



CITY OF RATON & RATON PUBLIC SERVICE COMPANY




Board Presentation of the Financial Statement Audit
*Timeline, Financial Statement Highlights, Opinion, Communication
 to Those Charged with Governance*



CITY OF RATON & RATON PUBLIC SERVICE COMPANY

Timeline –

Signed Engagement Letter	June 13, 2017
Planning	Began July
Fieldwork	Week of October 2
Delivered Preliminary Finding	December 12
Delivered Financial Statement Draft	December 12
Independent Auditors' Report	December 13
Board Presentation	February 13, 2018



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Independent Auditors' Report –

Opinion on the Financial Statements:

- **Unmodified – Best opinion available**
 - Financial Statements are presented fairly in accordance with accounting principles generally accepted in the United States of America.
 - No audit areas where an opinion could not be rendered.



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Other Auditors' Report –

GAGAS Report on *Internal Control Over Financial Reporting* and on *Compliance and Other Matters*

- 1 NMSA Finding



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Financial Statement Highlights –

Statement of Net Position – Primary Government

- Major Changes in Assets
 - Total Unrestricted Cash increased by approximately \$579,000 from \$6.5 million to \$7.1 million
 - Total Capital Assets increased by 2.1 million
- Major Changes in Liabilities
 - Bonds and loans payable decreased by approximately \$1 million from \$9,043,612 to \$8,004,803
 - Estimated landfill liability for closure and postclosure costs decreased by approximately \$277,119
 - Net pension liability increased by approximately \$3 million



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Financial Statement Highlights –

Statement of Net Position – Component Unit

- Major Changes in Assets
 - Total Unrestricted Cash decreased by approximately \$4.3 million, mostly related to capital projects, from \$7.8 million to \$3.5 million
 - Total Capital Assets increased by 4.7 million—major construction project near completion at 6/30/2017
- Major Changes in Liabilities
 - Loans payable decreased by approximately \$368 thousand from \$4,864,811 to \$5,233,613
 - Net pension liability increased by approximately \$548 thousands



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Financial Statement Highlights –

Statement of Activities– Primary Government

- Major Changes in Revenues
 - Decrease in capital and operating grants of about \$462K
- Major Changes in Expenses
 - Increase in expenses of about \$772K



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Financial Statement Highlights –

Statement of Activities– Component Unit

- Major Changes in Revenues
 - Large decrease in insurance recoveries that occurred in the prior year of \$2.6 million
- Expenses have remained consistent from prior year



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Findings –

Other Noncompliance

City of Raton:

- FS 2017-001 – Stale Dated Checks – Other noncompliance



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Findings –

Prior Year Findings

Component Unit:

- FS CU 2015-001 Missing Purchase Order Requisition Form (Resolved)
- NM CU 2016-001 Backdating of Cash Disbursements (Resolved)
- NM CU 2016-002 Old Meter Deposits (Resolved)



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Concluding Comments –

- Michael Anne, Geneva and Sandy as well as the rest of the team members were very helpful and great to work with. With their help, we were able to meet every goal set forth in this audit.
- Thank you for the opportunity to serve the City, RWW and RPS.
- We value our relationship and hope to continue to build on it.
- Carr, Riggs & Ingram, LLC



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Thank You!

At RPC We ACHIEVE

A ppreciation
C ollaboration
H umanitarianism
I nnovation
E njoyment
V igilance
E xcellence

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