	3/10/2000	Open	\$ -	N/A	EMNRD
County of Bernalillo Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	5/19/2010	Open	\$ -	N/A	EMNRD
County of Catron Improvement of natural resources on lands the County owns through the performance of natural resource restoration projects.	EMNRD	10/4/2010	Open	\$ 613,860	N/A	EMNRD
County of Catron Wildfire suppression.	EMNRD	4/26/2010	Open	\$ -	N/A	EMNRD
County of Chavez Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	2/25/2010	Open	\$ -	N/A	EMNRD
County of Cibola Wildland fire protection and suppression.	EMNRD	1/28/2010	Open	\$ -	N/A	EMNRD
County of Cibola EMNRD will acquire a GSA number for the County to use in purchasing wildland fire equipment and supplies, provide training to County.	EMNRD	5/21/2013	Open	\$ -	N/A	EMNRD
County of Colfax Improvement of natural resources on lands the County owns through the performance of natural resource restoration projects.	EMNRD	6/8/2010	Open	\$ 743,000	N/A	EMNRD
County of Colfax Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	11/2/2009	Open	\$ -	N/A	EMNRD
County of Curry Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	5/20/2010	Open	\$ -	N/A	EMNRD
County of Dona Ana Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	1/18/2009	Open	\$ -	N/A	EMNRD
County of Eddy Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	2/25/2010	Open	\$ -	N/A	EMNRD

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	Responsible Party	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
County of Eddy Allows the County to purchase wildland fire safety gear through the federal supply schedules of the General Services Administration.	EMNRD	1/8/2004	Open	\$ -	N/A	EMNRD
County of Eddy Wildfire suppression.	EMNRD	3/9/1989	Open	\$ -	N/A	EMNRD
County of Grant Purchase wildland fire safety equipment per GSA account.	EMNRD	4/28/1998	Open	\$ -	N/A	EMNRD
County of Grant Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	3/18/2010	Open	\$ -	N/A	EMNRD
County of Guadalupe Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	12/7/2009	Open	\$ -	N/A	EMNRD
County of Harding Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	3/18/2010	Open	\$ -	N/A	EMNRD
County of Hidalgo Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	12/7/2009	Open	\$ -	N/A	EMNRD
County of Lea Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	11/2/2009	Open	\$ -	N/A	EMNRD
County of Lincoln Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	11/17/2009	Open	\$ -	N/A	EMNRD
County of Lincoln Improvement of natural resources on lands the County owns through the performance of natural resource restoration projects.	EMNRD	5/6/2010	Open	\$ 3,119,946	N/A	EMNRD
County of Los Alamos Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	3/30/2010	Open	\$ -	N/A	EMNRD

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	Responsible Party	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
County of Luna Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	4/19/2010	Open	\$ -	N/A	EMNRD
County of McKinley Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	12/7/2009	Open	\$ -	N/A	EMNRD
County of Mora County & EMNRD mutually agree to establish, implement and maintain a Resource Mobilization Plan (RMP) & associated procedures for mobilization of wildland fire protection resources.	EMNRD	7/8/2003	Open	\$ -	N/A	EMNRD
County of Mora Allow Mora County to purchase fire fighting equipment through EMNRD's authority with the U.S. General Services Administration.	EMNRD	7/25/2001	Open	\$ -	N/A	EMNRD
County of Mora Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	9/29/2009	Open	\$ -	N/A	EMNRD
County of Otero Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	3/18/2010	Open	\$ -	N/A	EMNRD
County of Otero Improvement of natural resources on lands the County manages through the performance of natural resource restoration projects.	EMNRD	4/27/2010	Open	\$ 525,000	N/A	EMNRD
County of Quay Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	3/18/2010	Open	\$ -	N/A	EMNRD
County of Rio Arriba Provide Rio Arriba County with access to the General Services Administration wildfire suppression personal protective equipment purchasing authority.	EMNRD	3/6/2001	Open	\$ -	N/A	EMNRD
County of Rio Arriba Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	10/28/2009	Open	\$ -	N/A	EMNRD

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	Responsible Party	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
County of Roosevelt Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	11/2/2009	Open	\$ -	N/A	EMNRD
County of San Juan Gives the County the ability to purchase wildland fire safety gear through the federal supply schedules of the U.S. General Services Administration.	EMNRD	6/8/2009	Open	\$ -	N/A	EMNRD
County of San Juan Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	4/30/2010	Open	\$ -	N/A	EMNRD
County of San Miguel Allow EMNRD to purchase wildfire equipment.	EMNRD	6/1/1998	12/31/2099	\$ -	N/A	EMNRD
County of San Miguel Use of the Villanueva Landfill.	EMNRD	11/4/1985	Open	\$ -	N/A	EMNRD
County of San Miguel Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	11/17/2009	Open	\$ -	N/A	EMNRD
County of Sandoval Purchase wildland fire equipment through the federal supply schedules of GSA.	EMNRD	8/19/1999	Open	\$ -	N/A	EMNRD
County of Sandoval Assist County in gaining FEDSTRIP number and access to federal surplus firefighting equipment.	EMNRD	8/19/1999	Open	\$ -	N/A	EMNRD
County of Sandoval Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	3/18/2010	Open	\$ -	N/A	EMNRD
County of Santa Fe Allow the County to purchase fire fighting supplies and equipment through EMNRD's General Services Administration account.	EMNRD	3/6/2002	Open	\$ -	N/A	EMNRD
County of Santa Fe Terms and conditions for operation of Cerrillos Hills State Park.	EMNRD	9/1/2009	7/1/2032	\$ -	N/A	EMNRD
County of Santa Fe Improve natural resources on lands in the County through the performance of natural resource restoration projects.	EMNRD	12/28/2010	Open	\$ -	N/A	EMNRD
County of Santa Fe Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	3/18/2010	Open	\$ -	N/A	EMNRD

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	Responsible Party	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
County of Santa Fe Use of Inmate Work Camp inmates on natural resources and restoration projects	EMNRD	7/31/2012	Open	\$ -	N/A	EMNRD
County of Sierra Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	11/17/2009	Open	\$ -	N/A	EMNRD
County of Socorro Improvement of natural resources on County lands managed through the performance of natural resource restoration projects.	EMNRD	5/7/2004	Open	\$ 54,000	N/A	EMNRD
County of Socorro Allows the County to purchase wildland fire safety gear through the federal supply schedules of the General Services Administration.	EMNRD	3/3/2004	Open	\$ -	N/A	EMNRD
County of Socorro Use of inmate crews in natural resource projects on County of Socorro properties.	EMNRD	8/12/1998	Open	\$ -	N/A	EMNRD
County of Socorro Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	12/14/2009	Open	\$ -	N/A	EMNRD
County of Taos Emphasizing improving watershed areas on public and private land, the development of defensible space for individual homeowners, development of fuel breaks along common boundaries between public and private land and assisting with thinning of lots and subdivisions.	EMNRD	2/2/2012	Open	\$ 255,000	N/A	EMNRD
County of Taos Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	11/2/2009	Open	\$ -	N/A	EMNRD
County of Taos Allow Taos County to purchase wildland firefighting equipment from the U.S. GSA wildfire suppression personal protective equipment purchasing authority.	EMNRD	12/17/2001	Open	\$ -	N/A	EMNRD
County of Torrance Wildlife fire suppression and protection.	EMNRD	3/26/2010	Open	\$ -	N/A	EMNRD
County of Valencia Gives the County the ability to purchase wildland fire safety gear through the federal supply schedules of the U.S. General Services Administration.	EMNRD	3/18/2009	Open	\$ -	N/A	EMNRD
County of Valencia Documents EMNRD's and the County's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	3/30/2010	Open	\$ -	N/A	EMNRD
Cuba Soil and Water Conservation District Improvement of natural resources on lands the SWCD manages through the performance of natural resource restoration projects.	EMNRD	8/5/2010	Open	\$ -	N/A	EMNRD

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	Responsible Party	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
Department of Cultural Affairs EMNRD shall provide inmate crews to the DCA to perform natural resource improvements on state lands owned and managed by the DCA.	EMNRD	7/7/2009	Open	\$ -	N/A	EMNRD
Department of Cultural Affairs Conduct background research, prepare historic contexts, conduct archaeological inventories and properties and reports.	EMNRD	7/23/2004	Open	\$ 1,150,000	N/A	EMNRD
Department of Health Document EMNRD's and DOH, ED, DPS, OSFM and DOT's desire to efficiently manage all New Mexico Waste Isolation Pilot Plant (WIPP) Transportation Program activities.	EMNRD	10/1/1993	Open	\$ 4,344,532	N/A	EMNRD
Department of the Interior Documents the parties' commitment to improve efficiency by facilitating the coordination and exchange of personnel, equipment, supplies, services, and funds for management of wildfires.	EMNRD	4/2/2008	4/1/2017	\$ -	N/A	EMNRD
Edgewood SWCD Improvement of natural resources on lands the SWCD manages through the performance of natural resource restoration projects.	EMNRD	7/23/2010	Open	\$ -	N/A	EMNRD
General Services Department GSD shall provide Parks with assistance in acquiring property located in Tucumcari for the Region II office.	EMNRD	4/14/2005	4/13/2030	\$ -	N/A	EMNRD
General Services Department Use of aircraft for wildland fire suppression and aerial reconnaissance.	EMNRD	12/23/2009	Open	\$ -	N/A	EMNRD
Grant Soil & Water Conservation District (SWCD) Improvement of natural resources on lands managed by Grant SWCD.	EMNRD	9/7/2010	Open	\$ 646,111	N/A	EMNRD
Guadalupe SWCD WUI and HAZ fuels reduction projects. State and federal funds. <input type="checkbox"/>	EMNRD	7/16/2012	Open	\$ 84,414	N/A	EMNRD
Lava Soil and Water Conservation District Improvement of natural resources on lands the SWCD manages through the performance of natural resource restoration projects.	EMNRD	10/4/2010	Open	\$ -	N/A	EMNRD
McKinley Soil and Water Conservation District Emphasizing improving watershed areas on public and private land, the development of defensible space for individual homeowners, development of fuel breaks along common boundaries between public and private land and assisting with thinning of lots and subdivisions.	EMNRD	3/7/2012	Open	\$ -	N/A	EMNRD
Mescalero Apache Tribe Improvement of natural resources on tribal lands through the performance of natural resource restoration projects.	EMNRD	7/14/2010	Open	\$ 847,400	N/A	EMNRD
Middle Rio Grande Conservancy Conduct Wildland Urban Interface and Hazardous Materials Grants projects.	EMNRD	10/7/2004	Open	\$ 531,000	N/A	EMNRD
Middle Rio Grande Conservancy EMNRD & Middle Rio Grande as part of inmate work camp established by EMNRD.	EMNRD	2/2/1998	Open	\$ -	N/A	EMNRD
Middle Rio Grande Conservancy Provide support to EMNRD's Forestry Division on wildland fires burning on lands.	EMNRD	1/3/1996	Open	\$ -	N/A	EMNRD

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	Responsible Party	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
National Park Service Joint effort by EMNRD, Albuquerque and NPS to purchase land for Indian Petroglyph.	EMNRD	6/27/1990	Open	\$ 6,000,000	N/A	EMNRD
Natural Resources Conservation Service, SCS, USDA Purchase farmland conservation easements in the Middle Rio Grande Valley in collaboration with the Rio Grande Agricultural Land Trust.	EMNRD	10/12/2005	Open	\$ 150,000	N/A	EMNRD
Navajo Nation Improvement of natural resources on Navajo lands through the performance of natural resource restoration projects.	EMNRD	10/19/2010	Open	\$ 226,200	N/A	EMNRD
New Mexico Corrections Dept. Provide minimum and minimum-restrict inmates to work in various state parks: Bottomless, Brantley, Living Desert, RGNC, Hyde, Bluewater, Leasburg, Rockhound & EBLSP.	EMNRD	7/2/2001	Open	\$ 190,000	N/A	EMNRD
New Mexico Department of Game and Fish Improvement of natural resources on lands owned by the State Game Commission through the performance of natural resource restoration.	EMNRD	3/11/2009	Open	\$ -	N/A	EMNRD
New Mexico Department of Game and Fish Specifies terms, conditions and each party's duties in operation of Cimarron, Clayton and Fenton Lake State Parks.	EMNRD	8/31/2007	Open	\$ -	N/A	EMNRD
New Mexico Dept. of Military Affairs/National Guard Bottomless Lakes State Park. To establish separate responsibilities and authorities of water service.	EMNRD	10/1/1987	Open	\$ -	N/A	EMNRD
New Mexico Environment Department Establish procedures for implementing financial assurance, utilizing each agency's resources more efficiently and streamlining financial assurance process for operators subject to requirements of the Mining Act and Water Quality Act.	EMNRD	3/21/2001	Open	\$ -	N/A	EMNRD
New Mexico Environment Department Establish coordination procedures for implementing the Mining Act in order to utilize each agency's resources more efficiently.	EMNRD	1/24/2001	Open	\$ -	N/A	EMNRD
New Mexico Environment Department Establish Cooperative Procedures for Conducting Inspections under the NM Mining Act .	EMNRD	5/28/1997	Open	\$ -	N/A	EMNRD
New Mexico Environment Department Define funding, program tasks and administration of the Underground Injection Control Program.	EMNRD	5/29/2002	6/30/2017	\$ -	N/A	EMNRD
New Mexico Environment Department Transfer of discharge plan fees from Water Quality Management Fund.	EMNRD	7/1/1993	Open	\$ -	N/A	EMNRD
New Mexico Environment Department Chevron Questa Mine CERCLA process.	EMNRD	1/23/2015	9/30/2016	\$ -	N/A	EMNRD
New Mexico Environment Department Operation of Underground Injection Control Program	EMNRD	8/20/2012	Open	\$ -	N/A	EMNRD
New Mexico Environment Department Cooperation, coordination of procedures, understanding of, and separate responsibilities for the Underground Injection Control (UIC) Program.	EMNRD	11/12/1982	Open	\$ -	N/A	EMNRD

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	Responsible Party	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
New Mexico Game & Fish Department NMDGF and EMNRD will jointly acquire a conservation easement on 5,000 acres of the Horse Springs Ranch in northern Catron County.	EMNRD	4/19/2007	Open	\$ -	N/A	EMNRD
New Mexico Game & Fish Department Mgmt. of protected wildlife resources related to wildlife habitat protection, enhancement of land.	EMNRD	4/17/1998	Open	\$ -	N/A	EMNRD
New Mexico Game & Fish Department Management of the WIPP withdrawal area, JPA with NM Game & Fish, OCA and State Land Office	EMNRD	6/26/1997	Open	\$ -	N/A	EMNRD
New Mexico Game & Fish Department Provide for cooperation in the management of Eagle Nest Lake State Park and joint administration of certain lands at Eagle Nest Lake.	EMNRD	6/23/2004	Open	\$ -	N/A	EMNRD
New Mexico Game & Fish Department Cooperative wildfire suppression services between Forestry, Parks, DGF, DMA, DPS, GSD, DOT, DCA, and State Fire Marshal.	EMNRD	11/26/1990	Open	\$ -	N/A	EMNRD
New Mexico Game & Fish Department Develop, maintain and improve a park and recreation area and appropriate services at Eagle Nest Lake.	EMNRD	11/1/2002	6/30/2027	\$ -	N/A	EMNRD
New Mexico Game & Fish Department Operation and management responsibilities for Cimarron and Ute.	EMNRD	10/17/2001	Open	\$ -	N/A	EMNRD
New Mexico Game & Fish Department Disburse federal funds administered by Game and Fish Dept. to State Parks for boat access improvements.	EMNRD	2/27/2001	6/30/2016	\$ -	N/A	EMNRD
New Mexico Highlands University Conducting forest and watershed health projects that implement recommendations contained in the Governor's Forest & Watershed Health Plan.	EMNRD	3/20/2008	Open	\$ 178,375	N/A	EMNRD
New Mexico Institute of Mining and Technology Participation In College Work Study Program For Students.	EMNRD	5/19/1999	Open	\$ 3,331	N/A	EMNRD
New Mexico State Land Office To provide resources/expertise of protecting/conserving forested areas of State trust lands.	EMNRD	6/8/1989	Open	\$ -	N/A	EMNRD
New Mexico State Land Office/New Mexico Tax & Revenue Establish a data center in the Simms Building to be shared by Users	EMNRD	9/8/1988	Open	\$ -	N/A	EMNRD
New Mexico State University - Coop Extension Service Provide a forest entomologist for forest pest survey work. NMCES shall provide detection, evaluation, reporting and education in all phases of integrated forest pest management.	EMNRD	1/3/2007	12/31/2016	\$ 206,100	N/A	EMNRD
New Mexico State University Carry out tree improvement work on New Mexico forest tree species	EMNRD	7/1/1995	6/30/2017	\$ 254,000	N/A	EMNRD
Otero Soil & Water Conservation District Improve natural resources on private lands through the performance of natural resource restoration projects.	EMNRD	2/2/2011	Open	\$ 1,088,312	N/A	EMNRD

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	Responsible Party	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
Pueblo of Sandia Improvement of natural resources on Pueblo lands through the performance of natural resource restoration projects.	EMNRD	10/5/2007	Open	\$ 69,000	N/A	EMNRD
Pueblo of Santa Ana Improvement of natural resources on Pueblo lands through the performance of natural resource restoration projects.	EMNRD	1/30/2009	Open	\$ 94,418	N/A	EMNRD
Pueblo of Santa Clara Improvement of natural resources on Pueblo lands through the performance of natural resource restoration projects.	EMNRD	11/3/2008	Open	\$ 6,548,295	N/A	EMNRD
Pueblo of Taos Improvement of natural resources on Pueblo lands through the performance of natural resource restoration projects.	EMNRD	3/29/2010	Open	\$ 300,000	N/A	EMNRD
Quemado Soil and Water Conservation District Emphasizing improving watershed areas on public and private land, the development of defensible space for individual homeowners, development of fuel breaks along common boundaries between public and private land and assisting with thinning of lots and subdivisions.	EMNRD	4/11/2012	Open	\$ -	N/A	EMNRD
Salado Soil and Water Conservation District Improvement of natural resources on lands the SWCD manages through the performance of natural resource restoration projects.	EMNRD	8/5/2010	Open	\$ 25,000	N/A	EMNRD
San Juan Soil and Water Conservation District Improvement of natural resources on lands the SWCD manages through the performance of natural resource restoration projects.	EMNRD	3/30/2010	Open	\$ 3,402,952	N/A	EMNRD
Sierra County Office of the Flood Commissioner Inmate work on lands managed by the Commissioner.	EMNRD	3/4/2002	Open	\$ -	N/A	EMNRD
Sierra Soil & Water Conservation District Improvement of natural resources on lands the SWCD manages through the performance of natural resource restoration projects.	EMNRD	7/8/2010	Open	\$ -	N/A	EMNRD
Socorro SWCD Improvement of natural resources on lands the SWCD manages through the performance of natural resource restoration projects.	EMNRD	10/19/2010	Open	\$ -	N/A	EMNRD
State Game Commission/DGF Specifies each party's duties and responsibilities in the operation of Mesilla Valley Bosque State Park.	EMNRD	4/21/2005	Open	\$ -	N/A	EMNRD
State Land Office Improvement of natural resources on lands managed by SLO through the performance of natural resource restoration projects.	EMNRD	11/6/2003	Open	\$ 430,653	N/A	EMNRD
State Land Office To conduct resource management activities in the Luera Mountains.	EMNRD	5/27/1993	Open	\$ -	N/A	EMNRD
State Land Office Identify methods by which the Tri-Agencies (EMNRD, SLO and TRD) will carry out their shared responsibility for the on-going management of ONGARD.	EMNRD	1/4/2004	Open	\$ -	N/A	EMNRD

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE 5 – SUPPLEMENTAL SCHEDULE OF
JOINT POWERS AGREEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	Responsible Party	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
Tierra Y Montes SWCD Improvement of natural resources on lands the SWCD manages through the performance of natural resource restoration projects.	EMNRD	7/14/2010	Open	\$ 1,654,028	N/A	EMNRD
Town of Bernalillo Documents EMNRD's and the Town's commitment to wildland fire suppression.	EMNRD	1/15/2008	Open	\$ -	N/A	EMNRD
Town of Carrizozo Documents EMNRD's and the Town's commitment to wildland fire suppression.	EMNRD	12/27/2007	Open	\$ -	N/A	EMNRD
Town of Clayton Documents EMNRD's and the Town's commitment to wildland fire suppression.	EMNRD	5/13/2009	Open	\$ -	N/A	EMNRD
Town of Elida Documents EMNRD's and the Town's commitment to wildland fire suppression.	EMNRD	12/27/2007	Open	\$ -	N/A	EMNRD
Town of Estancia Documents EMNRD's and the Town's commitment to wildland fire suppression.	EMNRD	9/2/2008	Open	\$ -	N/A	EMNRD
Town of Eunice Documents EMNRD's and the Town's commitment to wildland fire suppression.	EMNRD	3/20/2008	Open	\$ -	N/A	EMNRD
Town of Hagerman Documents EMNRD's and the Town's commitment to wildland fire suppression.	EMNRD	4/28/2008	Open	\$ -	N/A	EMNRD
Town of Hurley Documents EMNRD's and the Town's commitment to wildland fire suppression.	EMNRD	4/28/2008	Open	\$ -	N/A	EMNRD
Town of Hurley Encumber funds with Town of Hurley for pool/ park Improvements.	EMNRD	7/1/1993	12/31/2020	\$ 5,500	N/A	EMNRD
Town of Lake Arthur Documents EMNRD's and the Town's commitment to wildland fire suppression.	EMNRD	11/3/2008	Open	\$ -	N/A	EMNRD
Town of Mesilla Documents EMNRD's and the Town's commitment to wildland fire suppression.	EMNRD	4/1/2008	Open	\$ -	N/A	EMNRD
Town of Mountainair Documents EMNRD's and the Town's commitment to wildland fire suppression.	EMNRD	4/28/2008	Open	\$ -	N/A	EMNRD
Town of Peralta Documents EMNRD's and the Town's commitment to wildland fire suppression, protection responsibilities, interagency cooperation and coordination, reimbursement for use of shared resources on wildfires, mutual wildfire suppression, management assistance, cooperation and use of federal excess property.	EMNRD	6/24/2009	Open	\$ -	N/A	EMNRD
Town of Red River Documents EMNRD's and the Town's commitment to wildland fire suppression.	EMNRD	4/28/2008	Open	\$ -	N/A	EMNRD
Town of Red River Conducting Wildland/Urban Interface (WUI) projects.	EMNRD	3/23/2004	Open	\$ 165,450	N/A	EMNRD
Town or Red River Improvement of natural resources on lands the Town owns through the performance of natural resource restoration projects.	EMNRD	5/20/2010	Open	\$ 91,000	N/A	EMNRD
Town of Silver City Documents EMNRD's and the Town's commitment to wildland fire suppression.	EMNRD	11/26/2007	Open	\$ -	N/A	EMNRD

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE 5 – SUPPLEMENTAL SCHEDULE OF
JOINT POWERS AGREEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	Responsible Party	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
Town of Springer Documents EMNRD's and the Town's commitment to wildland fire suppression.	EMNRD	2/18/2008	Open	\$ -	N/A	EMNRD
Town of Taos Documents EMNRD's and the Town's commitment to wildland fire suppression.	EMNRD	4/28/2008	Open	\$ -	N/A	EMNRD
Town of Tatum Documents EMNRD's and the Town's commitment to wildland fire suppression.	EMNRD	10/17/2007	Open	\$ -	N/A	EMNRD
Town of Vaughn Documents EMNRD's and the Town's commitment to wildland fire suppression.	EMNRD	11/30/2007	Open	\$ -	N/A	EMNRD
Town of Willard Documents EMNRD's and the Town's commitment to wildland fire suppression.	EMNRD	2/18/2008	Open	\$ -	N/A	EMNRD
University of New Mexico - Board of Regents UNM - Natural Heritage Program shall provide professional fieldwork and research assistance, greenhouse studies and geographic information system work for rare or endangered plants in New Mexico.	EMNRD	8/8/2005	Open	\$ 117,908	N/A	EMNRD
Upper Chama Soil and Water Conservation District Improvement of natural resources on lands the SWCD manages through the performance of natural resource restoration projects.	EMNRD	4/30/2010	Open	\$ 274,050	N/A	EMNRD
US Dept. Of Energy, City of Carlsbad, Eddy County Share in establishing and maintaining an Alternative Emergency Operations Center equipped to support and carry out assigned emergency responses.	EMNRD	10/24/2000	Open	\$ -	N/A	EMNRD
US Forest Service USFS, Colorado State Forest Service, EMNRD and the State of Colorado, Archuleta County shall provide wildfire protection along the boundary between the State of New Mexico and the State of Colorado.	EMNRD	10/6/1986	Open	\$ -	N/A	EMNRD
US Forest Service - Gila NF Trail Restoration project, which involves reconstruction and maintenance of 15.8 miles of trail in the Gila National Forest.	EMNRD	7/23/2009	12/31/2013	\$ 27,395	N/A	EMNRD
US Forest Service - Lincoln NF Agreement giving forestry responsibility over Smokey Bear Park.	EMNRD	5/25/1993	Open	\$ -	N/A	EMNRD
Valencia Soil and Water Conservation District Perform natural resource restoration projects on SWCD-managed lands using the Inmate Work Camp Program. VSWCD reimburses Forestry.	EMNRD	9/13/2005	Open	\$ -	N/A	EMNRD
Village of Angel Fire Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	2/27/2008	Open	\$ -	N/A	EMNRD
Village of Angel Fire Improvement of natural resources on lands the Village owns through the performance of natural resource restoration projects.	EMNRD	5/25/2010	Open	\$ 459,000	N/A	EMNRD
Village of Bosque Farms Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	2/27/2008	Open	\$ -	N/A	EMNRD
Village of Capitan - Lincoln County Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	2/18/2008	Open	\$ -	N/A	EMNRD

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE 5 – SUPPLEMENTAL SCHEDULE OF
JOINT POWERS AGREEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	Responsible Party	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
Village of Causey Fire suppression on lands adjacent to the Village of Causey.	EMNRD	1/29/2008	Open	\$ -	N/A	EMNRD
Village of Chama Fire suppression on lands adjacent to the Village of Chama.	EMNRD	1/29/2008	Open	\$ -	N/A	EMNRD
Village of Cimarron Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	2/18/2008	Open	\$ -	N/A	EMNRD
Village of Cloudcroft Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	11/2/2007	Open	\$ -	N/A	EMNRD
Village of Columbus Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	4/7/2009	Open	\$ -	N/A	EMNRD
Village of Corona Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	4/28/2008	Open	\$ -	N/A	EMNRD
Village of Corrales Gives the Village the ability to purchase of wildland fire safety gear through the federal supply schedules of the U.S. General Services Administration (GSA).	EMNRD	1/30/2009	Open	\$ -	N/A	EMNRD
Village of Corrales Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	2/18/2008	Open	\$ -	N/A	EMNRD
Village of Corrales Provide for the use of inmate work for improvement of natural resources on public lands managed by the Village.	EMNRD	2/28/2002	Open	\$ -	N/A	EMNRD
Village of Cuba Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	11/17/2008	Open	\$ -	N/A	EMNRD
Village of Des Moines Fire suppression on lands adjacent to the Village of Des Moines.	EMNRD	1/29/2008	Open	\$ -	N/A	EMNRD
Village of Dexter Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	5/2/2008	Open	\$ -	N/A	EMNRD
Village of Dora Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	11/26/2007	Open	\$ -	N/A	EMNRD
Village of Eagle Nest Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	1/15/2008	Open	\$ -	N/A	EMNRD
Village of Encino Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	2/18/2008	Open	\$ -	N/A	EMNRD
Village of Floyd Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	3/20/2008	Open	\$ -	N/A	EMNRD

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE 5 – SUPPLEMENTAL SCHEDULE OF
JOINT POWERS AGREEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	Responsible Party	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
Village of Folsom Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	5/2/2008	Open	\$ -	N/A	EMNRD
Village of Fort Sumner Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	4/1/2008	Open	\$ -	N/A	EMNRD
Village of Grady Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	11/3/2008	Open	\$ -	N/A	EMNRD
Village of Hatch Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	11/2/2007	Open	\$ -	N/A	EMNRD
Village of Hope Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	11/2/2007	Open	\$ -	N/A	EMNRD
Village of House Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	3/18/2009	Open	\$ -	N/A	EMNRD
Village of Jemez Springs Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	2/18/2008	Open	\$ -	N/A	EMNRD
Village of Logan Document EMNRD's and the Village's commitment to fire suppression.	EMNRD	9/27/2006	Open	\$ -	N/A	EMNRD
Village of Los Lunas Fire suppression on lands adjacent to Village of Los Lunas.	EMNRD	1/29/2008	Open	\$ -	N/A	EMNRD
Village of Los Ranchos De Albuquerque Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	11/2/2007	Open	\$ -	N/A	EMNRD
Village of Loving Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	1/15/2008	Open	\$ -	N/A	EMNRD
Village of Maxwell Fire suppression on lands adjacent to the Village of Maxwell.	EMNRD	1/29/2008	Open	\$ -	N/A	EMNRD
Village of Melrose Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	11/3/2008	Open	\$ -	N/A	EMNRD
Village of Milan Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	2/18/2008	Open	\$ -	N/A	EMNRD
Village of Mosquero Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	1/15/2008	Open	\$ -	N/A	EMNRD
Village of Pecos Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	12/27/2007	Open	\$ -	N/A	EMNRD
Village of Reserve Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	11/20/2007	Open	\$ -	N/A	EMNRD
Village of Reserve Gives the Village the ability to purchase wildland fire safety gear through the federal supply schedules of the U.S. General Services Administration (GSA).	EMNRD	11/8/2010	Open	\$ -	N/A	EMNRD
Village of Roy Wildfire suppression on lands adjacent to the Village of Roy.	EMNRD	1/29/2008	Open	\$ -	N/A	EMNRD

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE 5 – SUPPLEMENTAL SCHEDULE OF
JOINT POWERS AGREEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

	Responsible Party	Dates of Agreement		Amount Applicable	Amount Contributed	Audit Responsibility
		Beginning	Ending			
Village of Ruidoso The Village of Ruidoso pays EMNRD for the use of the inmate crews in accordance with rates specified in each approved project plan.	EMNRD	7/1/2008	Open	\$ -	N/A	EMNRD
Village of Ruidoso Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	11/30/2007	Open	\$ -	N/A	EMNRD
Village of Ruidoso Improvement of natural resources on lands the Village owns through the performance of natural resource restoration projects.	EMNRD	10/4/2010	Open	\$ 1,398,318	N/A	EMNRD
Village of Ruidoso Downs Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	2/27/2008	Open	\$ -	N/A	EMNRD
Village of San Jon Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	11/3/2008	Open	\$ -	N/A	EMNRD
Village of Santa Clara Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	12/5/2008	Open	\$ -	N/A	EMNRD
Village of Taos Ski Valley Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	12/27/2007	Open	\$ -	N/A	EMNRD
Village of Taos Ski Valley Provide wildland fire suppression assistance on wildland fire incidents adjacent to the Village of Taos boundaries	EMNRD	7/1/2000	Open	\$ -	N/A	EMNRD
Village of Tijeras Document EMNRD's and the Village's commitment to wildland fire	EMNRD	4/1/2008	Open	\$ -	N/A	EMNRD
Village of Tularosa Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	11/17/2008	Open	\$ -	N/A	EMNRD
Village of Virden Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	5/2/2008	Open	\$ -	N/A	EMNRD
Village of Wagon Mound Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	3/20/2008	Open	\$ -	N/A	EMNRD
Village of Williamsburg Document EMNRD's and the Village's commitment to wildland fire suppression.	EMNRD	4/28/2008	Open	\$ -	N/A	EMNRD
Western Mora Soil & Water Conservation District Improvement of natural resources on lands the SWCD manages through the performance of natural resource restoration projects.	EMNRD	7/14/2010	Open	\$ 462,290	N/A	EMNRD

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE 6 –SCHEDULE OF VENDOR INFORMATION
FOR PURCHASES EXCEEDING \$60,000 (EXCLUDING GRT) - UNAUDITED
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

RFB#/RFP#	Type of Procurement	Awarded Vendor	Dollar Amount of Awarded Contract	Dollar Amount of Amended Contract	Name, Physical Address of All Vendors (s) that Responded.					In-State/Out-of-State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference? (Y or N)	Brief Description of the Scope of Work
PSA 15-522-0150-0055	Professional Services	WildEarth Guardians	\$149,960.00	N/A	WildEarth Guardians	516 Alto St.	Santa Fe	NM	87501	Y	N	Employ youth to perform work that will improve NM's environment.
					YouthWorks	1504 Cerrillos Rd.	Santa Fe	NM	87505	Y	N	
					The City of Santa Fe Fire Dept.	200 Murals Rd	Santa Fe	NM	87501	Y	N	
PSA 15-522-0150-0062	Professional Services	The Family YMCA	\$118,657.37	N/A	The Family YMCA	1450 Iris Street	Los Alamos	NM	87544	Y	N	Employ youth to develop a community garden and encourage citizens to volunteer to help.
PSA 15-522-0150-0063	Professional Services	The Family YMCA	\$146,661.83	N/A	The Family YMCA	1450 Iris Street	Los Alamos	NM	87544	Y	N	Employ youth to build trails in Los Alamos County.
PSA 15-522-0150-0076	Professional Services	Wellness Coalition	\$147,266.45	N/A	Wellness Coalition	409 N. Bullard St.	Silver City	NM	88061	Y	N	Employ youth to perform work that will improve NM's environment and improve community infrastructure.
PSA 15-522-0150-0064	Professional Services	Rocky Mountain Youth Corps	\$150,000.00	N/A	Rocky Mountain Youth Corps	1203 King Dr. #3	Taos	NM	87571	Y	N	Employ youth to perform work that will improve NM's environment.
PSA 15-522-0150-0040	Professional Services	Future Foundations Family Center	\$64,534.29	N/A	Future Foundations Family Center	551 Washington Ave.	Grants	NM	87020	Y	N	Employ youth to perform work that will improve NM's environment and improve community infrastructure.
PSA 15-522-0150-0073	Professional Services	Rocky Mountain Youth Corps	\$150,000.00	N/A	Rocky Mountain Youth Corps	1203 King Dr. #3	Taos	NM	87571	Y	N	Employ youth to perform work that will improve NM's environment.
PSA 15-522-0150-0081	Professional Services	EcoServants	\$121,036.18	N/A	EcoServants	12104 Mechem Dr. Suite #3	Ruidoso	NM	88355	Y	N	Employ youth to perform work that will improve NM's environment and improve recreational areas.
PSA 15-522-0150-0037	Professional Services	Conservation Legacy	\$108,221.36	N/A	Conservation Legacy	701 Camino del Rio, Suite 101	Durango	CO	81301	Y	N	Employ youth who are taught by elders of the Pueblo of Acoma to develop a traditional garden using heritage seed and traditional methods. Also build hornos at the community center.

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE 6 –SCHEDULE OF VENDOR INFORMATION
FOR PURCHASING EXCEEDING \$60,000 (EXCLUDING GRT) – UNAUDITED (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

RFB#/RFP#	Type of Procurement	Awarded Vendor	Dollar Amount of Awarded Contract	Dollar Amount of Amended Contract	Name, Physical Address of All Vendors (s) that Responded.				In-State/Out-of-State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference? (Y or N)	Brief Description of the Scope of Work	
PSA 15-522-0150-0045	Professional Services	New Mexico Extreme Sports Association, Inc.	\$123,394.06	N/A	New Mexico Extreme Sports Association, Inc.	508 First Street NW	Albuquerque	NM	87102	Y	N	Employ youth to design, create and install a tile mosaic at the Albuquerque Shooting Range.
PSA 15-522-0150-0136	Professional Services	New Mexico Wildlife Association	\$133,304.50	N/A	New Mexico Wildlife Association	87 W. Frontage Rd.	Edgewood	NM	87015	Y	N	Employ youth to build exhibits at a nature center, learn about animals and plants and then teach children and adults who visit the center.
PSA15-522-0150-0069	Professional Services	Groundwork Dona Ana County, Inc.	\$128,571.70	N/A	Groundwork Dona Ana County, Inc.	125 N. Main Street, Ste 115	Las Cruces	NM	88001	Y	N	Employ youth to do projects that reduce the use of water by the City of Las Cruces by removing sod in medians and replace it with low water use plants, rock mulch and drip irrigation.
PSA 15-522-0150-0072	Professional Services	Groundwork Dona Ana County, Inc.	\$72,594.00	N/A	Groundwork Dona Ana County, Inc.	125 N. Main St. Ste 115	Las Cruces	NM	88001	Y	N	Employ youth to become Youth Rangers and lead interpretive programs for visitors at the Organ Mountains-Desert Peaks National Monument.
PSA 15-522-0150-0070	Professional Services	Capacity Builders, Inc.	\$147,562.93	N/A	Capacity Builders, Inc.	418 West Broadway Unit C	Farmington	NM	87401	Y	N	Employ youth to improve the infrastructure at Tohatchi by building a shade structure, improving picnic tables and installing grills for the local skate park.
PSA 15-522-015-0043	Professional Services	Harwood Art Center of Escuela del Sol Montessori	\$96,126.13	N/A	Harwood Art Center of Escuela del Sol Montessori	1114 7th Street	Albuquerque	NM	87102	Y	N	Employ youth to design, create and install a tile mosaic at the Albuquerque Convention Center.
PSA 15-522-0150-0050	Professional Services	Capacity Builders, Inc.	\$146,990.40	N/A	Capacity Builders, Inc.	418 West Broadway Unit C	Farmington	NM	87401	Y	N	Employ youth to remove noxious weeds and trees along the community ditch at Tse Daa K'aan.
PSA 15-521-0410-0166	Professional Services	Tree New Mexico, Inc.	80,000.00	N/A	Tree New Mexico, Inc.	2806 Arbor Road NW	Albuquerque	NM	87194	Y	N	Develop locally-sustained community forestry programs throughout urban and rural NM, including education manual and curriculums, strategic action plans, and coordinating tree planting events.
		No Other Vendors										

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE 6 –SCHEDULE OF VENDOR INFORMATION
FOR PURCHASING EXCEEDING \$60,000 (EXCLUDING GRT) – UNAUDITED (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

RFB#/RFP#	Type of Procurement	Awarded Vendor	Dollar Amount of Awarded Contract	Dollar Amount of Amended Contract	Name, Physical Address of All Vendors (s) that Responded.					In-State/Out-of-State Vendor (Y or N) (Based on Statutory Definition)	Was the Vendor In-State and Chose Veteran's Preference? (Y or N)	Brief Description of the Scope of Work
PSA 16-521-0100-0002	Professional Services	Clifton, Larson, Allen LLP	\$ 116,282.00	N/A	Clifton, Larson, Allen LLP	500 Marquette NW, Ste 800	Albuquerque	NM	87102	Y	N	To perform the annual financial and compliance audit of EMNRD's and Youth Conservation Corps financial statements.
		Jaramillo Accounting Group			Jaramillo Accounting Group	4700 Lincoln R NE Ste 120	Albuquerque	NM	87109	Y	N	
		Moss Adams LLP			Moss Adams LLP	6565 Americas Parkway NE Ste 600	Albuquerque	NM	87110	Y	N	
		Axiom			Axiom	316 Osuna Road NE, Ste 401	Albuquerque	NM	87107	Y	N	
		Atkinson			Atkinson	6501 Americas Parkway	Albuquerque	NM	87110	Y	N	
PSA 15-521-0500-0085	Professional Services	Logan Simpson Design	\$150,000	N/A	Logan Simpson Design	123 N. College Avenue	Fort Collins	Colorado	80524	N	N/A	Plan, design, coordinate, and develop the 2016-2020 Statewide Comprehensive Outdoor Recreation Plan (SCORP), in accordance with the Land and Water Conservation Fund (LWCF) .
					University of New Mexico Bureau of Business and Economic Research	1 University of New Mexico	Albuquerque	NM	871310	Y	N	
					Greenplay, LLC	1021 E. South Boulder	Louisville	CO	80027	N	N/A	
PSA 15-521-0100-0036	Professional Services	HDR Engineering Inc.	69550	N/A	HDR Engineering Inc.	2 N Chamisa Dr Ste J	Santa Fe	NM	87508	Y	N	Design and implement an economic analysis of the New Mexico renewable energy production tax credit
					FritaGroup Consulting	3311 S. Browning Place	Bloomington	IN	47401	N	N	
					HIS Global Inc.	15 Inverness Way East	Englewood	CO	80112	N	N	
					New Mexico Consortium	Suite 301, 4200 W Jemez Rd. Los Alamos, NM	Los Alamos	NM	87544	N	N	
					Industrial Economics, Inc.	2067 Massachusetts Ave	Cambridge	MA	002140	N	N	
					Laird Graeser / Dr. Kelly O'Donnell	110 S Piney Rd Ste 100	Chester	MD	21619	N	N	
					Sullivan Design Group, Inc.	227 East Palace Ave	Santa Fe	NM	87504	Y	Y	

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

Federal Agency/ Pass-Through Agency	Federal CFDA Number	Federal Participating Expenditures
U.S. Department of Energy:		
State Energy Program	81.041	\$ 320,852
Waste Isolation Pilot Project	81.106	997,210
State Energy Program Special Projects	81.119	540,233
Total USDE		1,858,295
U.S. Department of Agriculture:		
Forest Service – Cooperative Forestry Assistance	10.664	7,030,004
Forest Service - Watershed Health Plan	10.902	109,620
ARRA - Forest Inventory/Hazardous Fuels	10.688	2,227,568
Forest Service - Fire Reimbursement	10.unknown	2,178,113
Total USDA		11,545,305
U.S. Department of Homeland Security:		
U.S. Coast Guard Boating Safety Program	97.012	1,039,842
Emergency Management Performance	97.042	
Fire Reimbursement	97.unknown	5,625
Total USDHS		1,045,467
U.S. Department of Transportation:		
Federal Highway Admin – National Trails Act	20.219	145,168
Total US DOT		145,168
U.S. Department of the Interior:		
Fire Reimbursement	15.unknown	690,399
National Park Service:		
Land and Water	15.916	568,585
Total National Park Service		568,585
Office of Surface Mining:		
Abandoned Mine Land	15.252	4,947,463
Total Office of Surface Mining		4,947,463
Bureau of Land Management		
Ready Reserve	15.unknown	22,003
Woodland Restoration	15.233	79,612
Abandoned Mine Program	15.236	308,470
Total Bureau of Land Management		410,085

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)
YEAR ENDED JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

Federal Agency/ Pass-Through Agency	Federal CFDA Number	Federal Participating Expenditures
Bureau of Reclamation:		
Recreation Resources Management	15.524	\$ 692,790
Total Bureau of Reclamation		<u>692,790</u>
US Fish & Wildlife Service:		
US Fish and Wildlife - Endangered Plants	15.615	50,359
US Fish and Wildlife - Sport Fish Restoration Program	15.605	315,000
US Fish and Wildlife - Inmate work camp	15.657	171,820
Total US Fish & Wildlife Service		<u>537,179</u>
Total U. S. Department of the Interior		7,846,501
U.S. Environmental Protection Agency:		
Underground Injection Control Program	66.433	258,008
CMI Questa Mine Remedial Tech	66.802	62,880
Total U.S. Environmental Protection Agency		<u>320,888</u>
Total		<u>\$ 22,761,624</u>
Federal Revenue from Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds		\$ 22,755,914
Reconciling Items		<u>5,710</u>
Total		<u>\$ 22,761,624</u>

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2015
(SEE INDEPENDENT AUDITORS' REPORT)**

General

The accompanying Supplemental Schedule of Expenditures of Federal Awards presents the activities of all federal awards of the Department.

Basis of Accounting

The accompanying Supplemental Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 2 to the Department's general purpose financial statements.

Non-Cash Assistance

The Department did not receive any federal non-cash assistance during the year ended June 30, 2015.

Loans

The Department did not have any loans outstanding with the Federal government at June 30, 2015.

Subrecipients

The Department records disbursements to subrecipients on the cash basis of accounting for the purpose of requesting reimbursement from the federal grantor agencies:

<u>Type</u>	<u>Amount</u>
Waste Water Isolation Pilot Project: 81.106	<u>\$ 843,542</u>
Actual Cash Disbursed During the Fiscal Year	<u>\$ 843,542</u>
ARRA - Forest Inventory/Hazardous Fuels: 10.688 Santa Clara	<u>\$ 722,842</u>
Actual Cash Disbursed During the Fiscal Year	<u>\$ 722,842</u>
Forest Service – Cooperative Forestry Assistance: 10.664	<u>\$ 2,248,016</u>
Actual Cash Disbursed During the Fiscal Year	<u>\$ 2,248,016</u>



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

State of New Mexico Energy, Minerals,
and Natural Resources Department and
Mr. Timothy Keller
New Mexico State Auditor

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue funds, of the State of New Mexico Energy, Minerals, and Natural Resources Department (the Department) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements, and the combining and individual funds and related budgetary comparisons of the Department, presented as supplementary information, and have issued our report thereon dated November 30, 2015.

Internal Control over Financial Reporting

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

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

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

State of New Mexico Energy, Minerals,
and Natural Resources Department and
Mr. Timothy Keller
New Mexico State Auditor

However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as 2015-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department'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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Response to Findings

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

Purpose of this Report

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



CliftonLarsonAllen LLP

Albuquerque, New Mexico
November 30, 2015



CliftonLarsonAllen

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

State of New Mexico Energy, Minerals,
and Natural Resources Department and
Mr. Timothy Keller
New Mexico State Auditor

Report on Compliance for Each Major Federal Program

We have audited the State of New Mexico Energy, Minerals, and Natural Resources Department's (the Department) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Department's major federal programs for the year ended June 30, 2015. The Department's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

State of New Mexico Energy, Minerals,
and Natural Resources Department and
Mr. Timothy Keller
New Mexico State Auditor

Opinion on Each Major Federal Program

In our opinion, the Department 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, 2015.

Report on Internal Control over Compliance

Management of the Department 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 Department's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Department'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 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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The Department's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The Department's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

State of New Mexico Energy, Minerals,
and Natural Resources Department and
Mr. Timothy Keller
New Mexico State Auditor

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 result of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Albuquerque, New Mexico
November 30, 2015

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2015**

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes no
- Significant deficiencies identified that are not considered to be material weakness(es)? yes none reported

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

Any audit findings, disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? yes no

Identification of major programs:

CFDA

<u>Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.664	Forest Service – Cooperative Forestry Assistance
10.688	ARRA – Forest Inventory/Hazardous Fuels
15.524	Recreation, Handicap Access, and Fish & Wildlife Enhancement
81.106	Transport of Transuranic Waste
Various	Fire Reimbursement Cluster (10.xxx, 15.xxx and 97.xxx)

Dollar threshold used to distinguish between type A and type B programs \$682,849

Auditee qualified as low-risk auditee? yes no

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2015**

SECTION II – FINANCIAL STATEMENT FINDINGS

Section I - Financial Statement Findings

Finding 2015-001 Cash Deposits (Significant Deficiency)

Condition: The Department did not timely deposit checks resulting from rental agreements which is in violation of the timely deposit rule as stated in the Public Money Act NMSA 1978 §6-10-3. Approximately 6 undeposited checks, totaling \$40,764, were located in the desk drawer of an ex-Department employee.

Criteria: The Public Money Act, 6-10-3 NMSA 1978, agency is required to deposit cash within the succeeding business day after receipt.

Cause: Management oversight, lack of effective controls and procedures surrounding cash deposits.

Effect: The Department is out of compliance with Department of Finance and Administration, Manual of Model Accounting Practices, FIN 2.1 and 6-10-3 NMSA 1978.

Recommendation: We recommend that management ensure all cash received is deposited within a timely manner and in accordance with the laws and regulations. Specifically, all employees should be informed of proper procedures over cash handing and the requirement to deposit received funds in a timely manner.

Management's Response: The Department agrees with the audit finding and as a corrective action, the State Parks Division (Division) Business Enterprise Coordinator is conducting a full audit of all open State Park contracts and a new tracking system has been implemented to ensure that payments are received, tracked, and deposited in a timely manner. The Division's Program Support Bureau Chief will oversee the full audit and the Division expects the audit to be completed as soon as possible but by no later than June 30, 2016.

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2015**

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no Federal Award findings for the year ended June 30, 2015.

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
JUNE 30, 2015**

SECTION II – FINANCIAL STATEMENT FINDINGS

Finding 2014-001 Interagency Transactions (Material Weakness) – Resolved

Condition: During the audit, it was identified that the Department is not recording interagency transactions in a consistent manner with other state agencies. As a result of these inconsistencies, a restatement of the Department's financial statements was required in the amount of approximately \$1.5m.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 2013-002 Time and Labor Charging Practices (Significant Deficiency, Compliance) - Resolved

Federal Programs: CFDA #10.664, Cooperative Forestry Assistance, 2014 award year, U.S. Department of Agriculture, and CFDA #81.106, Transport of Transuranic Wastes to the Waste Isolation Pilot Plant, 2014 award year, U.S. Department of Energy

Questioned costs: \$0

Condition: During payroll testwork, we noted instances of noncompliance with federal time and labor charging practices.

CFDA 10.664: We noted that the Department was unable to provide the proper time certification for 1 out of 60 employees selected for testing.

CFDA 81.106: We noted that the Department was unable provide proper time certification for 16 out of 20 employees selected for testing.

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT
EXIT CONFERENCE
JUNE 30, 2015**

An exit conference was held with the Department on November 24, 2015. The conference was held at the Department's offices in Santa Fe, New Mexico. The conference was held in a closed meeting to preserve the confidentiality of the audit information prior to the release of the financial statements by the State Auditor. In attendance were:

**STATE OF NEW MEXICO ENERGY, MINERALS,
AND NATURAL RESOURCES DEPARTMENT**

Brett Woods, Deputy Cabinet Secretary
Ronald Cruz, ASD Director
Bersabe Rodriguez, Chief Financial Officer
David Soveranez, Financial Manager

CLIFTONLARSONALLEN LLP

Georgie Ortiz, CPA, CGFM, Principal
Raul J. Anaya, CPA, CGFM, Principal
Matt Height, Senior Associate

PREPARATION OF FINANCIAL STATEMENTS

The financial statements presented in this report have been prepared by the independent auditor. However, they are the responsibility of management, as addressed in the Independent Auditors' Report.