



HINKLE + LANDERS

Certified Public Accountants + Business Consultants

**STATE OF NEW MEXICO
DOÑA ANA COUNTY**

FINANCIAL STATEMENTS

For The Year Ended June 30, 2012

INTRODUCTORY SECTION

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DOÑA ANA COUNTY
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**STATE OF NEW MEXICO
DOÑA ANA COUNTY
Official Roster
As of June 30, 2012**

County Officials

Name	Title
Billy G. Garrett	Commissioner – District 1
Dolores Saldana-Caviness	Commissioner – District 2
Karen G. Perez	Chair, Commissioner – District 3
Scott A. Krahling	Vice-Chair, Commissioner – District 4
Leticia Duarte-Benavidez	Commissioner – District 5

Administrative Officials

Brian D. Haines	County Manager
Sue Padilla	Interim County Manager (Current)
David Gutierrez	County Treasurer
Lynn Ellins	County Clerk
Andy Segovia	County Assessor
Alice M. Salcido	Probate Judge
Todd Garrison	County Sheriff

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Mr. Hector H. Balderas, State Auditor and
The Board of County Commissioners
Doña Ana County
Las Cruces, New Mexico

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of Doña Ana County (the County), as of and for the year ended June 30, 2012, which collectively comprise the agency's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the County's nonmajor governmental, nonmajor enterprise, internal service and fiduciary funds, and the budgetary comparisons for the major capital projects, debt service funds, and all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2012, as listed in the table of contents. These financial statements are the responsibility of the County's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of each nonmajor governmental, nonmajor enterprise, internal service, and fiduciary fund of the County as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the major capital project funds, debt service funds, and all nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2012 on our consideration of the County's internal control over financial reporting and on our tests

of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 13 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the basic financial statements, the combining and individual fund financial statements, the schedule of changes in assets and liabilities - agency funds, and budgetary comparisons. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The additional schedules listed as "other supplemental information" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Hinkle + Landers, P.C.
November 13, 2012

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012**

Doña Ana County's management discussion and analysis presents an overview of the County's financial activities for the fiscal year ended June 30, 2012. Please read it in conjunction with Doña Ana County's financial statements beginning on page 14.

FINANCIAL HIGHLIGHTS

- The County completed fiscal year 2012 with \$327,138,037 in total assets; this is roughly a 8.6% decrease in assets when compared to the \$357,936,156 in fiscal year 2011. Total Liabilities for net assets increased by roughly 11.83% or \$7,253,712 to \$68,562,948; while Total Net Assets decreased slightly more than twelve percent or \$38,051,831 to complete the fiscal year at \$258,575,089.
- Net Assets for Governmental Activity decreased 12.98% or \$32,327,095 to end the fiscal year at \$216,733,252; while Business-Type Activities decreased by 12.04% or \$5,724,736 for a fiscal year net asset balance of \$41,841,837. Overall revenues decreased by 1.00% to \$118,759,785 and expenditures increased by roughly 28.70% to \$156,811,616.
- The County's financial analysis of County Governmental Funds indicates a decrease in total assets of \$14,413,584 or 12.68% to \$99,272,324; total liabilities increased by \$2,188,640 or 20.07%, while total fund balance decreased by \$16,602,224 or 16.15%.
- On February 10, 2005, Dona Ana County and the City of Sunland Park entered into a Memorandum of Understanding (DAC #05-259) and an Interim JPA (DAC #05-260) for the purposes of combining all the City water and wastewater facilities and operations with certain defined County water and wastewater facilities and designating subdivision, zoning, planning and platting jurisdiction within a certain designated interim service area. These agreements were superseded by JPA, DAC #09-191, enacted February 24, 2009-establishes independent Joint Authority (CRRUA) with a 20 year term
- Dona Ana County received state appropriations totaling \$650,000 for the 2010 Colonias Initiative to improve infrastructure within the County's designated Colonia communities. In fiscal year 2012, \$592,569 has been expended and the projects have been completed.
- Dona Ana County received American Recovery and Reinvestment Act (ARRA) stimulus funding totaling \$3,142,804. Of that amount, \$446,900 was received in the form of the Energy Efficiency and Conservation Block Grant from the Department of Energy; \$2,168,207 from the US Department of Transportation passed through the State for improvements on East Berino Road; and \$527,697 from the US Department of Justice passed through the State for the purchase and equipping of police vehicles. In fiscal year 2012, \$165,265 has been expended on road improvements completing the last of the ARRA projects.
- Dona Ana County received a \$5,120,800 Water Project Loan/Grant from New Mexico Finance Authority. The project consists of constructing an arsenic treatment facility in the Santa Teresa Border Region. In fiscal year 2012, the full loan component of \$1,024,160 and \$1,939,750 of the grant has been expended on construction. Dona Ana County received \$1,980,000 in Local Economic Development Act Funding from the New Mexico Economic Development Department. The project consists of Water System, Wastewater System, and Fire Suppression Improvements. In fiscal year 2012, \$1,243,789 has been expended on water system improvements.

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FOR THE YEAR ENDED JUNE 30, 2012**

- Total bonded debt at June 30, 2012 for the County was \$32,115,000.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

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

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

The *Statement of Activities* presents information showing how the County's net assets changed during fiscal year 2012. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned and unused vacation leave).

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

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

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012**

doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

The basic governmental fund financial statements begin on page 14 of this report.

Proprietary Fund

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

The basic proprietary fund financial statements begin on page 24 of this report.

Fiduciary Funds

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

The basic fiduciary fund financial statements begin on page 32 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33-59 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Required supplementary information can be found starting on page 60 of this report.

The combining statements referred to earlier in connection with Nonmajor funds and Nonmajor proprietary funds are presented in the supplementary information section of this report. Combining schedules can be found on pages 63-129 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Broad Overview of Finances)

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

**STATE OF NEW MEXICO
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MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012**

changing financial position of the County, as a whole.

Dona Ana County Condensed Schedule of Net Assets As of June 30, 2012 and 2011						
	2012	2011	2012	2011	2012	2011
	Governmental Activities	Governmental Activities	Business- Type Activities	Business- Type Activities	Total Primary Government	Total Primary Government
Assets:						
Current and Other Assets	\$ 99,420,629	109,489,362	2,484,923	5,237,097	101,905,552	114,726,459
Capital Assets	180,816,155	187,444,449	44,416,330	55,765,248	225,232,485	243,209,697
Total Assets	<u>280,236,784</u>	<u>296,933,811</u>	<u>46,901,253</u>	<u>61,002,345</u>	<u>327,138,037</u>	<u>357,936,156</u>
Liabilities:						
Current Liabilities	13,345,159	13,161,994	1,084,256	2,221,039	14,429,415	15,383,033
Non-Current Liabilities	50,158,373	34,711,470	3,975,160	11,214,733	54,133,533	45,926,203
Total Liabilities	<u>63,503,532</u>	<u>47,873,464</u>	<u>5,059,416</u>	<u>13,435,772</u>	<u>68,562,948</u>	<u>61,309,236</u>
Net Assets:						
Invested in Capital Assets	145,751,608	151,007,232	38,800,588	43,200,177	184,552,196	194,207,409
Restricted Assets	30,238,110	32,373,899	1,490,212	1,201,782	31,728,322	33,575,681
Unrestricted Assets	40,743,534	65,679,216	1,551,037	3,164,614	42,294,571	68,843,830
Total Net Assets	<u>216,733,252</u>	<u>249,060,347</u>	<u>41,841,837</u>	<u>47,566,573</u>	<u>258,575,089</u>	<u>296,626,920</u>
Total Liabilities And Net Assets	<u>\$ 280,236,784</u>	<u>296,933,811</u>	<u>46,901,253</u>	<u>61,002,345</u>	<u>327,138,037</u>	<u>357,936,156</u>

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

An additional portion of the County's net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted* net assets may be used to meet the County's ongoing obligations to citizens and creditors.

Governmental Activities

Governmental activities decreased the County's net assets by \$15,327,095 to \$216,733,252. The decrease is due predominantly to a loss on disposition of capital assets.

On June 1, 2004, the County and the City of Las Cruces terminated the lease of the County and City-owned hospital to Memorial Medical Center, The. (MMCI, a non-profit corporation) and executed a new 40-year lease to Province Healthcare, Inc. (PHI), now taken over by Life Point. The 40 year lease was prepaid. The County and City each received half of MMCI's assets from the resulting liquidation of the corporation. More detailed information about the hospital lease is presented on page 57, Note 12 to the financial statements.

Business-Type Activities

The overall financial position of the business-type activities changed predominantly due to a decrease in grant revenue for housing as well as a decrease in expenses for housing assistance. On January 1st 2012 Housing Authority of the City of Las Cruces officially became Mesilla Valley Public Housing Authority. The Dona Ana Board of Commissioners and City Council are no longer involved with the Housing Authority. As of June 30, 2012, the Department of Housing and Urban Development (HUD) has

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MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012**

approved the consolidation of Dona Ana County Housing Authority and the Housing Authority of the City of Las Cruces.

Construction continues on water and wastewater utilities for the County. As of February 1st, 2012, the County transferred assets of the Border (Santa Teresa) Water and Wastewater facilities to the Camino Real Regional Utility Authority.

Dona Ana County Condensed
Summary of Changes in Net Assets
For the Years Ended June 30, 2012 and 2011

	2012	2011	2012	2011	2012	2011
	Governmental	Governmental	Business-	Business-	Total	Total
	Activities	Activities	Type	Type	Primary	Primary
			Activities	Activities	Government	Government
Revenues						
<u>Program Revenues</u>						
Changes for Services	\$ 15,027,069	16,701,400	1,487,948	1,151,012	16,515,017	17,852,412
Operating Grants and Contributions	19,610,763	18,618,623	1,529,489	2,558,258	21,140,252	21,176,881
Capital Grants and Contributions	4,459,994	6,676,520	-	-	4,459,994	6,676,520
<u>General Revenue</u>						
Taxes, Penalties and interest	73,669,256	72,236,435	-	-	73,669,256	72,236,435
Investment Income	1,131,337	3,203,990	6,806	39,196	1,138,143	3,243,186
Other Revenue	2,208,674	(1,923,706)	(371,551)	699,537	1,837,123	(1,224,169)
Total Revenue	116,107,093	115,513,262	2,652,692	4,448,003	118,759,785	119,961,265
Expenses						
General Governmental	46,188,656	27,232,263	-	-	46,188,656	27,232,263
Public Safety	48,369,892	49,105,706	-	-	48,369,892	49,105,706
Public Works	22,772,314	20,500,979	-	-	22,772,314	20,500,979
Health and Welfare	22,265,856	16,757,369	-	-	22,265,856	16,757,369
Cultural Recreation	70,605	141,366	-	-	70,605	141,366
Bond Interest	1,994,777	2,442,985	-	-	1,994,777	2,442,985
Fiscal Agent's Fees	7,897	28,790	-	-	7,897	28,790
Housing Assistance	-	-	1,961,248	2,477,529	1,961,248	2,477,529
Water	-	-	9,966,121	216,160	9,966,121	216,160
Wastewater	-	-	2,984,993	2,700,691	2,984,993	2,700,691
Other utility services	-	-	229,257	235,265	229,257	235,265
Total Expenses	141,669,997	116,209,458	15,141,619	5,629,645	156,811,616	121,839,103
Increase in net assets before transfers	(25,562,904)	(696,196)	(12,488,927)	(1,181,642)	(38,051,831)	(1,877,838)
Transfers	(580,346)	398,878	580,346	(398,878)	-	-
Change in Net Assets	(26,143,250)	(297,318)	(11,908,581)	(1,580,520)	(38,051,831)	(1,877,838)
Net Assets-Beginning of year	249,060,347	249,357,665	47,566,573	49,039,911	296,626,920	298,397,576
Restatements of net assets	(6,183,845)	-	6,183,845	107,182	-	107,182
Net Assets-Beginning of year, restated	242,876,502	249,357,665	53,750,418	49,147,093	296,626,920	298,504,758
Net Assets-End of year	\$ 216,733,252	249,060,347	41,841,837	47,566,573	258,575,089	296,626,920

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

GOVERNMENTAL FUNDS

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, Unreserved Fund Balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The table above has not been updated for GASB 54 presentation due to the comparative nature of the table. Specific information related to the application of GASB 54 to the major and non-major governmental funds is disclosed in the audit in Note 1.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012**

Dona Ana County
Condensed Balance Sheet of Governmental Funds
As of June 30, 2012 and 2011

	2012	2011	2012	2011	2012	2011	2012	2011
	General Fund	General Fund	Health Services (SLAIG)	Health Services (SLAIG)	Indigent Hospital Care	Indigent Hospital Care	Chaparral Wastewater System-SAP	Chaparral Wastewater System-SAP
Assets								
Pooled Cash and investment	\$ 49,471,301	58,544,544	661,668	4,921,055	59,943	3,717,041	-	-
Interest receivable	216,878	256,687	672	5,192	-	2,809	-	-
Taxes receivable, net allowance	6,913,638	6,021,906	-	-	1,514,041	1,472,719	-	-
Accounts receivable, net	95,322	1,592,200	-	16,125	-	-	-	-
Intergovernmental receivables	239,616	944,241	18,000	-	-	-	2,633,988	65,370
Due from other funds	2,951,971	1,328,218	-	-	-	-	-	-
Inventories and prepaids	567,092	10,273	-	-	-	-	-	-
Bonds receivable	-	-	-	-	-	-	-	-
Total Assets	\$ 60,455,818	68,698,069	680,340	4,942,372	1,573,984	5,192,569	2,633,988	65,370
Liabilities and Fund Balance								
Liabilities								
A/P, accruals and other liabilities	\$ 2,311,814	2,362,608	188,608	153,940	-	-	3,022,680	65,370
Deferred revenues	5,489,378	6,521,511	71,793	71,793	-	-	-	-
Total Liabilities	7,801,192	8,884,119	260,401	225,733	-	-	3,022,680	65,370
Fund Balance								
Reserved	567,092	10,273	-	-	-	-	-	-
Unreserved	52,087,534	59,803,677	419,939	4,716,639	1,573,984	5,192,569	(388,692)	-
Total Fund Balances	52,654,626	59,813,950	419,939	4,716,639	1,573,984	5,192,569	(388,692)	-
Total Liabilities and Fund Balance	\$ 60,455,818	68,698,069	680,340	4,942,372	1,573,984	5,192,569	2,633,988	65,370
Assets								
Pooled Cash and investment	\$ 6,331,168	6,159,063	23,968,013	24,863,073	80,492,093	98,204,776	-	-
Interest receivable	23,644	24,040	7,611	18,354	248,805	307,082	-	-
Taxes receivable, net allowance	58,846	63,853	1,465,604	2,512,977	9,952,129	10,071,455	-	-
Accounts receivable, net	-	-	336,776	205,750	432,098	1,814,075	-	-
Intergovernmental receivables	-	-	1,736,532	940,418	4,628,136	1,950,029	-	-
Due from other funds	-	-	-	-	2,951,971	1,328,218	-	-
Inventories and prepaids	-	-	-	-	567,092	10,273	-	-
Bonds receivable	-	-	-	-	-	-	-	-
Total Assets	\$ 6,413,658	6,246,956	27,514,536	28,540,572	99,272,324	113,685,908	-	-
Liabilities and Fund Balance								
Liabilities								
A/P, accruals and other liabilities	\$ 369,129	399,116	1,309,240	849,618	7,201,471	3,830,652	-	-
Deferred revenues	52,240	55,273	276,141	423,154	5,889,552	7,071,731	-	-
Total Liabilities	421,369	454,389	1,585,381	1,272,772	13,091,023	10,902,383	-	-
Fund Balance								
Reserved	-	5,595,195	-	387,695	567,092	5,993,163	-	-
Unreserved	5,992,289	197,372	25,929,155	26,880,105	85,614,209	96,790,362	-	-
Total Fund Balances	5,992,289	5,792,567	25,929,155	27,267,800	86,181,301	102,783,525	-	-
Total Liabilities and Fund Balance	\$ 6,413,658	6,246,956	27,514,536	28,540,572	99,272,324	113,685,908	-	-

As of the end of fiscal year 2012, the County's governmental funds reported combined ending fund balances of \$86,181,301, a decrease of \$16,602,224 in comparison with the prior year. The general fund ending fund balance at the end of fiscal year 2012 is reported at \$52,654,626, which is decrease of \$7,159,324.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012**

Dona Ana County
Condensed Statement of Revenues, Expenditures, And Changes In Fund Balances
As of June 30, 2012 and 2011

	2012	2011	2012	2011	2012	2011	2012	2011
	General Fund	General Fund	Health Services (SLAIG)	Health Services (SLAIG)	Indigent Hospital Care	Indigent Hospital Care	Chaparral Wastewater System-SAP	Chaparral Wastewater System-SAP
Operating								
Total Revenues	\$ 69,352,952	73,287,199	11,845,743	13,963,598	8,726,377	8,650,943	3,200,900	65,370
Total Expenditures	(74,808,400)	(72,629,614)	(8,382,755)	(7,062,158)	(13,376,732)	(9,130,949)	(4,613,752)	(65,370)
Other Financing Sources								
Issuance of long-term debt	1,100,769	213,426	-	-	-	-	1,024,160	-
Transfers In	37,828,758	37,220,146	-	7,072	1,031,770	397,816	-	-
Transfers Out	(40,829,099)	(34,296,541)	(7,759,688)	(7,219,511)	-	-	-	-
Total Other Financing Sources/(Uses)	(1,899,572)	3,137,031	(7,759,688)	(7,212,439)	1,031,770	397,816	1,024,160	-
Net Changes in Fund Balance	(7,355,020)	3,794,616	(4,296,700)	(310,999)	(3,618,585)	(82,190)	(388,692)	-
Fund balance-Beginning of year	60,009,646	56,019,334	4,716,639	5,027,638	5,192,569	5,274,759	-	-
Restatements of fund balance	-	-	-	-	-	-	-	-
Fund balance-Beginning of year, restated	60,009,646	56,019,334	4,716,639	5,027,638	5,192,569	5,274,759	-	-
Fund balance-End of year	\$ 52,654,626	59,813,950	419,939	4,716,639	1,573,984	5,192,569	(388,692)	-

	2012	2011	2012	2011	2012	2011
	Debt Service Fund	Debt Service Fund	Nonmajor Governmental Funds	Nonmajor Governmental Funds	Total Governmental Funds	Total Governmental Funds
Operating						
Total Revenues	\$ 1,570,853	1,895,100	16,908,708	23,037,970	111,605,533	120,900,180
Total Expenditures	(5,244,414)	(5,574,961)	(14,778,601)	(22,570,987)	(121,204,654)	(117,034,039)
Other Financing Sources						
Issuance of long-term debt	-	-	-	-	2,124,929	213,426
Transfers In	3,873,283	3,877,233	4,082,104	2,433,292	46,815,915	43,935,559
Transfers Out	-	-	(2,857,474)	(2,427,814)	(51,446,261)	(43,943,866)
Total Other Financing Sources/(Uses)	3,873,283	3,877,233	1,224,630	5,478	(2,505,417)	205,119
Net Changes in Fund Balance	199,722	197,372	3,354,737	472,461	(12,104,538)	4,071,260
Fund balance-Beginning of year	5,792,567	5,595,195	22,574,418	26,795,339	98,285,839	98,712,265
Restatements of fund balance	-	-	-	-	-	-
Fund balance-Beginning of year, restated	5,792,567	5,595,195	22,574,418	26,795,339	98,285,839	98,712,265
Fund balance-End of year	\$ 5,992,289	5,792,567	25,929,155	27,267,800	86,181,301	102,783,525

Proprietary Funds

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

Total net assets of proprietary funds at the end of the year amounted to \$41,841,837.

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

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012**

Dona Ana County
Condensed Statement of Revenues, Expenditures, And Changes In Net Assets
For The Years Ended June 30, 2012 and 2011

	2012	2011	2012	2011	2012	2011	2012	2011
	Border	Border	Border	Border	NMED	NMED	South	South
	Wastewater	Wastewater	Water	Water	County	County	Central	Central
			System	System	Utilities	Utilities	Wastewater	Wastewater
Total Operating Revenues	\$ 52,294	52,402	162,582	104,029	-	289,884	947,014	722,819
Total Operating Expenditures	(127,301)	(177,956)	(193,612)	(216,160)	(145,207)	(144,770)	(1,789,367)	(1,525,334)
Net Income From Operations	(75,007)	(125,554)	(31,030)	(112,131)	(145,207)	145,114	(842,353)	(802,515)
Non-Operating Revenue (Expenses)	(267,392)	(111,366)	(9,770,110)	6,635	209,284	(82,702)	(1,424)	4,829
Net Income	(342,399)	(236,920)	(9,801,140)	(105,496)	64,077	62,412	(843,777)	(797,686)
Net Transfers in/(out)	48,045	-	-	-	8,046	(202,473)	386,412	(39,905)
Change in Net Assets	(294,354)	(236,920)	(9,801,140)	(105,496)	72,123	(140,061)	(457,365)	(837,591)
Net Assets-Beginning of year	294,354	531,274	9,801,140	9,906,636	1,513,210	1,653,271	20,722,075	21,559,666
Restatements of net assets	-	-	-	-	-	-	-	-
Net Assets-Beginning of year, restated	294,354	531,274	9,801,140	9,906,636	1,513,210	1,653,271	20,722,075	21,559,666
Net Assets-End of year	\$ -	294,354	-	9,801,140	1,585,333	1,513,210	20,264,710	20,722,075
	2012	2011	2012	2011	2012	2011		
	Nonmajor	Nonmajor	Total	Total	Internal	Internal		
	Enterprise	Enterprise	Enterprise	Enterprise	Service	Service		
	Funds	Funds	Funds	Funds	Fund	Fund		
Total Operating Revenues	\$ 413,056	681,415	1,574,946	1,850,549	2,118,068	1,936,869		
Total Operating Expenditures	(2,762,781)	(3,365,732)	(5,018,268)	(5,429,952)	(2,487,828)	(2,407,202)		
Net Income From Operations	(2,349,725)	(2,684,317)	(3,443,322)	(3,579,403)	(369,760)	(470,333)		
Non-Operating Revenue (Expenses)	784,037	2,580,365	(9,045,605)	2,397,761	-	-		
Net Income	(1,565,688)	(103,952)	(12,488,927)	(1,181,642)	(369,760)	(470,333)		
Net Transfers in/(out)	137,843	(156,500)	580,346	(398,878)	4,050,000	805,000		
Change in Net Assets	(1,427,845)	(260,452)	(11,908,581)	(1,580,520)	3,680,240	334,667		
Net Assets-Beginning of year	15,235,794	15,389,064	47,566,573	49,039,911	967,907	633,240		
Restatements of net assets	6,183,845	107,182	6,183,845	107,182	-	-		
Net Assets-Beginning of year, restated	21,419,639	15,496,246	53,750,418	49,147,093	967,907	633,240		
Net Assets-End of year	\$ 19,991,794	15,235,794	41,841,837	47,566,573	4,648,147	967,907		

GENERAL FUND BUDGETARY ANALYSIS

- The General Fund revenue budget increased \$500,394 from \$69,874,826 to a final budget of \$70,375,220. The majority of the increase is due to the acceptance of additional road projects.
- The County's General Fund actual revenues at fiscal year-end totaled \$69,575,632 versus a budget of \$69,874,826 under budget of \$299,194. The County experienced decrease in revenue sources.
- The General Fund expenditure budget increased approximately \$2,750,625 from \$74,729,632 to a final budget of \$77,480,257. This increase was due to operational expenses and acceptance of additional road projects.
- The County's General Fund expenditure budget at fiscal year-end totaled \$77,480,257 while actual expenditures totaled \$74,630,716 or \$2,849,541 under budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Construction was completed on the UV replacement system. The costs were transferred from the Business Type Construction-In-Progress account to the Equipment capital asset account in fiscal year 2012. Also, the capital assets of the Border Wastewater and the Santa Teresa water systems were transferred to the Camino Real Regional Utility Authority (CRRUA) Wastewater and Water Systems.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012**

Construction was completed on the Butterfield Park, the Chaparral Master Drainage Plan, Dona Ana Parking Lot, the Road and the Berino Reconstruction projects. The costs were transferred from the Governmental Type Construction-In-Progress account to the Infrastructure capital asset account in fiscal year 2012.

Major capital asset events during fiscal year 2012 included:

- Reclassification of the Border Wastewater and the Santa Teresa Water System assets to the Camino Real Regional Utility Authority (CRRUA) Wastewater and Water Systems.
- Reclassification of the Butterfield Park and the Berino Reconstruction projects from Construction-In-Progress to Infrastructure.
- Reclassification of Doña Ana County road projects donated or from the Construction-In-Progress to Infrastructure.
- Continued construction on the County's Utility and Road projects.

Long-Term Debt

The County's outstanding notes and bonded debt decreased by \$9,945,000 or 23.64% during the fiscal year 2012. Notes payable increased by \$1,334,572 or 23.18%. Bonded debt decreased by \$9,045,000 or 26.09% during the fiscal year. The decrease of the Revenue Bond is attributed to the transfer to the Camino Real Regional Authority.

At the end of fiscal year 2012, the County had total long-term debt outstanding to various agencies of \$39,207,528 or a 18.01% (\$8,610,428) decrease from the prior fiscal year.

Dona Ana County
Condensed Schedule of Outstanding Debt
As of June 30, 2012 and 2011

	Governmental Activities		Business-Type Activities		Total Activity	
	2012	2011	2012	2011	2012	2011
Revenue Bonds	\$ 25,630,000	28,010,000	-	6,665,000	25,630,000	34,675,000
Special Assessment Bonds	5,415,000	5,800,000	-	-	5,415,000	5,800,000
General Obligation Bonds	1,070,000	1,585,000	-	-	1,070,000	1,585,000
Notes Payable	2,949,546	1,042,217	4,142,982	4,715,739	7,092,528	5,757,956
Total Outstanding Debt	\$ 35,064,546	36,437,217	4,142,982	11,380,739	39,207,528	47,817,956

Additional information on the County's debt can be found in Note 6 beginning on page 49 of this report.

Economic Outlook

The County was slower to enter the recent recession than most parts of the country. Some states entered recession in late 2007 and others throughout 2008. According to Moody's Economy, the State of New Mexico was slow to feel the impact of the national downturn and Dona Ana County did not enter recession until spring of 2009. Moody's Economy reported that the County moved from recession to recovery in November 2009.

Recovery from the recession has been slow and the slow pace of recovery is expected to continue in the near term. The number of area businesses is projected to increase at a rate of 1.6% and population growth is projected at 1.8% for the coming year.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2012**

State and federal employment has contracted over the past year with a net job loss of 800 jobs. This decrease was partially offset in by an increase of 600 private sector jobs. The addition of manufacturing jobs in the Santa Teresa area, new retail (a third Walmart store under construction and a recently-opened Dick's Sporting Goods) and the \$400 million Union Pacific rail facility are expected to further improve the County's private sector employment picture.

Property taxes, a major revenue for the County, have continued to experience growth. Assessed value increased 3.3%, from 2011 to 2012, with non-residential assessed value increasing 6%. Gross receipts taxes have grown slightly over the past year at approximately 2% over prior year levels. Growth is expected to remain modest in the coming year.

REQUEST FOR INFORMATION

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2012**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Current assets:			
Cash and cash equivalents	\$ 38,814,630	1,953,106	40,767,736
Investments	44,536,973	45,550	44,582,523
Receivables, net	597,060	393,698	990,758
Taxes receivables	9,952,129	-	9,952,129
Intergovernmental receivables	4,628,136	-	4,628,136
Other receivables	248,805	75,119	323,924
Inventory and prepaid expenses	642,896	-	642,896
Other assets	-	17,450	17,450
Total current assets	<u>99,420,629</u>	<u>2,484,923</u>	<u>101,905,552</u>
Non-current assets:			
Restricted cash and cash equivalents	-	1,472,762	1,472,762
Land and construction in progress	22,398,981	576,782	22,975,763
Other capital assets, net of accumulated depreciation	158,417,174	42,366,786	200,783,960
Total non-current assets	<u>180,816,155</u>	<u>44,416,330</u>	<u>225,232,485</u>
Total assets	<u>\$ 280,236,784</u>	<u>46,901,253</u>	<u>327,138,037</u>
Liabilities			
Current liabilities:			
Accounts payable	\$ 2,703,194	40,086	2,743,280
Accrued payroll liabilities	1,442,694	702	1,443,396
Accrued interest payable	376,959	25,926	402,885
Bonds and notes payable	3,674,443	207,024	3,881,467
Deposits	-	690	690
Compensated absences	2,947,117	65,339	3,012,456
Deferred revenue	2,202,671	712,208	2,914,879
Other liabilities	(1,919)	32,281	30,362
Total current liabilities	<u>13,345,159</u>	<u>1,084,256</u>	<u>14,429,415</u>
Long-term liabilities:			
Compensated absences - long-term portion	1,768,269	39,204	1,807,473
Bonds and notes payable - long-term portion	31,390,104	3,935,956	35,326,060
Contingent liabilities	17,000,000	-	17,000,000
Total long-term liabilities	<u>50,158,373</u>	<u>3,975,160</u>	<u>54,133,533</u>
Total liabilities	<u>63,503,532</u>	<u>5,059,416</u>	<u>68,562,948</u>
Net assets			
Invested in capital assets, net of related debt	145,751,608	38,800,588	184,552,196
Restricted for:			
Other purposes	30,238,110	1,490,212	31,728,322
Unrestricted	40,743,534	1,551,037	42,294,571
Total net assets	<u>216,733,252</u>	<u>41,841,837</u>	<u>258,575,089</u>
Total liabilities and net assets	<u>\$ 280,236,784</u>	<u>46,901,253</u>	<u>327,138,037</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012**

Functions/Program	Expenses	Program Revenues			Net (Expenses, Revenues, and Changes in Net Assets)		
		Charges for services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Primary government							
Governmental Activities:							
General government	\$ 46,188,656	5,077,999	162,999	-	(40,947,658)	-	(40,947,658)
Public safety	48,369,892	8,252,677	5,936,167	-	(34,181,048)	-	(34,181,048)
Public works	22,772,314	1,696,393	3,992,111	4,459,994	(12,623,816)	-	(12,623,816)
Health and welfare	22,265,856	-	9,519,486	-	(12,746,370)	-	(12,746,370)
Cultural and recreation	70,605	-	-	-	(70,605)	-	(70,605)
Debt service interest	1,994,777	-	-	-	(1,994,777)	-	(1,994,777)
Fiscal agent's fees	7,897	-	-	-	(7,897)	-	(7,897)
Total governmental activities	<u>141,669,997</u>	<u>15,027,069</u>	<u>19,610,763</u>	<u>4,459,994</u>	<u>(102,572,171)</u>	<u>-</u>	<u>(102,572,171)</u>
Business-Type Activities:							
Wastewater services	2,984,993	1,312,824	-	-	-	(1,672,169)	(1,672,169)
Water services	9,966,121	162,582	-	-	-	(9,803,539)	(9,803,539)
Other utility services	229,257	-	-	-	-	(229,257)	(229,257)
Public housing assistance	1,961,248	12,542	1,529,489	-	-	(419,217)	(419,217)
Total Business-type activities	<u>15,141,619</u>	<u>1,487,948</u>	<u>1,529,489</u>	<u>-</u>	<u>-</u>	<u>(12,124,182)</u>	<u>(12,124,182)</u>
Total primary government	<u>\$ 156,811,616</u>	<u>16,515,017</u>	<u>21,140,252</u>	<u>4,459,994</u>	<u>(102,572,171)</u>	<u>(12,124,182)</u>	<u>(114,696,353)</u>
General Revenues:							
Taxes:							
Property taxes, levied for general purposes				\$ 36,277,851	-		36,277,851
State shared taxes and fees				32,501,659	-		32,501,659
Payments in lieu of taxes				3,788,113	-		3,788,113
License and permits				284,873	-		284,873
Penalties and Interest				1,101,633	-		1,101,633
Miscellaneous				2,181,691	86,998		2,268,689
Gain/loss on disposition of capital assets				(257,890)	(458,549)		(716,439)
Investment earnings				1,131,337	6,806		1,138,143
Operating transfers, net				(580,346)	580,346		-
Total general revenues and transfers				<u>76,428,921</u>	<u>215,601</u>		<u>76,644,522</u>
Change in net assets				(26,143,250)	(11,908,581)		(38,051,831)
Net Assets, beginning				249,060,347	47,566,573		296,626,920
Restatements				(6,183,845)	6,183,845		-
Net Assets, beginning restated				<u>242,876,502</u>	<u>53,750,418</u>		<u>296,626,920</u>
Net assets, ending				<u>\$ 216,733,252</u>	<u>41,841,837</u>		<u>258,575,089</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
GOVERNMENTAL FUNDS
BALANCE SHEET
AS OF JUNE 30, 2012**

	General Fund	Special Revenue Funds		Capital Project Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
		Health Services (SLIAG)	Indigent Hospital Care	Chaparral Wastewater System - SAP			
ASSETS							
Cash and cash equivalents	\$ 4,934,328	661,668	59,943	-	6,331,168	23,968,013	35,955,120
Investments	44,536,973	-	-	-	-	-	44,536,973
Receivables, net	95,322	-	-	-	-	336,776	432,098
Taxes receivable	6,913,638	-	1,514,041	-	58,846	1,465,604	9,952,129
Intergovernmental receivables	239,616	18,000	-	2,633,988	-	1,736,532	4,628,136
Interest receivable	216,878	672	-	-	23,644	7,611	248,805
Due from other funds	2,951,971	-	-	-	-	-	2,951,971
Prepaid expenses & inventories	567,092	-	-	-	-	-	567,092
Other assets	-	-	-	-	-	-	-
Total assets	\$ <u>60,455,818</u>	<u>680,340</u>	<u>1,573,984</u>	<u>2,633,988</u>	<u>6,413,658</u>	<u>27,514,536</u>	<u>99,272,324</u>
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	\$ 959,441	157,178	-	595,588	(4,262)	738,663	2,446,608
Accrued payroll liabilities	1,354,056	31,430	-	-	-	42,366	1,427,852
Accrued interest payable	236	-	-	-	373,391	3,332	376,959
Due to other funds	-	-	-	2,427,092	-	524,879	2,951,971
Deposits	-	-	-	-	-	-	-
Deferred revenues	5,489,378	71,793	-	-	52,240	276,141	5,889,552
Other liabilities	(1,919)	-	-	-	-	-	(1,919)
Total Liabilities	<u>7,801,192</u>	<u>260,401</u>	<u>-</u>	<u>3,022,680</u>	<u>421,369</u>	<u>1,585,381</u>	<u>13,091,023</u>
FUND BALANCES							
Nonspendable	567,092	-	-	-	-	-	567,092
Restricted	332,951	-	1,573,984	-	4,658,918	23,672,257	30,238,110
Committed	1,240,132	-	-	-	1,393,515	2,024,472	4,658,119
Assigned	8,203,190	419,939	-	-	-	-	8,623,129
Unassigned	42,311,261	-	-	(388,692)	(60,144)	232,426	42,094,851
Total Fund Balance	<u>52,654,626</u>	<u>419,939</u>	<u>1,573,984</u>	<u>(388,692)</u>	<u>5,992,289</u>	<u>25,929,155</u>	<u>86,181,301</u>
Total liabilities and fund balances	\$ <u>60,455,818</u>	<u>680,340</u>	<u>1,573,984</u>	<u>2,633,988</u>	<u>6,413,658</u>	<u>27,514,536</u>	<u>99,272,324</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE
TO STATEMENT OF NET ASSETS
AS OF JUNE 30, 2012**

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

Total fund balance - total governmental funds	\$	86,181,301
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet (less Internal Service Funds).		178,929,812
Internal service funds are used by management to charge the cost of certain activities, such as insurance and fleet management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the government-wide statement of net assets. Internal Service Fund balances not included in other reconciling items:		4,648,147
Long-term liabilities are not due and payable in the current period and, therefore, they are not reported in the governmental funds balance sheet:		
Bonds and notes payable		(31,390,104)
Compensated absences (less Internal Service Funds)		(1,743,127)
Contingent liabilities		(17,000,000)
Other current liabilities (bonds payable) are not available to pay for current period expenditures and therefore are deferred in the funds:		
Bonds payable		(3,674,443)
Compensated absences (less Internal Service Funds)		(2,905,215)
In order to convert to the full accrual basis of accounting, it is necessary to recognize deferred revenue as revenue.		3,686,881
Net assets of governmental activities	\$	<u><u>216,733,252</u></u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	General Fund	Special Revenue Funds		Capital Project Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
		Health Services (SLIAG)	Indigent Hospital Care	Chaparral Wastewater System - SAP			
REVENUES							
Taxes:							
Property taxes	\$ 35,754,096	-	-	-	556,835	-	36,310,931
General sales and use taxes	13,907,287	2,268,169	8,711,407	-	-	7,615,838	32,502,701
Payment in lieu of tax	2,913,347	-	-	-	874,766	-	3,788,113
Penalties and interest	1,187,885	-	-	-	-	140	1,188,025
Licenses and permits	284,873	-	-	-	-	-	284,873
Intergovernmental revenue - state	478,232	25,000	-	3,200,900	-	5,285,994	8,990,126
Intergovernmental revenue - federal	156,234	-	-	-	-	2,091,020	2,247,254
Charges for services	11,529,869	-	-	-	-	1,288,023	12,817,892
Contributions/donations private services	-	9,483,186	-	-	-	-	9,483,186
Investment earnings	859,568	(18,895)	14,095	-	139,252	137,381	1,131,401
Rents and royalties	320,849	-	-	-	-	4,200	325,049
Other revenue	1,960,712	88,283	875	-	-	486,112	2,535,982
Total revenues	<u>69,352,952</u>	<u>11,845,743</u>	<u>8,726,377</u>	<u>3,200,900</u>	<u>1,570,853</u>	<u>16,908,708</u>	<u>111,605,533</u>
EXPENDITURES							
Current:							
General government	24,233,899	-	-	-	375	90,694	24,324,968
Public safety	39,160,518	-	-	-	-	7,633,764	46,794,282
Public works	8,691,777	-	-	388,692	-	1,568,964	10,649,433
Health and welfare	321,953	8,337,963	13,376,732	-	-	71,415	22,108,063
Culture and recreation	-	-	-	-	-	-	-
Debt Service:							
Principal payments	43,606	-	-	-	3,280,000	123,992	3,447,598
Interest payments	16,903	-	-	-	1,956,142	21,732	1,994,777
Fiscal agent's fees	-	-	-	-	7,897	-	7,897
Capital Outlay:							
Capital Outlay	2,339,744	44,792	-	4,225,060	-	5,268,040	11,877,636
Total Expenditures	<u>\$ 74,808,400</u>	<u>8,382,755</u>	<u>13,376,732</u>	<u>4,613,752</u>	<u>5,244,414</u>	<u>14,778,601</u>	<u>121,204,654</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	General Fund	Special Revenue Funds		Capital Project Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
		Health Services (SLIAG)	Indigent Hospital Care	Chaparral Wastewater System - SAP			
Excess (deficiency) of revenues over expenditures	\$ (5,455,448)	3,462,988	(4,650,355)	(1,412,852)	(3,673,561)	2,130,107	(9,599,121)
OTHER FINANCING SOURCES (USES)							
Proceeds from issuance of long-term capital-related debt	1,100,769	-	-	1,024,160	-	-	2,124,929
Transfers in	37,828,758	-	1,031,770	-	3,873,283	4,082,104	46,815,915
Transfers out	(40,829,099)	(7,759,688)	-	-	-	(2,857,474)	(51,446,261)
Total other financing sources (uses)	<u>(1,899,572)</u>	<u>(7,759,688)</u>	<u>1,031,770</u>	<u>1,024,160</u>	<u>3,873,283</u>	<u>1,224,630</u>	<u>(2,505,417)</u>
Net change in fund balance	(7,355,020)	(4,296,700)	(3,618,585)	(388,692)	199,722	3,354,737	(12,104,538)
Fund balances-beginning of year	60,009,646	4,716,639	5,192,569	-	5,792,567	22,574,418	98,285,839
Restatements	-	-	-	-	-	-	-
Fund balances-beginning of year, as restated	<u>60,009,646</u>	<u>4,716,639</u>	<u>5,192,569</u>	<u>-</u>	<u>5,792,567</u>	<u>22,574,418</u>	<u>98,285,839</u>
Fund balances-end of the year	<u>\$ 52,654,626</u>	<u>419,939</u>	<u>1,573,984</u>	<u>(388,692)</u>	<u>5,992,289</u>	<u>25,929,155</u>	<u>86,181,301</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012**

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

Net change in fund balance - total governmental funds	\$	(12,104,538)
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital expenditures recorded in capital outlay		11,877,636
Capital assets received as donations		2,761,958
Capital expenditures recorded in other expense lines		1,192,279

In the Statement of Activities, a loss is recorded for assets that are removed from service that are not fully depreciated. Thus, the change in net assets differs from the change in fund balance by the amount of loss recorded for deleted capital assets.		(257,890)
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Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net assets, but they do not require the use of current financial resources. Therefore depreciation expense is not reported as expenditure in governmental funds.		(17,427,306)
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Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet management to individual funds. The net change of the internal service funds resulting from transactions not recorded with governmental funds.		3,680,240
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The issuance of long-term debt (e.g. bonds, notes, capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of premiums and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities.

Increase in noncurrent and current accrued compensated absences		(117,790)
Increase in contingent liabilities		(17,000,000)
Issuance of long-term debt		(2,124,929)
Principal payments on long-term debt payable		3,497,604

Other reclassifications are necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting to show the revenue earned from the current year's tax levy.		<u>(120,514)</u>
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Change in net assets of governmental activities	\$	<u><u>(26,143,250)</u></u>
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**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ 50,020,056	50,020,056	49,667,072	(352,984)
Payment-in-Lieu-of-taxes	2,895,036	2,895,036	2,913,347	18,311
Licenses and permits	351,128	351,128	284,873	(66,255)
Intergovernmental revenue and grants	700,234	1,200,628	589,176	(611,452)
Charges for services	12,185,793	12,185,793	11,886,030	(299,763)
Investment earnings	692,016	692,016	839,389	147,373
Other revenue	3,030,563	3,030,563	3,395,745	365,182
Total revenues	<u>69,874,826</u>	<u>70,375,220</u>	<u>69,575,632</u>	<u>(799,588)</u>
EXPENDITURES				
Current:				
Personnel costs	47,188,673	46,643,758	42,137,064	4,506,694
Operating costs	25,791,592	27,647,229	30,070,813	(2,423,584)
Capital outlay	1,698,276	3,219,743	2,371,768	847,975
Debt Service:				
Principal payments	51,091	51,091	51,091	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>74,729,632</u>	<u>77,561,821</u>	<u>74,630,736</u>	<u>2,931,085</u>
Excess (deficiency) of revenues over (under) expenditures	(4,854,806)	(7,186,601)	(5,055,104)	(2,131,497)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt	-	-	1,100,769	1,100,769
Sale of real and personal property	-	-	-	-
Transfers in	33,846,151	37,768,758	37,768,758	-
Transfers out	(36,083,827)	(40,996,054)	(40,829,099)	166,955
Total other financing sources (uses)	<u>(2,237,676)</u>	<u>(3,227,296)</u>	<u>(1,959,572)</u>	<u>1,267,724</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(7,092,482)	(10,413,897)	<u>(7,014,676)</u>	<u>(863,773)</u>
Budgeted cash carryover	<u>7,092,482</u>	<u>10,413,897</u>		
Total	<u>\$ -</u>	<u>-</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ (7,014,676)
To adjust applicable revenue accruals and deferrals	(224,028)
To adjust applicable expenditure accruals	<u>(116,316)</u>
Change in net assets (GAAP basis)	<u>\$ (7,355,020)</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
HEALTH SERVICES (SLIAG) - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ 1,846,712	1,846,712	2,268,169	421,457
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	7,000	25,000	23,125	(1,875)
Charges for services	-	-	-	-
Investment earnings	61,090	61,090	(14,375)	(75,465)
Other revenue	9,584,588	9,594,588	9,571,470	(23,118)
Total revenues	<u>11,499,390</u>	<u>11,527,390</u>	<u>11,848,389</u>	<u>320,999</u>
EXPENDITURES				
Current:				
Personnel costs	1,595,810	1,595,810	1,170,321	425,489
Operating costs	5,727,633	6,715,633	7,132,944	(417,311)
Capital outlay	20,000	60,000	44,792	15,208
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>7,343,443</u>	<u>8,371,443</u>	<u>8,348,057</u>	<u>23,386</u>
Excess (deficiency) of revenues over (under) expenditures	4,155,947	3,155,947	3,500,332	(344,385)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt				
	-	-	-	-
Sale of real and personal property				
	-	-	-	-
Transfers in				
	-	-	-	-
Transfers out				
	(5,662,081)	(7,759,688)	(7,759,688)	-
Total other financing sources (uses)	<u>(5,662,081)</u>	<u>(7,759,688)</u>	<u>(7,759,688)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(1,506,134)	(4,603,741)	<u>(4,259,356)</u>	<u>(344,385)</u>
Budgeted cash carryover	<u>1,506,134</u>	<u>4,603,741</u>		
Total	<u>\$ -</u>	<u>-</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ (4,259,356)
To adjust applicable revenue accruals and deferrals	(2,645)
To adjust applicable expenditure accruals	<u>(34,699)</u>
Change in net assets (GAAP basis)	<u>\$ (4,296,700)</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
INDIGENT HOSPITAL CARE FUND - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ 8,938,149	8,938,149	8,670,085	(268,064)
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	61,210	61,210	16,904	(44,306)
Other revenue	-	-	875	875
Total revenues	<u>8,999,359</u>	<u>8,999,359</u>	<u>8,687,864</u>	<u>(311,495)</u>
EXPENDITURES				
Current:				
Personnel costs	-	-	-	-
Operating costs	11,760,167	13,491,273	13,376,733	114,540
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>11,760,167</u>	<u>13,491,273</u>	<u>13,376,733</u>	<u>114,540</u>
Excess (deficiency) of revenues over (under) expenditures	(2,760,808)	(4,491,914)	(4,688,869)	196,955
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt				
capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	431,770	1,031,770	1,031,770	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>431,770</u>	<u>1,031,770</u>	<u>1,031,770</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(2,329,038)	(3,460,144)	(3,657,099)	196,955
Budgeted cash carryover	<u>2,329,038</u>	<u>3,460,144</u>		
Total	\$ <u>-</u>	<u>-</u>		
RECONCILIATION FROM BUDGET/ACTUAL TO GAAP				
Change in net assets (Budget Basis)			\$ (3,657,099)	
To adjust applicable revenue accruals and deferrals			38,514	
To adjust applicable expenditure accruals			<u>-</u>	
Change in net assets (GAAP basis)			<u>\$ (3,618,585)</u>	

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

**DONA ANA COUNTY
PROPRIETARY FUNDS
STATEMENTS OF NET ASSETS
AS OF JUNE 30, 2012**

	Business-Type Activities Enterprise Funds			
	Border	Border	NMED	South
	Wastewater	Water System	County Utilities	Central Wastewater
ASSETS				
Current assets:				
Cash and cash equivalents	\$ -	-	977,346	17,212
Investments	-	-	-	-
Receivable, net	-	-	289,884	56,801
Interest receivables	-	-	197	-
Other receivables	-	-	-	-
Deposits	-	-	-	-
Inventory	-	-	-	-
Due from other funds	-	-	-	-
Total current assets	<u>-</u>	<u>-</u>	<u>1,267,427</u>	<u>74,013</u>
Non-current assets:				
Restricted cash and cash equivalents	-	-	-	-
Restricted cash held in investments	-	-	-	-
Capital assets, net	<u>-</u>	<u>-</u>	<u>1,989,358</u>	<u>22,533,687</u>
Total non-current assets	<u>-</u>	<u>-</u>	<u>1,989,358</u>	<u>22,533,687</u>
Total assets	<u>\$ -</u>	<u>-</u>	<u>3,256,785</u>	<u>22,607,700</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ -	-	-	13,523
Due to other funds	-	-	-	-
Bonds and notes payable	-	-	207,024	-
Accrued interest payable	-	-	5,965	13,897
Accrued payroll liabilities	-	-	-	444
Compensated absences	-	-	-	46,057
Other liabilities	-	-	-	20,695
Deposits	-	-	-	-
Deferred revenues	<u>-</u>	<u>-</u>	<u>712,208</u>	<u>-</u>
Total current liabilities	<u>-</u>	<u>-</u>	<u>925,197</u>	<u>94,616</u>
Non-current liabilities:				
Bonds and notes payable	-	-	746,255	2,220,742
Compensated absences	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,632</u>
Total non-current liabilities	<u>-</u>	<u>-</u>	<u>746,255</u>	<u>2,248,374</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>1,671,452</u>	<u>2,342,990</u>
NET ASSETS				
Invested in capital assets, net of related debt	-	-	1,036,079	20,312,945
Restricted for:				
Customer Deposits	-	-	-	-
Other purposes	-	-	-	-
Unrestricted	<u>-</u>	<u>-</u>	<u>549,254</u>	<u>(48,235)</u>
Total net assets	<u>-</u>	<u>-</u>	<u>1,585,333</u>	<u>20,264,710</u>
Total liabilities and net assets	<u>\$ -</u>	<u>-</u>	<u>3,256,785</u>	<u>22,607,700</u>

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

**DONA ANA COUNTY
PROPRIETARY FUNDS
STATEMENTS OF NET ASSETS
AS OF JUNE 30, 2012**

	Business-Type Activities		Governmental Activities
	Total Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Fund Fleet
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 958,548	1,953,106	2,859,510
Investments	45,550	45,550	-
Receivable, net	47,013	393,698	164,962
Interest receivables	46	243	-
Other receivables	74,876	74,876	-
Deposits	17,450	17,450	-
Inventory and prepaids	-	-	75,804
Due from other funds	-	-	-
Total current assets	<u>1,143,483</u>	<u>2,484,923</u>	<u>3,100,276</u>
Non-current assets:			
Restricted cash and cash equivalents	1,472,762	1,472,762	-
Restricted cash held in investments	-	-	-
Capital assets, net	<u>18,420,523</u>	<u>42,943,568</u>	<u>1,886,343</u>
Total non-current assets	<u>19,893,285</u>	<u>44,416,330</u>	<u>1,886,343</u>
Total assets	<u>\$ 21,036,768</u>	<u>46,901,253</u>	<u>4,986,619</u>
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 26,563	40,086	256,586
Due to other funds	-	-	-
Bonds and notes payable	-	207,024	-
Accrued interest payable	6,064	25,926	-
Accrued payroll liabilities	258	702	14,842
Compensated absences	19,282	65,339	41,902
Other liabilities	11,586	32,281	-
Deposits	690	690	-
Deferred revenues	-	712,208	-
Total current liabilities	<u>64,443</u>	<u>1,084,256</u>	<u>313,330</u>
Non-current liabilities:			
Bonds and notes payable	968,959	3,935,956	-
Compensated absences	<u>11,572</u>	<u>39,204</u>	<u>25,142</u>
Total non-current liabilities	<u>980,531</u>	<u>3,975,160</u>	<u>25,142</u>
Total liabilities	1,044,974	5,059,416	338,472
NET ASSETS			
Invested in capital assets, net of related debt	17,451,564	38,800,588	1,886,343
Restricted for:			
Customer Deposits	17,450	17,450	-
Other purposes	1,472,762	1,472,762	-
Unrestricted	<u>1,050,018</u>	<u>1,551,037</u>	<u>2,761,804</u>
Total net assets	<u>19,991,794</u>	<u>41,841,837</u>	<u>4,648,147</u>
Total liabilities and net assets	<u>\$ 21,036,768</u>	<u>46,901,253</u>	<u>4,986,619</u>

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

**DONA ANA COUNTY
 PROPRIETARY FUNDS
 STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
 FOR THE YEAR ENDED JUNE 30, 2012**

	Business-Type Activities Enterprise Funds			
	Border Wastewater	Border Water System	NMED County Utilities	South Central Wastewater
OPERATING REVENUES				
Charges for services	\$ -	2,115	-	75,500
Charges for water services	24,512	160,467	-	49,120
Charges for sewerage service	27,782	-	-	760,380
Rents and royalties	-	-	-	-
Other revenue	-	-	-	62,014
Total operating revenues	<u>52,294</u>	<u>162,582</u>	<u>-</u>	<u>947,014</u>
OPERATING EXPENSES				
Personnel services -salaries and wages	-	15,053	-	236,941
Personnel services -employee benefits	-	7,799	-	99,551
Purchased professional and technical services	-	9,681	-	752
Utilities	30,199	27,636	-	142,258
Other operating expenses	1,517	5,184	-	501,996
Depreciation	95,585	128,259	145,207	807,869
Total operating expenses	<u>127,301</u>	<u>193,612</u>	<u>145,207</u>	<u>1,789,367</u>
Operating income (loss)	(75,007)	(31,030)	(145,207)	(842,353)
NON-OPERATING REVENUES (EXPENSES)				
Gain (loss) on sale of property	-	-	-	-
Grants-federal (not capital grants)	-	-	289,886	-
Grants -capital	-	-	-	-
Investment earnings	(3,262)	2,399	3,448	(181)
Interest expense -non-operating	(55,694)	-	(84,050)	(1,243)
Transfers to other governments	(208,436)	(9,772,509)	-	-
Total non-operating revenues (expenses)	<u>(267,392)</u>	<u>(9,770,110)</u>	<u>209,284</u>	<u>(1,424)</u>
Income (loss) before transfers	(342,399)	(9,801,140)	64,077	(843,777)
Transfers in	48,045	-	8,046	493,179
Capital transfer in	-	-	-	-
Capital transfer out	-	-	-	-
Transfers out	-	-	-	(106,767)
Total transfers in (out)	<u>48,045</u>	<u>-</u>	<u>8,046</u>	<u>386,412</u>
Change in net assets	(294,354)	(9,801,140)	72,123	(457,365)
Beginning net assets	294,354	9,801,140	1,513,210	20,722,075
Restatement	-	-	-	-
Beginning net assets-as restated	<u>294,354</u>	<u>9,801,140</u>	<u>1,513,210</u>	<u>20,722,075</u>
Net assets-end of the year	<u>\$ -</u>	<u>-</u>	<u>1,585,333</u>	<u>20,264,710</u>

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

DONA ANA COUNTY
PROPRIETARY FUNDS
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2012

	Business-Type Activities		Governmental
	Total Non-major	Total	Activities
	Enterprise	Enterprise	Internal
	Funds	Funds	Service Fund
			Fleet
OPERATING REVENUES			
Charges for services	\$ 31,509	109,124	2,114,755
Charges for water services	-	234,099	-
Charges for sewerage service	344,021	1,132,183	-
Rents and royalties	12,542	12,542	-
Other revenue	24,984	86,998	3,313
Total operating revenues	<u>413,056</u>	<u>1,574,946</u>	<u>2,118,068</u>
OPERATING EXPENSES			
Personnel services -salaries and wages	167,720	419,714	437,486
Personnel services -employee benefits	86,119	193,469	208,902
Purchased professional and technical services	106,212	116,645	-
Utilities	72,896	272,989	15,810
Other operating expenses	1,917,733	2,426,430	1,777,099
Depreciation	412,101	1,589,021	48,531
Total operating expenses	<u>2,762,781</u>	<u>5,018,268</u>	<u>2,487,828</u>
Operating income (loss)	(2,349,725)	(3,443,322)	(369,760)
NON-OPERATING REVENUES (EXPENSES)			
Gain (loss) on sale of property	(458,549)	(458,549)	-
Grants-federal (not capital grants)	1,239,603	1,529,489	-
Grants -capital	-	-	-
Investment earnings	4,402	6,806	-
Interest expense -non-operating	(1,419)	(142,406)	-
Transfers to other governments	-	(9,980,945)	-
Total non-operating revenues (expenses)	<u>784,037</u>	<u>(9,045,605)</u>	<u>-</u>
Income (loss) before transfers	(1,565,688)	(12,488,927)	(369,760)
Transfers in	569,253	1,118,523	4,050,000
Capital transfer in	-	-	-
Capital transfer out	-	-	-
Transfers out	(431,410)	(538,177)	-
Total transfers in (out)	<u>137,843</u>	<u>580,346</u>	<u>4,050,000</u>
Change in net assets	(1,427,845)	(11,908,581)	3,680,240
Beginning net assets	15,235,794	47,566,573	967,907
Restatement	6,183,845	6,183,845	-
Beginning net assets-as restated	<u>21,419,639</u>	<u>53,750,418</u>	<u>967,907</u>
Net assets-end of the year	<u>\$ 19,991,794</u>	<u>41,841,837</u>	<u>4,648,147</u>

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

**DONA ANA COUNTY
 PROPRIETARY FUNDS
 STATEMENTS OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2012**

	Business-Type Activities Enterprise Funds			
	Border	Border	NMED	South
	Wastewater	Water System	County Utilities	Central Wastewater
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 55,937	148,139	(290,913)	845,561
Payments to employees	-	(25,545)	-	(324,706)
Payments to suppliers	(42,636)	(42,362)	(2,869)	(626,788)
Other receipts/(payments)	-	-	-	62,014
<i>Net cash provided (used) by operating activities</i>	<u>13,301</u>	<u>80,232</u>	<u>(293,782)</u>	<u>(43,919)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Intergovernmental HUD subsidy	-	-	-	-
Transfers to other governments-cash portion	(650,793)	(552,320)	-	-
Transfers from other funds	48,045	-	8,046	493,179
Operating subsidies and transfers to other funds	-	-	-	(106,767)
<i>Net cash provided by (used for) noncapital financing activities</i>	<u>(602,748)</u>	<u>(552,320)</u>	<u>8,046</u>	<u>386,412</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Capital contributions	-	-	-	-
Purchase of capital assets	-	(99,756)	-	(602,407)
Proceeds from sale of capital assets	-	-	-	-
Proceeds from issuance of debt	-	-	-	-
Principal payments	(170,000)	-	(202,967)	-
Interest payments	(55,694)	-	(84,050)	(1,243)
Due to HACLC	-	-	-	-
Grant revenue	-	-	289,886	-
Utility deposit	-	-	-	-
<i>Net cash provided by (used for) capital and related financing activities</i>	<u>(225,694)</u>	<u>(99,756)</u>	<u>2,869</u>	<u>(603,650)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Proceeds from sales and maturities of investments	-	-	-	-
Issuance of mortgages to homeowners	-	-	-	-
Repayment of mortgages received	-	-	-	-
Purchase of investments	-	-	-	-
Interest and dividends	(3,262)	2,399	3,448	(180)
<i>Net cash provided by (used for) investing activities</i>	<u>(3,262)</u>	<u>2,399</u>	<u>3,448</u>	<u>(180)</u>
Net increase/(decrease) in cash and cash equivalents	(818,403)	(569,445)	(279,419)	(261,337)
Balances - beginning of year	<u>818,403</u>	<u>569,445</u>	<u>1,256,765</u>	<u>278,549</u>
Balances - end of year	<u>\$ -</u>	<u>-</u>	<u>977,346</u>	<u>17,212</u>

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

**DONA ANA COUNTY
 PROPRIETARY FUNDS
 STATEMENTS OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2012**

	Business-Type Activities			
	Enterprise Funds			
	Border Wastewater	Border Water System	NMED County Utilities	South Central Wastewater
Reconciliation of operating income/(loss) to net cash provided/(used) by operating activities:				
Operating income/(loss)	\$ (75,007)	(31,030)	(145,207)	(842,353)
Adjustments:				
Depreciation expense	95,585	128,259	145,207	807,869
Bad debt expense	-	(326)	-	16,964
Change in assets and liabilities:				
Receivables	3,643	(14,443)	(289,630)	(39,439)
Due from other funds	-	-	-	-
Inventories and prepaid expenses	-	-	-	-
Deposits held for others	-	-	-	-
Accounts Payable	-	-	-	(8,330)
Accrued expenses and other liabilities	(10,920)	465	(2,869)	9,584
Compensated absences	-	(2,693)	-	11,786
Deposits	-	-	-	-
Deferred revenue	-	-	(1,283)	-
Due to other funds	-	-	-	-
Net cash provided by (used for) operating activities	<u>\$ 13,301</u>	<u>80,232</u>	<u>(293,782)</u>	<u>(43,919)</u>
Non Cash Transactions:				
Transfers to other governments - non-cash portion	<u>\$ (859,229)</u>	<u>(10,324,829)</u>	<u>-</u>	<u>-</u>

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

**DONA ANA COUNTY
 PROPRIETARY FUNDS
 STATEMENTS OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2012**

	Business-Type Activities		Governmental Activities
	Nonmajor Total Enterprise Funds	Total Enterprise Funds	Internal Service Fund Fleet
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers	\$ 373,349	1,132,073	2,176,140
Payments to employees	(256,948)	(607,199)	(640,395)
Payments to suppliers	(2,105,091)	(2,819,746)	(1,647,586)
Other receipts/(payments)	24,435	86,449	3,313
<i>Net cash provided (used) by operating activities</i>	<u>(1,964,255)</u>	<u>(2,208,423)</u>	<u>(108,528)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Intergovernmental HUD subsidy	1,239,603	1,239,603	-
Transfers to other governments	-	(1,203,113)	-
Transfers from other funds	569,253	1,118,523	4,050,000
Operating subsidies and transfers to other funds	(431,410)	(538,177)	-
<i>Net cash provided by (used for) noncapital financing activities</i>	<u>1,377,446</u>	<u>616,836</u>	<u>4,050,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Capital contributions	-	-	-
Purchase of capital assets	(29,340)	(731,503)	(1,457,343)
Proceeds from sale of capital assets	437,160	437,160	-
Proceeds from issuance of debt	-	-	-
Principal payments	(369,793)	(742,760)	-
Interest payments	(1,419)	(142,406)	-
Due to HACLC	-	-	-
Intergovernmental HUD subsidy	-	289,886	-
Utility deposit	-	-	-
<i>Net cash provided by (used for) capital and related financing activities</i>	<u>36,608</u>	<u>(889,623)</u>	<u>(1,457,343)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sales and maturities of investments	6,421	6,421	-
Issuance of mortgages to homeowners	-	-	-
Repayment of mortgages received	221,041	221,041	-
Purchase of investments	-	-	-
Interest and dividends	4,401	6,806	-
<i>Net cash provided by (used for) investing activities</i>	<u>231,863</u>	<u>234,268</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	(318,338)	(2,246,942)	2,484,129
Balances - beginning of year	<u>2,749,648</u>	<u>5,672,810</u>	<u>375,381</u>
Balances - end of year	<u>\$ 2,431,310</u>	<u>3,425,868</u>	<u>2,859,510</u>

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

**DONA ANA COUNTY
 PROPRIETARY FUNDS
 STATEMENTS OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2012**

	Business-Type Activities		Governmental Activities
	Nonmajor Total	Total	Internal
	Enterprise Funds	Enterprise Funds	Service Fund Fleet
Reconciliation of operating income/(loss) to net cash provided/(used) by operating activities:			
Operating income/(loss)	\$ (2,349,725)	(3,443,322)	(369,760)
Adjustments:			
Depreciation expense	412,101	1,589,021	48,531
Bad debt expense	4,344	20,982	-
Change in assets and liabilities:			
Receivables	(14,723)	(354,592)	61,385
Due from other funds	-	-	-
Inventories and prepaid expenses	-	-	(16,618)
Deposits held for others	-	-	-
Accounts Payable	(16,380)	(24,710)	162,358
Accrued expenses and other liabilities	3,786	46	(417)
Compensated absences	(3,109)	5,984	5,993
Deposits	(549)	(549)	-
Deferred revenue	-	(1,283)	-
Due to other funds	-	-	-
Net cash provided by (used for) operating activities	\$ (1,964,255)	(2,208,423)	(108,528)
 Non Cash Transactions:			
Transfers to other governments - non-cash portion	\$ -	(11,184,058)	-

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

STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
FIDUCIARY FUNDS
AS OF JUNE 30, 2012

	Agency Funds
ASSETS	
Cash and cash equivalents	\$ 1,333,739
Taxes receivable, net of allowance	6,845,818
Other receivables	158,781
Total assets	\$ 8,338,338
 LIABILITIES	
Accounts payable	\$ 88
Overpayments	3,229
Taxes paid in advance	191,799
Taxes in suspense -bankruptcies	31,798
Taxes in suspense -mortgages	-
Due to others	2,072,066
Deferred revenue	6,039,358
Total Liabilities	\$ 8,338,338

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

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

Description and Reporting Entity

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

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

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

A. Reporting Entity

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

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

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

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the County's reporting entity.

The Housing Authority of Doña Ana County is determined to be a department of the County whose governing body is substantively the same as the Board of County Commissioners. Accordingly, the Housing Authority is reported as part of the primary government. A separate report is also issued by the Doña Ana County Public Housing Authority that describes their operations and activity in more detail. This report can be obtained by contacting the Housing Authority's administrative office by writing to Doña Ana County Public Housing Authority, 926 S San Pedro Street, Las Cruces, New Mexico, 88001-3637.

There were no other component units identified as needing to be disclosed or presented as part of the reporting entity.

B. Basis of Presentation

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

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

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

Fund Financial Statements – The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category (governmental, proprietary, and fiduciary) are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The County reports the *general fund* as a major governmental fund. This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

In addition, the County reports the following other major funds:

Governmental funds

- Special Revenue Fund - The *Health Services Fund* accounts for the activities of the County's indigent health care, which provides services to the residents of the County for local health services.
- Special Revenue Fund - The *Indigent Hospital Care* fund, in accordance with NMSA Section 7-20E-9, accounts for hospital expenditures for County indigents. Funds are provided through local gross receipts tax.
- Capital Project Fund – The *Chaparral Wastewater – SAP* fund is used to account for costs of construction of the wastewater system with state funding.
- Debt Service Fund - The *Debt Service Fund* accounts for the County's accumulation of resources for, and the payment of governmental fund debt principal and interest.

Proprietary funds

- Enterprise Fund - The *Border Wastewater* fund accounts for wastewater system activities for residents in a portion of the southern part of the County.
- Enterprise Fund - The *Border Water* fund accounts for the service activities of this water system for residents in a portion of the southern part of the County.
- Enterprise Fund – The *NMED County Utilities* fund accounts for the service activities of the various County utility systems.
- Enterprise Fund - The *South Central Wastewater* fund accounts for the activities of the wastewater utility, which provides service to the residents in Vado/Del Cerro, Chamberino, Berino and south central areas of the County.

The County also reports the following fund types:

- *Internal Service Fund* accounts for fleet maintenance services provided to other departments of the government. Services are provided on a cost reimbursement basis.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

- *Fiduciary Funds* account for monies held by the County in a custodial capacity. As a result, they do not report operations.

C. Measurement Focus. Basis of Accounting

Government-Wide, Propriety, and Fiduciary Fund Financial Statements – The government-wide, propriety, and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide and propriety fund 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. Property taxes are recognized as revenues in the year for which they are billed net of estimated refunds and uncollectible amounts.

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

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

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

All governmental and business-type activities of the County follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements. The County has also elected to apply FASB Statements and Interpretations issued after November 30, 1989, unless those pronouncements conflict with GASB pronouncements.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

D. Assets, Liabilities, and Equity

Cash Equivalents

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

Investments

The County's investments are regulated by state law as well as by guidelines and rules promulgated by the State Investment Council and the State Treasurer. All investments are generally highly liquid in nature and are integrated with cash on the financial statements with appropriate disclosure. Investments are stated at fair value, which is determined using selected bases. Certificates of deposit are reported at carrying amount, which reasonably estimates fair value. Investments in a U.S. Treasury Fund and repurchase agreements are valued at the last reported sales price at current exchange rates. Additional cash, investment information, and fair values are presented in Note 2.

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

Receivables and Payables

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

Inventories and Prepaid Items

Inventories in governmental funds consist of expendable supplies held for consumption, and are valued at cost using a first-in, first-out (FIFO) method. Expendable supplies are accounted for using the consumption method. Proprietary fund inventories are recorded at the lower of cost or market on a first-in, first-out basis, and consist of operating supplies held for use in operations and are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are included as part of the governmental capital assets reported in the government wide statements. Information technology equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5). Doñated capital assets are recorded at estimated fair market value at the date of Doñation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense capitalized by the County during the current fiscal year was \$0. No interest was included as part of the cost of capital assets under construction.

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

<u>Asset Type</u>	<u>Years</u>
Land	Perpetuity
Construction in progress	Perpetuity
Land Improvements	10 - 40
Buildings and Improvements	10 - 40
Furniture, fixtures, and equipment	3 - 10
Vehicles	5 - 10
Infrastructure	10 - 25

Deferred Revenue

There are two types of deferred revenue. Under both the accrual and modified accrual basis of accounting, revenue may be recognized only when it is earned. If assets are recognized in connection with a transaction before the earnings process is complete, those assets must be offset by a corresponding liability for deferred revenue (commonly referred to as unearned revenue). The other type of deferred revenue is “unavailable revenue.” Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized as revenue of the current period. It must also be susceptible to accrual (measurable and available to finance expenditures of the current fiscal period). If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal period, then the assets must be offset by a corresponding liability for deferred revenue.

The taxes receivable are an aggregate of uncollected amounts assessed for the current fiscal year, as well as delinquent balances carried forward from the nine preceding fiscal years. Except for taxes received in advance or under protest, tax revenue received is distributed within thirty days to other local governmental units and county funds. While some of the delinquent outstanding balances will eventually be eliminated through corrections, litigation, and other property tax administrative procedures, the majority of the balances will ultimately be realized through

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delinquent payment or tax sales. The aggregate amount of this ultimate realization is generally difficult to ascertain at any point in time. Thus, taxes not collected within sixty days official year end are carried in the liability section of the balance sheet as deferred revenue on the fund basis financial statements

Compensated Absences

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

Long-term Obligations

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

Net Assets

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

- *Invested in capital assets, net of related debt* – Net assets invested in capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- *Restricted Net Assets* – Consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (2) law through constitutional provisions or enabling legislation.
- *Unrestricted Net Assets* – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

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GASB Statement 54

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

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

The County Commission establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by County through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

See the Schedule of Fund Balances on page 132 for additional information about fund balances.

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

D. Budgets and Budgetary Accounting

The County adopts budgets for each individual fund (governmental and proprietary).

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

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

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

Budgetary Compliance – Budgetary control is required to be maintained at the individual fund level with the exception of the Housing Authority.

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

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

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

Budget – Housing Authority – The housing program budgets are established annually and approved by HUD (Housing and Urban Development). These housing budgets are used only as a guide. Should the housing programs incur expenditures over and above the original budgeted amount (predominantly housing assistance payments - section 8 program) additional funding will be requested and received from HUD. Therefore, the housing program budgets are a guide only and the grantor analyzes Housing Assistance Payments in relation to administrative costs to determine if additional funding is warranted.

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

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Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) a reconciliation of resultant basis, perspective, equity and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2012 is presented. Reconciliations between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis by fund can be found on each individual budgetary statement.

E. Income Taxes

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

F. Interfund Activity

Interfund activity is reported as loans, services provided, reimbursements, or transfers.

Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or between proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

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

NOTE 2 – CASH AND INVESTMENTS

The County's cash balances consist of demand deposits, interest bearing savings accounts, money market accounts and repurchase agreements. The repurchase agreements have varying interest rates and maturity dates. The majority of County's cash and investments are pooled. All interest income is accounted for in the related funds.

The County's investments consist of certificates of deposit, US government agency securities and investments in the NM State Treasurer's LGIP fund.

The County's cash and cash equivalents and investments are listed on pages 128-129 of this report.

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The following is a summary of the County's cash and investment balances by fund type as of June 30, 2012:

<u>Fund Type</u>	<u>Amount</u>
Cash and equivalents	
Governmental funds	\$ 35,955,120
Internal service fund	2,859,510
Total governmental activities	<u>38,814,630</u>
Business-type activities	3,425,868
Fiduciary funds	1,333,739
Subtotal cash and cash equivalents	<u>43,574,237</u>
Investments	
Governmental funds	44,536,973
Internal service fund	-
Total governmental activities	<u>44,536,973</u>
Business-type activities	45,550
Fiduciary funds	-
Subtotal investments	<u>44,582,523</u>
Total cash and investments	<u>\$ 88,156,760</u>

State regulations require that uninsured demand deposits and deposit-type investments such as certificates of deposit be collateralized by the depository thrift or banking institution. At present, state statutes require that a minimum of fifty percent of uninsured balances on deposit with anyone institution must be collateralized, with higher requirements up to 100% for financially troubled institutions. Investments in repurchase agreements must be collateralized at 102% of the contract. In addition, some bond covenants require debt service reserve amounts to be collateralized at 105%. The County's Schedule of Collateral is presented on pages 130-131 of this report.

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

A summary of the County's investments as of June 30, 2012 is as follows:

<u>Investment Type</u>	<u>Cost Basis</u>	<u>Market Value</u>	<u>Credit Risk- Rating</u>	<u>Weighted Average Maturity Days</u>
U.S. Government Agencies *	\$ 36,239,641	36,506,287	NR	N/A
Reserve Contingency Fund **	35,686	35,686	NR	N/A
CD's	1,545,550	1,545,550	NR	228
DAC Water System Bonds	6,495,000	6,495,000	NR	N/A
	<u>\$ 44,315,877</u>	<u>44,582,523</u>		

*A portion of the investments in US government agencies totaling \$318,003, or approximately 0.7% of the overall investment balance, is in the form of a US Treasury STRIP. Although these types of investment can be considered derivatives if they are traded before maturity due to the nature of the investments, it is the County's intent to hold them until maturity. As a result of this strategy, the risk associated with the investment considered minimal and is the equivalent as a US Treasury Note. Due to the immaterial amount of the investments to the overall investment balances of the County, disclosures related to derivatives were determined not to be necessary.

**The County's investment in Statement Investment Pool/Reserve Contingency Fund was not rated, although the securities within the pool are rated.

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- a. The investments are valued at fair value based on quoted market prices as of the valuation date;
- b. The State Treasurer Local Government Investment Pool is not SEC registered. The State Treasurer is authorized to invest the short-term investment funds with the advice and consent of the State Board of Finance In accordance with Sections 6-10-10 I through 6-10-10 P and Sections 6-10-10 1A and E, NMSA 1978
- c. The pool does not have unit shares. Per Section 6-10-10 1F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the amounts fund were invested; and
- d. Participation in the local government investment pool is voluntary.

The Reserve Contingency Fund (RCF) was established from the State Investment Pool LGIP's remaining position in the Reserve Primary Fund. In September 2008, the Reserve Primary Fund was frozen by the Primary Fund as the result of a drop of its net asset value below \$1.00. As disbursement from the Primary Fund were received the County's remaining balance in the RCF was reduced. Currently, \$0.9904 for each dollar invested has been returned to the County. According to the Trustee of the Primary Fund, it is not known at this time if additional disbursement will be made.

Based on this information, the State Treasurer's Office has written down the County's balance in the RCF to reflect it pro-rata loss as of June 30, 2012. The remaining balance is the proportional share of the County's remaining investment in the RCF. As of June 30, 2012, the State Treasurer's Office no longer reports any holdings in the Reserve Primary Fund or the Primary Fund-In Liquidation. The County has chosen to continue to report its proportional share of the RCF until such time as a final conclusion has been reached on the status of the investment.

The RCF, which is not rated, is a non-performing asset and, as such, a WAM cannot be calculated. The remaining balance of the fund has been written down based on the estimated recoverable amount.

As of June 30, 2012, certain amounts of the County's cash and investments were held in trust and directed by others as part of its debt service requirements. These amounts were as follows:

	<u>Cost</u>	<u>Market</u>	<u>Risk Rating</u>
Directed by NMFA			
Bank of Albuquerque:			
PILT 2004 Debt Service Reserve	\$ 986,807	986,807	Aaa
Bank of NY Mellon Trust:			
NMFA Reserve Account-Flood	\$ 166,107	166,107	N/A

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Directed by third-party agent

US Bank:

First Union Combined Fds	\$ 2,413,550	2,413,550	Aaa
First American Treasury Obligation	34,619	34,619	Aaa
First American Treasury Obligation	128,497	128,497	Aaa
First American Treasury Obligation	63,859	63,859	Aaa
First American Treasury Obligation	172,619	172,619	Aaa
First American Treasury Obligation	82	82	Aaa
First American Treasury Obligation	1	1	Aaa
FGIC Capital Market Services			
Dated 2/16/2001 5.650%	221,500	221,500	Aaa
FGTC Capital Market Services			
Dated 2/16/2001 5.650%	556,000	556,000	Aaa
	<u>3,590,727</u>	<u>3,590,727</u>	
Total amounts held in trust	\$ <u>4,743,641</u>	<u>4,743,641</u>	

Custodial Credit Risk Deposits - Custodial credit risk is the risk that in the event of a bank failure, the County funds may not be returned. The County is required to obtain from each bank that is a deposit only for public funds pledged collateral in an aggregate amount equal to 50% of the public money in each account. The pledged securities must be in the name of the governmental entity and held by the entity or its agent.

As of June 30, 2012, the County's bank and investment balances of \$90,079,845 were exposed to custodial credit risk as follows:

Uninsured, collateralized with securities held by pledging financial institution's trust department or agent in the County's name.	\$ 36,860,696
Uninsured and uncollateralized	5,026,323
Total uninsured deposits	<u>\$ 41,887,019</u>

Custodial Credit Risk Investments - Custodial Credit Risk is the risk that, in the event of failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's investments are not exposed to custodial credit risk. All are fully collateralized and the collateral is held in the County's name.

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

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

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

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hundred percent of the asked price on United States Treasury bills of the same maturity on the day of deposit.

Foreign Currency Risk - Deposits and Investments - The County is not exposed to the risk that changes in exchange rates will adversely affect the fair value of an investment as none of the investments pools nor certificates of deposit are dominated in a foreign currency.

NOTE 3 – RECEIVABLES

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

Governmental Activities	General Fund	Health Services	Indigent Hospital Care	Chaparral Wastewater System - SAP
Accounts	\$ 207,080	-	-	-
Taxes:				
Property	3,749,763	-	-	-
State	3,163,875	-	1,514,041	-
Other intergovernmental	239,616	18,000	-	3,022,680
Interest	216,878	672	-	-
Subtotal	<u>7,577,212</u>	<u>18,672</u>	<u>1,514,041</u>	<u>3,022,680</u>
Less: Allowance for uncollectibles	(111,758)	-	-	(388,692)
Net Receivables	<u>\$ 7,465,454</u>	<u>18,672</u>	<u>1,514,041</u>	<u>2,633,988</u>

	Debt Service	Nonmajor Funds	Internal Service Fund	Total Receivables
Accounts	\$ -	336,776	164,962	708,818
Taxes:				
Property	59,645	267,246	-	4,076,654
State	-	1,198,358	-	5,876,274
Other intergovernmental	-	1,740,113	-	5,020,409
Interest	23,644	7,611	-	248,805
Subtotal	<u>83,289</u>	<u>3,550,104</u>	<u>164,962</u>	<u>15,930,960</u>
Less: Allowance for uncollectibles	(799)	(3,581)	-	(504,830)
Net Receivables	<u>\$ 82,490</u>	<u>3,546,523</u>	<u>164,962</u>	<u>15,426,130</u>

Business-type Activities	Border Wastewater	Border Water System	NMED County Utilities	South Central Wastewater	Nonmajor Enterprise Funds	Total Receivables
Accounts	\$ -	-	289,884	254,168	120,043	664,095
Interest	-	-	197	-	46	243
Other	-	-	-	-	215,593	215,593
Subtotal	<u>-</u>	<u>-</u>	<u>290,081</u>	<u>254,168</u>	<u>335,682</u>	<u>879,931</u>
Less: Allowance for uncollectibles	-	-	-	(197,367)	(213,747)	(411,114)
Net Receivables	<u>\$ -</u>	<u>-</u>	<u>290,081</u>	<u>56,801</u>	<u>121,935</u>	<u>468,817</u>

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NOTE 4 – PROPERTY TAXES

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

The County bills and collects its own taxes, as well as taxes for the State of New Mexico, city governments (Las Cruces, Hatch, Mesilla and Sunland Park), Doña Ana Branch Community College, Public School Districts (Las Cruces, Hatch and Gadsden) and Flood Districts (Lower Rio Grande and Hueco). In tax year 2012, the County charged the following mil rates:

<u>Tax District</u>	<u>Residential</u>	<u>Non-residential</u>
02 (Las Cruces-In)	0.028803	0.032489
03 (Las Cruces-Out)	0.022189	0.025369
04 Mesilla	0.023226	0.027709
11 (Hatch-In)	0.030649	0.03356
12 (Hatch-Out)	0.025222	0.028188
16 (Sunland Park-In)	0.035785	0.039365
17 Unincorporated (Anthony/Chaparral)	0.028997	0.032186
18 Incorporated (Anthony)	0.028997	0.032186

The County's share of the property taxes equal approximately 36% of the total and is used for general governmental services and retirement of long term debt. The statutory maximum rate for servicing long-term debt with property tax revenue is unlimited, although the total amount of outstanding debt at any one time is restricted by other factors.

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

NOTE 5 – CAPITAL ASSETS

A summary of capital assets and changes occurring during the year ended June 30, 2012 follows. Land and construction in progress are not subject to depreciation.

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GOVERNMENTAL ACTIVITIES <i>includes Internal Service Funds</i>	Balance 06/30/11	Additions	Deletions	Reclass	Balance 06/30/12
Non-depreciable capital assets:					
Land	\$ 7,700,635	300,000	-	(33,114)	7,967,521
Construction in progress	11,434,866	10,445,911	-	(7,449,317)	14,431,460
Total non-depreciable capital assets	<u>19,135,501</u>	<u>10,745,911</u>	<u>-</u>	<u>(7,482,431)</u>	<u>22,398,981</u>
Capital assets being depreciated:					
Land improvements	7,060,180	-	-	-	7,060,180
Buildings and improvements	80,428,941	100,784	(5,662)	1,285,742	81,809,805
Furniture, fixtures, & equipment	21,045,236	1,622,479	(2,187,462)	24,506	20,504,759
Vehicles	21,630,465	2,058,145	(466,212)	-	23,222,398
Infrastructure	262,730,817	2,761,958	(1,815,365)	(819,717)	262,857,693
Total capital assets being depreciated	<u>392,895,639</u>	<u>6,543,366</u>	<u>(4,474,701)</u>	<u>490,531</u>	<u>395,454,835</u>
Less accumulated depreciation for:					
Land improvements	(4,272,795)	(691,251)	-	-	(4,964,046)
Buildings and improvements	(28,351,631)	(3,431,962)	5,662	-	(31,777,931)
Furniture, fixtures, & equipment	(16,877,504)	(1,615,669)	2,017,665	25,413	(16,450,095)
Vehicles	(12,502,830)	(2,268,672)	466,212	-	(14,305,290)
Infrastructure	(162,581,931)	(9,468,282)	1,727,272	782,642	(169,540,299)
Total accumulated depreciation	<u>(224,586,691)</u>	<u>(17,475,836)</u>	<u>4,216,811</u>	<u>808,055</u>	<u>(237,037,661)</u>
Total capital assets being depreciated	<u>168,308,948</u>	<u>(10,932,470)</u>	<u>(257,890)</u>	<u>1,298,586</u>	<u>158,417,174</u>
Total capital assets, net of depreciation	<u>\$ 187,444,449</u>	<u>(186,559)</u>	<u>(257,890)</u>	<u>(6,183,845)</u>	<u>180,816,155</u>
BUSINESS-TYPE ACTIVITIES	Balance 06/30/11	Additions	Deletions	Reclass	Balance 06/30/12
Non-depreciable capital assets:					
Land	\$ 7,243,042	-	(6,977,635)	33,114	298,521
Construction in progress	1,182,293	129,095	(1,074,719)	41,592	278,261
Total non-depreciable capital assets	<u>8,425,335</u>	<u>129,095</u>	<u>(8,052,354)</u>	<u>74,706</u>	<u>576,782</u>
Capital assets being depreciated:					
Land improvements	21,485	-	(3,581)	-	17,904
Buildings and improvements	395,823	7,857	(71,290)	-	332,390
Furniture, fixtures, & equipment	135,401	413,402	(20,256)	25,413	553,960
Vehicles	356,322	201,404	-	-	557,726
Infrastructure	56,025,176	-	(11,668,402)	6,891,781	51,248,555
Total capital assets being depreciated	<u>56,934,207</u>	<u>622,663</u>	<u>(11,763,529)</u>	<u>6,917,194</u>	<u>52,710,535</u>
Less accumulated depreciation for:					
Land improvements	(9,041)	(1,461)	-	-	(10,502)
Buildings and improvements	(349,322)	(28,588)	61,728	-	(316,182)
Furniture, fixtures, & equipment	(86,872)	(66,407)	2,534	(25,413)	(176,158)
Vehicles	(240,672)	(49,175)	-	-	(289,847)
Infrastructure	(10,092,719)	(1,447,130)	2,771,431	(782,642)	(9,551,060)
Total accumulated depreciation	<u>(10,778,626)</u>	<u>(1,592,761)</u>	<u>2,835,693</u>	<u>(808,055)</u>	<u>(10,343,749)</u>
Total capital assets being depreciated	<u>46,155,581</u>	<u>(970,098)</u>	<u>(8,927,836)</u>	<u>6,109,139</u>	<u>42,366,786</u>
Total capital assets, net of depreciation	<u>\$ 54,580,916</u>	<u>(841,003)</u>	<u>(16,980,190)</u>	<u>6,183,845</u>	<u>42,943,568</u>

There was a loss on disposal of assets totaling \$716,439 related to the incorporation of certain communities within the County. Capital assets totaling \$6,183,845 were transferred from governmental funds to business-type funds during the year. This is reflected in the financial statements as an adjustment to net assets on the government-wide and proprietary fund financial statements.

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Depreciation expense for the year ended June 30, 2012 was charged to the following functions and funds:

Governmental activities:	
General government	\$ 2,308,076
Public safety	2,767,951
Public works	12,122,881
Culture and recreation	70,605
Health and welfare	157,793
Total	17,427,306
Internal Service Fund	48,531
Total governmental activities	\$ 17,475,837
Business type activities	\$ 1,592,761

NOTE 6 – LONG-TERM DEBT

Long-term liability activity for the year ended June 30, 2012, was as follows:

	Balance June 30, 2011	Increases	Decreases	Balance June 30, 2012	Amount due within one year
Governmental funds debt					
Compensated absences	\$ 4,530,553	2,914,246	(2,796,456)	4,648,343	2,905,214
Notes payable	1,042,217	2,124,929	(217,600)	2,949,546	1,538,638
General obligation bonds	1,585,000	-	(515,000)	1,070,000	530,000
Special assessment district bonds	5,800,000	-	(385,000)	5,415,000	420,000
Revenue bond	28,010,000	-	(2,380,000)	25,630,000	2,500,000
Total	40,967,770	5,039,175	(6,294,056)	39,712,889	7,893,852
Internal service funds debt					
Compensated absences	61,050	45,150	(39,156)	67,044	41,903
Total	61,050	45,150	(39,156)	67,044	41,903
Total governmental activities	\$ 41,028,820	5,084,325	(6,333,212)	39,779,933	7,935,755
Business-type funds debt					
Compensated absences	\$ 98,558	34,591	(28,607)	104,542	65,339
Notes payable	4,715,739	-	(572,757)	4,142,982	207,024
Revenue bond	6,665,000	-	(6,665,000)	-	-
Total business-type activities	\$ 11,479,297	34,591	(7,266,364)	4,247,524	272,363

Bonds are liquidated from the debt service funds and other long-term liabilities are liquidated from the general fund and special revenue funds. No short-term debt was incurred during fiscal year 2012.

The annual principal and interest requirements on long-term debt outstanding as of June 30, 2012 are as follows.

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Governmental Activities:

General Obligation Bonds

On June 20, 2003, the County issued \$4,805,000 in General Obligation Bonds with an average interest rate of 2% to advance refund \$4,560,000 of outstanding 1993 and 1994 series bonds with an average interest rate of 5.3%. The net proceeds of \$4,682,569 after payment of bond issuance costs plus an additional \$339,487 of 1993 and 1994 sinking fund monies were used to fund an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1993 and 1994 series bonds. As a result, the 1993 and 1994 series bonds are considered to be defeased and the liability for these bonds have been removed from the debts of the County

Future payment requirements in the Series 2003 General Obligation Refunding Bonds are as follows.

		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$	530,000	23,885	553,885
2014		540,000	8,100	548,100
Total	\$	<u>1,070,000</u>	<u>31,985</u>	<u>1,101,985</u>

Revenue Bonds

The County has three series of revenue bonds to service in governmental activities.

<u>Description</u>	<u>Date</u>	<u>Due</u>	<u>Original Issue</u>	<u>Outstanding</u>	<u>Rates</u>
Gross Receipts Tax Refunding Improvement, Series 1998	4/1/1998	6/1/2016	\$ 27,890,000	11,115,000	4.5% to 5.59%
Gross receipts Tax Refunding and Improvement, Series 2003	10/1/2003	5/1/2028	7,145,000	5,430,000	2.5% to 5.2%
PILT Revenue Bonds, Series 2004A	6/1/2004	12/1/2028	13,800,000	11,465,000	4.0% to 5.5%
			<u>\$ 48,835,000</u>	<u>28,010,000</u>	

Gross Receipts Tax Refunding and Improvement Revenue Bonds, Subordinate Series 1998 (\$27,890,000) were issued by the County to provide funds for an advance refunding of outstanding debt and for making improvements to the existing County Jail and juvenile detention facility. Principal and interest are serviced from a non-exclusive first lien on Correctional System Revenues and a subordinate lien on the County's Gross Receipts Tax Revenues.

On October 1, 2003, the County issued Gross Receipts Tax Refunding and Improvement Revenue Bonds, Series 2003 in the amount of \$7,145,000 with interest rates ranging from 2.50% to 3.25%. The bonds mature serially on May 1 annually from 2004 through 2028 with term bonds, subject to mandatory redemption, maturing May 1, 2025 and May 1, 2028. The gross bond proceeds of \$7,189,428 were used for purchasing, constructing, or otherwise acquiring buildings, including but not limited to County administrative facilities and to refund a loan to the County from the New Mexico Finance Authority of \$822,552, which was deposited in an escrow account. The proceeds, after payment of issuance costs and the NMFA loan, of \$6,077,346 were deposited in an Acquisition Fund. The bonds are payable from revenues received by the New Mexico Department of Taxation and Revenue's Equalization Revenues.

On June 1, 2004, the County issued New Mexico Payment-in-Lieu-of-Taxes (PILT) Revenue Bonds, Series 2004A in the amount of \$13,800,000 with interest rates ranging from 4.500% to 5.300%. The bond proceeds of \$13,857,148 were used for the purposes of providing funds for designing, acquiring,

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constructing, furnishing, and equipping County buildings, including but not limited to, County administrative facilities, purchasing, or improving any ground, including parking lots, or any combination thereof. Of the proceeds discussed above, \$986,874 was deposited in the Debt Service Reserve Fund to be used only to prevent deficiencies in the payment of the principal and interest on the bonds. The remaining proceeds, after payment of issuance costs and various deposits in other funds, of \$12,109,440 was deposited in an Acquisition Fund. The bond principal and interest will be paid from the PILT revenue received from the Bureau of Land Management on an annual basis.

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

	Principal	Interest	Total
2013	\$ 2,500,000	1,324,994	3,824,994
2014	2,680,000	1,199,087	3,879,087
2015	2,765,000	1,055,288	3,820,288
2016	4,195,000	906,588	5,101,588
2017	780,000	679,075	1,459,075
2018-2022	4,545,000	2,763,953	7,308,953
2023-2027	5,840,000	1,465,935	7,305,935
2028-2029	2,325,000	124,323	2,449,323
Total	\$ 25,630,000	9,519,243	35,149,243

Special Assessment Debt

In 2001, the County issued \$7,775,000 of Santa Teresa Improvement District bonds. Proceeds of the 2001 A Bonds were used to finance the acquisition of certain road improvements previously constructed in the Airport Road District. The 2001 A Bonds are secured by the pledge of certain special assessments secured by liens on property within the Airport Road District and money and securities on deposit in specified funds described in the 2001 A indenture. The 2001 B Bonds are secured by certain pledged property, including special assessments secured by liens on property with the Border Industrial Park District and money and securities on deposit in specified funds described in the 2001 B Indenture. The final maturity date is January 1, 2021. The interest rate for the 2001 A Bonds is 8.375% and 8.875% for the 2001 B Bonds.

Future payment requirements on the governmental activities special assessment bonds are as follows:

	Principal	Interest	Total
2013	\$ 420,000	472,956	892,956
2014	455,000	436,281	891,281
2015	495,000	396,550	891,550
2016	545,000	353,319	898,319
2017	585,000	305,725	890,725
2018-2021	2,915,000	663,456	3,578,456
Total	\$ 5,415,000	2,628,287	8,043,287

Notes Payable

Prior to fiscal year 2000, the County had drawn \$676,528 against proceeds available from a \$750,000 loan granted by the State of New Mexico Environment Department for the purpose of developing a consolidated liquid waste treatment and disposal system. On September 10, 1999, the loan agreement was amended. Accrued construction interest of \$147,663 was rolled into the total disbursements to

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become part of the principal. The terms of the loan were amended March 12, 2001 providing for annual payments \$51,091 including interest calculated at a rate of 2% per annum, with the final payment due June 17, 2019. As of June 30, 2012 the balance is \$330,660, with repayments to be provided from general fund sources. Net revenues from the operation of the septic disposal facilities and environmental services gross receipts tax revenues are pledged as security.

During fiscal year 1999, the County drew \$1,579,030 against proceeds available from a \$2,215,217 loan from the New Mexico Finance Authority for the purpose of providing flood protection. Of the net loan proceeds, \$165,374 was deposited into a reserve account. Upon completion of the project, \$485,000 that had not been drawn, including construction period interest earned, was applied as prepayment on the last four years' maturities. The terms of the loan, as revised, call for annual payments ranging from \$152,363 to \$135,006, including interest ranging from 4.05% to 5.05% per annum and an administrative fee 0.25% with the final payment due May 1, 2015. As of June 30, 2012, the balance is \$330,533 with repayments to be provided from the Flood Commission Special Revenue Fund. Revenues generated by the County Flood Fund ad valorem tax are pledged as security.

In January 2008, the County and the City of Las Cruces were approved under New Mexico Finance Authority Project No. 1947-DW for loan proceeds of \$3,535,000 each to be used for the clean-up of the Griggs Walnut superfund site. The initial terms of the loan called for the funds to be fully drawn down by January 2011 with regular principal payments due beginning in June 2012. An extension was received in 2011 to allow for drawdown of the funds through June 2012. The terms of the note call for annual principal payments ranging from \$145,416 to \$212,042 for 20 years with semi-annual interest payments of 2% per annum.

The County began drawing funds on the note in October 2010 and expects to withdraw the full amount by the June 2012 closing date. The County forwards any drawdowns directly to the City of Las Cruces as they are the administrative office for the project. Total drawdowns as of June 30, 2012 totaled \$1,314,195.

In July 2011, the County entered into a loan/grant agreement with the NM Finance Authority for the planning, design and construction of an arsenic treatment facility with a treatment capacity of approximately 3.4 million gallons of water per day in and around the Santa Teresa area. The terms of the agreement call for a grant from the NMFA for \$4,096,640 along with a loan totaling \$1,024,160. The interest/administrative fee on the note is 0.25% with a maturity date of June 1, 2031. The note principal, interest, and administrative fees will be paid for with pledged revenues from the net utility revenues of the Santa Teresa water and wastewater utility system.

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

	Principal	Interest	Total
2013	\$ 1,538,638	25,681	1,564,319
2014	231,641	18,188	249,829
2015	161,327	10,303	171,630
2016	97,704	5,949	103,653
2017	98,775	4,879	103,654
2018-2022	354,254	10,742	364,996
2023-2027	258,262	4,552	262,814
2028-2031	208,945	1,308	210,253
Total	<u>\$ 2,949,546</u>	<u>81,602</u>	<u>3,031,148</u>

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Business-type Activities:

Water System Revenue Bond, Series 2008

In December 2008, the County issued refunding bonds to defease the Water System/Gross Receipts Tax Revenue Bonds, Series 1999 and payoff the Verde Group Liability with the issuance of \$7,765,000 in Bonds with variable rates of 2% to 3.5% to mature December 15, 2033. The 2008 bonds were purchased by the County with Doña Ana Hospital Lease Funds and are shown as an investment in that fund on the fund financial statements.

Upon issuance of the bonds, \$5,295,000 was placed in an escrow fund to defease the Series 1999 bonds. In addition, the County paid off a negotiated payoff balance to the Verde Group of \$1,200,000 including interest. This negotiated payoff resulted in income to the County of \$1,116,671.

As a result of the County's negotiated payoff of the Verde Group Liability an early principal payment totaling \$1,100,000 was made on the bonds resulting in a balance of \$6,665,000. During the year, these bonds were transferred to the Camino Real Regional Utility Authority (CRRUA) and are no longer considered debt of the County.

Notes Payable

On June 30, 2003, the County entered into a loan agreement in the amount of \$5,400,000 with the New Mexico Environment Department. The loan proceeds are to be used to improve or construct a Sanitary Sewer System by constructing, extending, enlarging, repairing, and otherwise improving the County's wastewater collection system, conveyance, and treatment facilities. The loan calls for 20 annual payments of \$289,884 and interest is calculated at a rate of 2.0% per annum. As of June 30, 2012, the balance is \$4,142,982.

The future payments required for the NMED note payable are as follows:

Year Ended June 30,	Principal	Interest	Total
2013	\$ 207,024	82,860	289,884
2014	211,165	78,719	289,884
2015	215,388	74,496	289,884
2016	219,696	70,188	289,884
2017	224,090	65,794	289,884
2018-2022	1,189,494	283,248	1,472,742
2023-2027	1,313,298	161,872	1,475,170
2028-2029	562,827	33,660	596,487
	\$ 4,142,982	850,837	4,993,819

In March 2008, the Doña Ana County Housing Authority entered into two promissory notes with the New Mexico Finance Authority. The purpose of the notes were to provide funds related the Housing Authority's Casas Del Quinto Sol (CDQS) project for the acquisition, rehabilitation or construction of twenty-one home lots into affordable single family residences located in the Colonia of Vado, Doña Ana County.

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The terms on Note #1 were for \$735,000 in the form of a non-amortizing loan with a 24 month term. The note was to be repaid at the earlier of the sale or refinancing of the project or March 26, 2010. During the year ended June 30, 2012, the CDQS project was sold to another organization. As part of the sale, this note was fully paid.

The terms of Note #2 were for \$400,000 to be repaid proportionally as each lot was sold or upon maturity. The loan accrued interest at the rate of 2.00% per annum. While no principal monthly payments were required, the terms call for monthly interest payments throughout the life of the note. The final maturity date of the note was April 1, 2010. During the year ended June 30, 2012, the CDQS project was sold to another organization. As part of the sale, this note was fully paid.

NOTE 7 – INTERFUND BALANCES AND TRANSFERS

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

The composition of interfund transfers during the year ended June 30, 2012 was as follows:

	Transfers In									
	General	Indigent Hospital	Debt Service	Non-Major Govern-mental	Border Wastewater	NMED County Utilities	South Central Wastewater	Non-Major Enterprise Funds	Internal Service	Total
General	\$ 28,997,692	970,680	3,824,969	2,284,630	48,045	-	493,179	159,904	4,050,000	40,829,099
Health Services	7,698,598	61,090	-	-	-	-	-	-	-	7,759,688
Non-Major Governmental	1,060,000	-	-	1,797,474	-	-	-	-	-	2,857,474
South Central WW	72,468	-	31,253	-	-	3,046	-	-	-	106,767
Non-Major Enterprise	-	-	17,061	-	-	5,000	-	409,349	-	431,410
Total	\$ 37,828,758	1,031,770	3,873,283	4,082,104	48,045	8,046	493,179	569,253	4,050,000	51,984,438

Transfers totaling \$874,767 were made from the County’s agency funds to the Debt Service Fund. These transfers were reclassified as incoming revenue for the Debt Service Fund in the accompanying financial statements.

The County recorded interfund receivables/payables to reflect temporary loans between funds. The purpose of the loans was to cover cash shortages until grant reimbursements or other funding measures could be obtained. All interfund receivables/payables are expected to be repaid within one year. Interfund balances as of June 30, 2012 are as follows:

<u>Due To Fund</u>	<u>Due From Fund</u>	<u>Amount</u>
General Fund	Chaparral Wastewater System - SAP - Major fund	\$ 2,427,092
	Non-major Special Revenue Funds	
General Fund	Environmental GRT	59,400
General Fund	Sheriff’s Grant State	463,262
General Fund	Federal Reimbursement/Detention Center	2,217
		<u>\$ 2,951,971</u>

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NOTE 8 – COMMITMENTS, CONTINGENCIES, AND SUBSEQUENT EVENTS

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

The County is party to various legal proceedings, which are the unavoidable results of governmental operations. Specifically, the County is involved in three environmental issues that may result in cleanup/remediation costs.

The County continues to cooperate fully with the Environmental Protection Agency (EPA) during their investigation related to a Superfund Site. The County and the City of Las Cruces have accepted shared responsibility for the remediation effort. In addition, the County believes that EPA will name another responsible party who will have significant responsibility to share in the costs. The County expended \$306,358 for fiscal year 2012. This is comprised of - in expenses and \$213,426 in draws on notes available for the project. It is estimated that removing the contamination from the ground water will require approximately 15-20 years. The City and County have obtained a loan with the New Mexico Finance Authority for \$7 million to pay for costs of infrastructure. The County does not make any payments for the principal until the entire loan is drawn down, which is at the end of the construction phase. Revenues from the sale of treated water will partly offset operation costs during the remediation phase. The EPA may also seek to recover costs incurred during the Remedial Investigation and prior to naming the County, City and the potential third party as responsible parties. That cost is estimated to be \$5.3 million.

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

There is also an issue with arsenic levels in southern Doña Ana County that could result in litigation between the state and the county. There may be EPA penalties, although an order has not been issued. The County believes their liability in this matter is minimal, but at this time is not determinable.

During the year ended June 30, 2012, the County was made subject to a judgment related to civil rights case involving the Dona Ana County Detention Center. The amount awarded to the plaintiff was \$22 million. The County's insurance is expected to cover \$5,000,000 of the award leaving the County responsible for \$17,000,000. The County is actively appealing the judgment and believes it has strong legal issues on which to base the appeal. It is the expectation of the County's legal department that the original award will ultimately be significantly reduced. As of June 30, 2012, a contingent liability of \$17,000,000 was recorded in the County's financial statements as a result of this judgment.

NOTE 9 – DEFINED BENEFIT PENSION PLAN

Plan Description – Substantially all of Doña Ana County's full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost sharing multiple-employer defined benefit retirement plan. The plan provides

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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 supplement 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 www.pera.state.nm.us.

Funding Policy – For covered employees other than law enforcement personnel and fire fighters, participants are required to contribute 13.15 percent of their gross salary to the plan. The County contributes 75 percent of the 13.15 percent of employee required contribution as well as a required matching contribution of 9.15 percent of general participant's gross salary. The contribution rate is 16.3 percent of gross salaries for law enforcement participants (excluding detention employees). The County's portion of law enforcement participants is 18.50 percent of gross salaries. Detention employees are considered general participants. The contribution rate for fire fighter members is 16.20 percent, and the County is required to contribute 21.25 percent of their gross salaries. The contribution requirements of plan members and Doña Ana County are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature.

Contributions to PERA for the following fiscal years were:

		<u>2012</u>	<u>2011</u>	<u>2010</u>
County contributions	\$	5,323,843	5,235,551	5,241,395
Employee contributions		<u>1,752,397</u>	<u>1,731,049</u>	<u>1,758,729</u>
Total contributions	\$	<u><u>7,076,240</u></u>	<u><u>6,966,600</u></u>	<u><u>7,000,124</u></u>

NOTE 10 – DEFERRED COMPENSATION PLAN

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

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the National Association of Counties (without being restricted to the provisions of benefits under the plan), subject only to the claims of the National Association of Counties general creditors.

Participant's rights under the plan are equal to those of general creditors of the National Association of Counties in an amount equal to the fair market value of the deferred account for each participant. All amounts of deferred compensation have been remitted to the National Association of Counties, which administers the plan. Total employee contributions to the plan for the year ended June 30, 2012 were \$454,532.

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NOTE 11 – OPERATING LEASES

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

Fiscal Year	Amount
<u>Ending June 30,</u>	<u>Amount</u>
2013	\$ 61,964
2014	58,500
2015	58,500
2016	34,125
2017	34,125
Total	<u>\$ 247,214</u>

Rental payments charged to current operations for the year ended June 30, 2012 totaled \$228,877.

NOTE 12 – HOSPITAL LEASE

MEDICAL CENTER-PROVINCE HOSPITAL (TELSHORE FACILITY)

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

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

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

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

In addition, PHC made a one-time grant of \$5 million to Doña Ana County to be distributed in the sole discretion of the County and City to improve the integration of services provided by the clinics in the County operated by the federally qualified health center organizations, the hospital, and the existing family residency program and to expand the service hours of the same clinics. The grant is accounted for as deferred revenue in the General Fund. The unexpended portion of the grant at June 30, 2012 is \$2,012,860.

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NOTE 13 – RESTATEMENTS OF BEGINNING FUND BALANCES/NET ASSETS

Restatements were made as follows:

<u>Fund</u>	<u>Purpose/Reason</u>	<u>Amount</u>
Non-major enterprise funds		
Chaparral Wastewater System	Capital assets transferred from governmental funds	\$ 6,183,845
Total enterprise funds		<u>6,183,845</u>
Government-wide statements	Capital assets transferred from governmental funds	6,183,845
Total government-wide statements		<u>\$ 6,183,845</u>

NOTE 14 – OTHER REQUIRED DISCLOSURES

The following funds incurred a deficit fund balance at June 30, 2012:

<u>Fund</u>	<u>Fund Type</u>	<u>Amount</u>
Chaparral Wastewater Sys - SAP	Capital Projects Fund	\$ (388,692)

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

NOTE 15 – RISK MANAGEMENT

Multi-line Risk Pool

The County participates in the New Mexico Association of Counties insurance programs. The County's premium is re-determined every year, and is based on the County's loss experience over the previous three years. The deductibles at the County level are as follows:

\$1,000	per incident for accident/loss to County property
\$6,000	per incident for Civil Rights related claims
\$10,000	per incident for Law Enforcement related claims

Limits of coverage through the risk pool are as follows:

\$2,000,000	Employee Dishonesty
\$2,000,000	Worker's Compensation per accident or occupational disease
\$2,000,000	Crime Coverage
\$1,750,000	Tort and Law Enforcement related claims
\$150,000,000	per occurrence for property losses
\$4,000,000	additional coverage for Excess Foreign Jurisdiction claims
\$3,000,000	Environmental Liability Insurance
\$255,000	Volunteer Firefighters Accident
\$20,000	Land Use Coverage per occurrence and \$40,000 aggregate
\$30,000,000	Earthquake and Flood
\$6,000,000	Foreign Jurisdiction Liability

Contributions paid to the pool for the 2011/2012 fiscal year were \$3,437,888.

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

Commercial Insurance

Commercial liability insurance covers the County's airport operations up to \$10,000,000 per occurrence. There is no deductible. Premiums paid for 2011/2012 were \$3,793. In addition, the County maintains commercial liability policies for Accidental Death and Dismemberment of the County's Independent Fire Districts (premium paid of \$70,023) and Pollution and Remediation Legal Liability (premium paid of \$61,217).

NOTE 16 – TRANSACTIONS RELATED PARTIES

During the year ended June 30, 2012, Camino Real Regional Utility Authority (CRRUA) became operational and combined all the City of Sunland Park's water and wastewater facilities and operations with certain defined County water and wastewater facilities. This was pursuant to an agreement between the City and the County dating from 2005. As a result of this merger of operations, net assets totaling \$9,980,946 were transferred from the County's Border Wastewater and Border Water System funds to CRRUA and are no longer included in these financial statements.

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

NOTE 17 – SUBSEQUENT EVENTS

In July 2012, the Dona Ana County Housing Authority was merged with the Housing Authority of the City of Las Cruces, to create a new independent entity called the Mesilla Valley Public Housing Authority. The new entity is independent of both the County and the City and is not considered a part of either governmental entity. As a result of this merger, net assets totaling \$2,370,770 were transferred to the new entity.

SUPPLEMENTAL INFORMATION

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

NON-MAJOR SPECIAL REVENUE FUNDS

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

Non-major special revenue funds consist of the following:

CDBG - Rio Grande Water – To account for federal grant funding for the Rio Grande Water Project.

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

Colonia's Initiative – To account for the activities of the County to improve the quality of life for residents of the colonias of Doña Ana County. Colonias are defined as communities within 150 miles of the U.S./Mexico border that lack one or more of the following: potable water, centralized sewer system, safe, sanitary, and decent housing, and improved roads.

Community Services – To provide funding for a variety of County construction and renovation projects. Financing is provided by special appropriation from the New Mexico State Legislature. This fund has been established to comply with the accountability requirements of the grant agreements.

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

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

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

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

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

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

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

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

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

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

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

Federal Reimbursement/Detention Center – To account for federal reimbursements related to the Detention Center.

Fire Districts – In accordance with NMSA 7-20E-I 5 - To account for the operation and maintenance of the sixteen volunteer fire districts throughout the County of Doña Ana. Funding is provided from the State Fire Fund.

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

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

Sheriff's Grants State – Various grants to enable the Sheriff's Department in their goals to reduce crime and improve public safety.

Sheriff's GREAT Grant – To provide funding to allow the County to support New Mexico Intelligence Center initiatives at the S\VB New Mexico High Intensity Drug Trafficking Area. The Executive Office of the President, Office of National Drug Control Policy, provides financing. This fund has been established in accordance with grant agreements.

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

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

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

NON-MAJOR CAPITAL PROJECTS FUNDS

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

Non-major capital projects funds consist of the following:

Airport FAA Projects – To account for the cost of the development of airports in the County.

Chaparral Wastewater – R.U.S. – To account for costs of the construction of the wastewater system with state funding.

Utility Projects – To account for the cost of constructing wastewater systems in several communities.

Wastewater Projects/Grants – To account for costs of the water system improvements.

**STATE OF NEW MEXICO
DONA ANA COUNTY
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
AS OF JUNE 30, 2012**

	Special Revenue Funds	Capital Projects Funds	Total Non-major Funds
ASSETS			
Cash and cash equivalents	\$ 23,661,878	306,135	23,968,013
Investments	-	-	-
Receivables, net	336,776	-	336,776
Taxes receivable	1,465,604	-	1,465,604
Intergovernmental receivables	1,735,819	713	1,736,532
Interest receivable	7,517	94	7,611
Due from other funds	-	-	-
Prepays	-	-	-
Other assets	-	-	-
Total assets	<u>\$ 27,207,594</u>	<u>306,942</u>	<u>27,514,536</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 738,663	-	738,663
Accrued payroll liabilities	42,366	-	42,366
Accrued interest payable	3,332	-	3,332
Due to other funds	524,879	-	524,879
Deposits	-	-	-
Deferred revenues	276,141	-	276,141
Other liabilities	-	-	-
Total Liabilities	<u>1,585,381</u>	<u>-</u>	<u>1,585,381</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted	23,365,315	306,942	23,672,257
Committed	2,024,472	-	2,024,472
Assigned	-	-	-
Unassigned	232,426	-	232,426
Total fund balances	<u>25,622,213</u>	<u>306,942</u>	<u>25,929,155</u>
Total liabilities and fund balances	<u>\$ 27,207,594</u>	<u>306,942</u>	<u>27,514,536</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	Special Revenue Funds	Capital Projects Funds	Total Non-major Funds
REVENUES			
Taxes:			
Property taxes	\$ -	-	-
General sales and use taxes	7,615,838	-	7,615,838
Payment in lieu of tax	-	-	-
Penalties and interest	140	-	140
Licenses and permits	-	-	-
Intergovernmental revenue - state	5,079,296	206,698	5,285,994
Intergovernmental revenue - federal	2,074,437	16,583	2,091,020
Charges for services	1,288,023	-	1,288,023
Contributions/donations private services	-	-	-
Investment earnings	136,901	480	137,381
Rents and royalties	4,200	-	4,200
Other revenue	486,112	-	486,112
Total revenues	16,684,947	223,761	16,908,708
EXPENDITURES			
Current:			
General government	90,694	-	90,694
Public safety	7,633,764	-	7,633,764
Public works	1,568,964	-	1,568,964
Health and welfare	71,415	-	71,415
Culture and recreation	-	-	-
Debt Service:			
Principal payments	123,992	-	123,992
Interest payments	21,732	-	21,732
Fiscal agent's fees	-	-	-
Capital Outlay:			
Capital Outlay	5,093,090	174,950	5,268,040
Total Expenditures	14,603,651	174,950	14,778,601
Excess (deficiency) of revenues over expenditures	2,081,296	48,811	2,130,107
OTHER FINANCING SOURCES (USES)			
Proceeds from issuance of long-term capital-related debt	-	-	-
Transfers in	3,904,318	177,786	4,082,104
Transfers out	(2,857,474)	-	(2,857,474)
Total other financing sources (uses)	1,046,844	177,786	1,224,630
Net change in fund balance	3,128,140	226,597	3,354,737
Fund balances-beginning of year	22,494,073	80,345	22,574,418
Restatements	-	-	-
Fund balances-beginning of year, as restated	22,494,073	80,345	22,574,418
Fund balances-end of the year	\$ 25,622,213	306,942	25,929,155

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS
AS OF JUNE 30, 2012**

	CDBG				
	Rio Grande Water	Civil Preparedness	Colonia's Initiative	Community Services	Confiscated Assets
ASSETS					
Cash and cash equivalents	\$ -	35,183	121,201	10,105	144,718
Investments	-	-	-	-	-
Receivables, net	-	-	-	-	-
Taxes receivable	-	-	-	-	-
Intergovernmental receivables	-	338,834	66,749	4,291	-
Interest receivable	-	24	-	-	-
Due from other funds	-	-	-	-	-
Prepays	-	-	-	-	-
Other assets	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>374,041</u>	<u>187,950</u>	<u>14,396</u>	<u>144,718</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ -	40,579	-	-	-
Accrued payroll liabilities	-	-	-	3,075	50
Accrued interest payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Deposits	-	-	-	-	-
Deferred revenues	-	7,153	-	8,973	-
Other liabilities	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>47,732</u>	<u>-</u>	<u>12,048</u>	<u>50</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	-	326,309	66,749	2,348	144,668
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	121,201	-	-
Total fund balances	<u>-</u>	<u>326,309</u>	<u>187,950</u>	<u>2,348</u>	<u>144,668</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>374,041</u>	<u>187,950</u>	<u>14,396</u>	<u>144,718</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS
AS OF JUNE 30, 2012**

	<u>Correction Fees</u>	<u>County Clerk Equip/Rcrd</u>	<u>County Flood Commission</u>	<u>County Treasurer Fees</u>	<u>Crisis Triage Center</u>
ASSETS					
Cash and cash equivalents	\$ 197,360	168,966	8,572,973	12,845	2,064,066
Investments	-	-	-	-	-
Receivables, net	336,319	-	-	-	-
Taxes receivable	-	-	267,246	-	-
Intergovernmental receivables	-	-	17,284	-	-
Interest receivable	64	55	2,780	4	670
Due from other funds	-	-	-	-	-
Prepays	-	-	-	-	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 533,743</u>	<u>169,021</u>	<u>8,860,283</u>	<u>12,849</u>	<u>2,064,736</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 173,484	-	19,262	-	53,113
Accrued payroll liabilities	-	-	16,776	-	-
Accrued interest payable	-	-	3,332	-	-
Due to other funds	-	-	-	-	-
Deposits	-	-	-	-	-
Deferred revenues	-	-	236,689	-	-
Other liabilities	-	-	-	-	-
Total Liabilities	<u>173,484</u>	<u>-</u>	<u>276,059</u>	<u>-</u>	<u>53,113</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	360,259	169,021	8,584,224	-	-
Committed	-	-	-	12,849	2,011,623
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>360,259</u>	<u>169,021</u>	<u>8,584,224</u>	<u>12,849</u>	<u>2,011,623</u>
Total liabilities and fund balances	<u>\$ 533,743</u>	<u>169,021</u>	<u>8,860,283</u>	<u>12,849</u>	<u>2,064,736</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS
AS OF JUNE 30, 2012**

	DWI Grants	Emergency Medical Services	Environmental GRT	Farm and Range	Federal Reimburs./ Detention Center
ASSETS					
Cash and cash equivalents	\$ 397,031	49,449	-	28,239	-
Investments	-	-	-	-	-
Receivables, net	-	-	-	-	-
Taxes receivable	-	-	555,374	-	-
Intergovernmental receivables	60,958	-	-	-	2,217
Interest receivable	-	16	54	9	-
Due from other funds	-	-	-	-	-
Prepays	-	-	-	-	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 457,989</u>	<u>49,465</u>	<u>555,428</u>	<u>28,248</u>	<u>2,217</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 32,645	10,962	151,190	-	-
Accrued payroll liabilities	20,636	-	-	-	-
Accrued interest payable	-	-	-	-	-
Due to other funds	-	-	59,400	-	2,217
Deposits	-	-	-	-	-
Deferred revenues	4,601	-	-	-	-
Other liabilities	-	-	-	-	-
Total Liabilities	<u>57,882</u>	<u>10,962</u>	<u>210,590</u>	<u>-</u>	<u>2,217</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	400,107	38,503	344,838	28,248	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>400,107</u>	<u>38,503</u>	<u>344,838</u>	<u>28,248</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 457,989</u>	<u>49,465</u>	<u>555,428</u>	<u>28,248</u>	<u>2,217</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS
AS OF JUNE 30, 2012**

	Fire Districts	Law Enforcement Protection	Reappraisal Administrative Fees	Sheriff's Grants State	Sheriff's GREAT Grant
ASSETS					
Cash and cash equivalents	\$ 9,356,320	1,819	2,375,323	-	15,054
Investments	-	-	-	-	-
Receivables, net	350	-	107	-	-
Taxes receivable	302,381	-	-	-	-
Intergovernmental receivables	-	-	-	616,004	-
Interest receivable	3,034	1	770	-	-
Due from other funds	-	-	-	-	-
Prepays	-	-	-	-	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 9,662,085</u>	<u>1,820</u>	<u>2,376,200</u>	<u>616,004</u>	<u>15,054</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 34,868	-	41,063	208	-
Accrued payroll liabilities	-	-	695	1,134	-
Accrued interest payable	-	-	-	-	-
Due to other funds	-	-	-	463,262	-
Deposits	-	-	-	-	-
Deferred revenues	18,725	-	-	-	-
Other liabilities	-	-	-	-	-
Total Liabilities	<u>53,593</u>	<u>-</u>	<u>41,758</u>	<u>464,604</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	9,608,492	1,820	2,334,442	151,400	15,054
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>9,608,492</u>	<u>1,820</u>	<u>2,334,442</u>	<u>151,400</u>	<u>15,054</u>
Total liabilities and fund balances	<u>\$ 9,662,085</u>	<u>1,820</u>	<u>2,376,200</u>	<u>616,004</u>	<u>15,054</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEETS
AS OF JUNE 30, 2012**

	Spaceport Gross Receipts	State Appropriations	Total
ASSETS			
Cash and cash equivalents	\$ -	111,226	23,661,878
Investments	-	-	-
Receivables, net	-	-	336,776
Taxes receivable	340,603	-	1,465,604
Intergovernmental receivables	-	629,482	1,735,819
Interest receivable	-	36	7,517
Due from other funds	-	-	-
Prepays	-	-	-
Other assets	-	-	-
Total assets	<u>\$ 340,603</u>	<u>740,744</u>	<u>27,207,594</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ -	181,289	738,663
Accrued payroll liabilities	-	-	42,366
Accrued interest payable	-	-	3,332
Due to other funds	-	-	524,879
Deposits	-	-	-
Deferred revenues	-	-	276,141
Other liabilities	-	-	-
Total Liabilities	<u>-</u>	<u>181,289</u>	<u>1,585,381</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted	340,603	448,230	23,365,315
Committed	-	-	2,024,472
Assigned	-	-	-
Unassigned	-	111,225	232,426
Total fund balances	<u>340,603</u>	<u>559,455</u>	<u>25,622,213</u>
Total liabilities and fund balances	<u>\$ 340,603</u>	<u>740,744</u>	<u>27,207,594</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEETS
AS OF JUNE 30, 2012**

	Airport FAA Projects	Chaparral Wastewater USDA	Utility Projects	Wastewater Projects/ Grants	Total
ASSETS					
Cash and cash equivalents	\$ 306,135	-	-	-	306,135
Investments	-	-	-	-	-
Receivables, net	-	-	-	-	-
Taxes receivable	-	-	-	-	-
Intergovernmental receivables	713	-	-	-	713
Interest receivable	94	-	-	-	94
Due from other funds	-	-	-	-	-
Prepays	-	-	-	-	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 306,942</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>306,942</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ -	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Deposits	-	-	-	-	-
Deferred revenues	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	306,942	-	-	-	306,942
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	<u>306,942</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>306,942</u>
Total liabilities and fund balances	<u>\$ 306,942</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>306,942</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	CDBG Rio Grande Water	Civil Preparedness	Colonia's Initiative	Community Services	Confiscated Assets
REVENUES					
Taxes:					
Property taxes	\$ -	-	-	-	-
General sales and use taxes	-	-	-	-	-
Payment in lieu of tax	-	-	-	-	-
Penalties and interest	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue - state	-	196,519	626,060	11,300	-
Intergovernmental revenue - federal	321,721	391,164	-	-	-
Charges for services	-	-	-	-	-
Contributions/donations private services	-	-	-	-	-
Investment earnings	-	1,316	-	-	1,006
Rents and royalties	-	-	-	-	-
Other revenue	-	109	-	6,029	98,063
Total revenues	<u>321,721</u>	<u>589,108</u>	<u>626,060</u>	<u>17,329</u>	<u>99,069</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	-	355,695	-	-	180,550
Public works	-	-	-	-	-
Health and welfare	-	-	-	17,097	-
Culture and recreation	-	-	-	-	-
Debt Service:					
Principal payments	-	-	-	-	-
Interest payments	-	-	-	-	-
Fiscal agent's fees	-	-	-	-	-
Capital Outlay:					
Capital Outlay	321,721	36,926	592,569	-	137,673
Total Expenditures	<u>321,721</u>	<u>392,621</u>	<u>592,569</u>	<u>17,097</u>	<u>318,223</u>
Excess (deficiency) of revenues over expenditures	-	196,487	33,491	232	(219,154)
OTHER FINANCING SOURCES (USES)					
Proceeds from issuance of long-term capital-related debt	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	(150,000)	-	-	(7,474)
Total other financing sources (uses)	<u>-</u>	<u>(150,000)</u>	<u>-</u>	<u>-</u>	<u>(7,474)</u>
Net change in fund balance	-	46,487	33,491	232	(226,628)
Fund balances-beginning of year	-	279,822	154,459	2,116	371,296
Restatements	-	-	-	-	-
Fund balances-beginning of year, as restated	<u>-</u>	<u>279,822</u>	<u>154,459</u>	<u>2,116</u>	<u>371,296</u>
Fund balances-end of the year	<u>\$ -</u>	<u>326,309</u>	<u>187,950</u>	<u>2,348</u>	<u>144,668</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Correction Fees</u>	<u>County Clerk Equip/Rcrd</u>	<u>County Flood Commission</u>	<u>County Treasurer Fees</u>	<u>Crisis Triage Center</u>
REVENUES					
Taxes:					
Property taxes	\$ -	-	-	-	-
General sales and use taxes	-	-	1,942,044	-	-
Payment in lieu of tax	-	-	-	-	-
Penalties and interest	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue - state	-	-	-	-	-
Intergovernmental revenue - federal	-	-	41,730	-	-
Charges for services	744,262	252,652	-	2,981	-
Contributions/donations private services	-	-	-	-	-
Investment earnings	321	654	50,585	82	8,273
Rents and royalties	-	-	-	-	-
Other revenue	-	42	40,845	-	-
Total revenues	<u>744,583</u>	<u>253,348</u>	<u>2,075,204</u>	<u>3,063</u>	<u>8,273</u>
EXPENDITURES					
Current:					
General government	-	85,707	-	4,987	-
Public safety	393,317	-	-	-	-
Public works	-	-	813,205	-	-
Health and welfare	-	-	-	-	54,318
Culture and recreation	-	-	-	-	-
Debt Service:					
Principal payments	-	-	123,992	-	-
Interest payments	-	-	21,732	-	-
Fiscal agent's fees	-	-	-	-	-
Capital Outlay:					
Capital Outlay	414,146	61,358	4,537	-	42,332
Total Expenditures	<u>807,463</u>	<u>147,065</u>	<u>963,466</u>	<u>4,987</u>	<u>96,650</u>
Excess (deficiency) of revenues over expenditures	(62,880)	106,283	1,111,738	(1,924)	(88,377)
OTHER FINANCING SOURCES (USES)					
Proceeds from issuance of long-term capital-related debt	-	-	-	-	-
Transfers in	-	-	-	-	2,100,000
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,100,000</u>
Net change in fund balance	(62,880)	106,283	1,111,738	(1,924)	2,011,623
Fund balances-beginning of year	423,139	62,738	7,472,486	14,773	-
Restatements	-	-	-	-	-
Fund balances-beginning of year, as restated	<u>423,139</u>	<u>62,738</u>	<u>7,472,486</u>	<u>14,773</u>	<u>-</u>
Fund balances-end of the year	<u>\$ 360,259</u>	<u>169,021</u>	<u>8,584,224</u>	<u>12,849</u>	<u>2,011,623</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	DWI Grants	Emergency Medical Services	Environmental GRT	Farm and Range	Federal Reimbursement Detention Center
REVENUES					
Taxes:					
Property taxes	\$ -	-	-	-	-
General sales and use taxes	-	-	911,917	-	-
Payment in lieu of tax	-	-	-	-	-
Penalties and interest	140	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue - state	1,019,308	147,599	-	-	-
Intergovernmental revenue - federal	-	-	-	-	2,217
Charges for services	275,970	-	-	12,158	-
Contributions/donations private services	-	-	-	-	-
Investment earnings	-	107	(116)	207	-
Rents and royalties	-	-	-	-	-
Other revenue	439	1,059	-	-	-
Total revenues	<u>1,295,857</u>	<u>148,765</u>	<u>911,801</u>	<u>12,365</u>	<u>2,217</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	1,408,258	151,125	-	15,500	2,217
Public works	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt Service:					
Principal payments	-	-	-	-	-
Interest payments	-	-	-	-	-
Fiscal agent's fees	-	-	-	-	-
Capital Outlay:					
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>1,408,258</u>	<u>151,125</u>	<u>-</u>	<u>15,500</u>	<u>2,217</u>
Excess (deficiency) of revenues over expenditures	(112,401)	(2,360)	911,801	(3,135)	-
OTHER FINANCING SOURCES (USES)					
Proceeds from issuance of long-term capital-related debt	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	(910,000)	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(910,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(112,401)	(2,360)	1,801	(3,135)	-
Fund balances-beginning of year	512,508	40,863	343,037	31,383	-
Restatements	-	-	-	-	-
Fund balances-beginning of year, as restated	<u>512,508</u>	<u>40,863</u>	<u>343,037</u>	<u>31,383</u>	<u>-</u>
Fund balances-end of the year	<u>\$ 400,107</u>	<u>38,503</u>	<u>344,838</u>	<u>28,248</u>	<u>-</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	Fire Districts	Law Enforcement Protection	Reappraisal Administrative Fees	Sheriff's Grants State	Sheriff's GREAT Grant
REVENUES					
Taxes:					
Property taxes	\$ -	-	-	-	-
General sales and use taxes	1,823,852	-	980,784	-	-
Payment in lieu of tax	-	-	-	-	-
Penalties and interest	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue - state	1,389,873	-	-	55,192	-
Intergovernmental revenue - federal	-	-	-	1,134,554	17,786
Charges for services	-	-	-	-	-
Contributions/donations private services	-	-	-	-	-
Investment earnings	57,209	457	15,894	-	-
Rents and royalties	4,200	-	-	-	-
Other revenue	5,119	127,641	5,271	201,495	-
Total revenues	<u>3,280,253</u>	<u>128,098</u>	<u>1,001,949</u>	<u>1,391,241</u>	<u>17,786</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	1,087,297	115,839	940,443	943,825	25,200
Public works	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt Service:					
Principal payments	-	-	-	-	-
Interest payments	-	-	-	-	-
Fiscal agent's fees	-	-	-	-	-
Capital Outlay:					
Capital Outlay	1,835,520	21,333	227,356	436,594	-
Total Expenditures	<u>2,922,817</u>	<u>137,172</u>	<u>1,167,799</u>	<u>1,380,419</u>	<u>25,200</u>
Excess (deficiency) of revenues over expenditures	357,436	(9,074)	(165,850)	10,822	(7,414)
OTHER FINANCING SOURCES (USES)					
Proceeds from issuance of long-term capital-related debt	-	-	-	-	-
Transfers in	1,790,000	-	-	-	14,318
Transfers out	(1,790,000)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,318</u>
Net change in fund balance	357,436	(9,074)	(165,850)	10,822	6,904
Fund balances-beginning of year	9,251,056	10,894	2,500,292	140,578	8,150
Restatements	-	-	-	-	-
Fund balances-beginning of year, as restated	<u>9,251,056</u>	<u>10,894</u>	<u>2,500,292</u>	<u>140,578</u>	<u>8,150</u>
Fund balances-end of the year	<u>\$ 9,608,492</u>	<u>1,820</u>	<u>2,334,442</u>	<u>151,400</u>	<u>15,054</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
FINANCIAL STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	Spaceport Gross Receipts	State Appropriations	Total
REVENUES			
Taxes:			
Property taxes	\$ -	-	-
General sales and use taxes	1,957,241	-	7,615,838
Payment in lieu of tax	-	-	-
Penalties and interest	-	-	140
Licenses and permits	-	-	-
Intergovernmental revenue - state	-	1,633,445	5,079,296
Intergovernmental revenue - federal	-	165,265	2,074,437
Charges for services	-	-	1,288,023
Contributions/donations private services	-	-	-
Investment earnings	-	906	136,901
Rents and royalties	-	-	4,200
Other revenue	-	-	486,112
Total revenues	<u>1,957,241</u>	<u>1,799,616</u>	<u>16,684,947</u>
EXPENDITURES			
Current:			
General government	-	-	90,694
Public safety	1,950,637	63,861	7,633,764
Public works	-	755,759	1,568,964
Health and welfare	-	-	71,415
Culture and recreation	-	-	-
Debt Service:			
Principal payments	-	-	123,992
Interest payments	-	-	21,732
Fiscal agent's fees	-	-	-
Capital Outlay:			
Capital Outlay	-	961,025	5,093,090
Total Expenditures	<u>1,950,637</u>	<u>1,780,645</u>	<u>14,603,651</u>
Excess (deficiency) of revenues over expenditures	6,604	18,971	2,081,296
OTHER FINANCING SOURCES (USES)			
Proceeds from issuance of long-term capital-related debt	-	-	-
Transfers in	-	-	3,904,318
Transfers out	-	-	(2,857,474)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,046,844</u>
Net change in fund balance	6,604	18,971	3,128,140
Fund balances-beginning of year	333,999	540,484	22,494,073
Restatements	-	-	-
Fund balances-beginning of year, as restated	<u>333,999</u>	<u>540,484</u>	<u>22,494,073</u>
Fund balances-end of the year	<u>\$ 340,603</u>	<u>559,455</u>	<u>25,622,213</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

	Airport FAA Projects	Chaparral Wastewater USDA	Utility Projects SAP	Wastewater Projects/ Grants USDA	Total
REVENUES					
Taxes:					
Property taxes	\$ -	-	-	-	-
General sales and use taxes	-	-	-	-	-
Payment in lieu of tax	-	-	-	-	-
Penalties and interest	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue - state	206,698	-	-	-	206,698
Intergovernmental revenue - federal	16,583	-	-	-	16,583
Charges for services	-	-	-	-	-
Contributions/donations private services	-	-	-	-	-
Investment earnings	480	-	-	-	480
Rents and royalties	-	-	-	-	-
Other revenue	-	-	(2)	2	-
Total revenues	<u>223,761</u>	<u>-</u>	<u>(2)</u>	<u>2</u>	<u>223,761</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt Service:					
Principal payments	-	-	-	-	-
Interest payments	-	-	-	-	-
Fiscal agent's fees	-	-	-	-	-
Capital Outlay:					
Capital Outlay	65,806	109,144	-	-	174,950
Total Expenditures	<u>65,806</u>	<u>109,144</u>	<u>-</u>	<u>-</u>	<u>174,950</u>
Excess (deficiency) of revenues over expenditures	157,955	(109,144)	(2)	2	48,811
OTHER FINANCING SOURCES (USES)					
Proceeds from issuance of long-term capital-related debt	-	-	-	-	-
Transfers in	68,642	109,144	-	-	177,786
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>68,642</u>	<u>109,144</u>	<u>-</u>	<u>-</u>	<u>177,786</u>
Net change in fund balance	226,597	-	(2)	2	226,597
Fund balances-beginning of year	80,345	-	2	(2)	80,345
Restatements	-	-	-	-	-
Fund balances-beginning of year, as restated	<u>80,345</u>	<u>-</u>	<u>2</u>	<u>(2)</u>	<u>80,345</u>
Fund balances-end of the year	<u>\$ 306,942</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>306,942</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CDBG - RIO GRANDE WATER - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	500,000	500,000	321,721	(178,279)
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	<u>500,000</u>	<u>500,000</u>	<u>321,721</u>	<u>(178,279)</u>
EXPENDITURES				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	-	-	-
Capital outlay	500,000	500,000	321,721	178,279
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>500,000</u>	<u>500,000</u>	<u>321,721</u>	<u>178,279</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	-	-	-
Budgeted cash carryover	-	-		
Total	<u>\$ -</u>	<u>-</u>		
RECONCILIATION FROM BUDGET/ACTUAL TO GAAP				
Change in net assets (Budget Basis)			\$ -	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			<u>-</u>	
Change in net assets (GAAP basis)			<u>\$ -</u>	

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CIVIL PREPAREDNESS - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	1,068,319	1,274,913	595,138	(679,775)
Charges for services	-	-	-	-
Investment earnings	630	630	1,360	730
Other revenue	-	-	8,863	8,863
Total revenues	<u>1,068,949</u>	<u>1,275,543</u>	<u>605,361</u>	<u>(670,182)</u>
EXPENDITURES				
Current:				
Personnel costs	-	-	2,790	(2,790)
Operating costs	935,539	1,003,129	325,151	677,978
Capital outlay	30,000	169,004	36,926	132,078
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>965,539</u>	<u>1,172,133</u>	<u>364,867</u>	<u>807,266</u>
Excess (deficiency) of revenues over (under) expenditures	103,410	103,410	240,494	(137,084)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt				
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(150,000)	(150,000)	(150,000)	-
Total other financing sources (uses)	<u>(150,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(46,590)	(46,590)	<u>90,494</u>	<u>(137,084)</u>
Budgeted cash carryover	<u>46,590</u>	<u>46,590</u>		
Total	<u>\$ -</u>	<u>-</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ 90,494
To adjust applicable revenue accruals and deferrals	(16,253)
To adjust applicable expenditure accruals	<u>(27,754)</u>
Change in net assets (GAAP basis)	<u>\$ 46,487</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COLONIA'S INITIATIVE - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	650,000	650,000	626,060	(23,940)
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	650,000	650,000	626,060	(23,940)
EXPENDITURES				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	-	-	-
Capital outlay	650,000	650,000	626,060	23,940
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	650,000	650,000	626,060	23,940
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	-	-	-
Budgeted cash carryover	-	-		
Total	\$ -	-		
RECONCILIATION FROM BUDGET/ACTUAL TO GAAP				
Change in net assets (Budget Basis)			\$ -	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			33,491	
Change in net assets (GAAP basis)			\$ 33,491	

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COMMUNITY SERVICES - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	12,000	12,000	13,688	1,688
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	15,000	15,000	-
Total revenues	<u>12,000</u>	<u>27,000</u>	<u>28,688</u>	<u>1,688</u>
EXPENDITURES				
Current:				
Personnel costs	-	11,687	2,775	8,912
Operating costs	12,000	15,314	11,300	4,014
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>12,000</u>	<u>27,001</u>	<u>14,075</u>	<u>12,926</u>
Excess (deficiency) of revenues over (under) expenditures	-	(1)	14,613	(14,614)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt				
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	(1)	14,613	(14,614)
Budgeted cash carryover	<u>-</u>	<u>1</u>		
Total	<u>\$ -</u>	<u>-</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ 14,613
To adjust applicable revenue accruals and deferrals	(11,359)
To adjust applicable expenditure accruals	<u>(3,022)</u>
Change in net assets (GAAP basis)	<u>\$ 232</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CONFISCATED ASSETS - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	1,910	1,910	1,006	(904)
Other revenue	355,000	355,000	117,725	(237,275)
Total revenues	356,910	356,910	118,731	(238,179)
EXPENDITURES				
Current:				
Personnel costs	22,000	22,000	21,541	459
Operating costs	263,000	168,350	159,010	9,340
Capital outlay	74,325	168,975	168,067	908
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	359,325	359,325	348,618	10,707
Excess (deficiency) of revenues over (under) expenditures	(2,415)	(2,415)	(229,887)	227,472
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(7,474)	(7,474)	-
Total other financing sources (uses)	-	(7,474)	(7,474)	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(2,415)	(9,889)	(237,361)	227,472
Budgeted cash carryover	2,415	9,889		
Total	\$ -	-		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ (237,361)
To adjust applicable revenue accruals and deferrals	(19,661)
To adjust applicable expenditure accruals	30,394
Change in net assets (GAAP basis)	\$ (226,628)

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

STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CORRECTION FEES - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	700,000	700,000	750,316	50,316
Investment earnings	11,520	11,520	568	(10,952)
Other revenue	-	-	-	-
Total revenues	<u>711,520</u>	<u>711,520</u>	<u>750,884</u>	<u>39,364</u>
EXPENDITURES				
Current:				
Personnel costs	-	-	-	-
Operating costs	457,765	427,765	391,560	36,205
Capital outlay	439,000	469,000	414,146	54,854
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>896,765</u>	<u>896,765</u>	<u>805,706</u>	<u>91,059</u>
Excess (deficiency) of revenues over (under) expenditures	(185,245)	(185,245)	(54,822)	(130,423)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(185,245)	(185,245)	(54,822)	(130,423)
Budgeted cash carryover	<u>185,245</u>	<u>185,245</u>		
Total	<u>\$ -</u>	<u>-</u>		
RECONCILIATION FROM BUDGET/ACTUAL TO GAAP				
Change in net assets (Budget Basis)			\$ (54,822)	
To adjust applicable revenue accruals and deferrals			(6,301)	
To adjust applicable expenditure accruals			<u>(1,757)</u>	
Change in net assets (GAAP basis)			<u>\$ (62,880)</u>	

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COUNTY CLERK EQUIP/RCRD - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	170,000	170,000	252,652	82,652
Investment earnings	1,210	1,210	648	(562)
Other revenue	-	-	42	42
Total revenues	171,210	171,210	253,342	82,132
EXPENDITURES				
Current:				
Personnel costs	-	-	-	-
Operating costs	120,050	126,547	85,707	40,840
Capital outlay	70,000	63,503	61,358	2,145
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	190,050	190,050	147,065	42,985
Excess (deficiency) of revenues over (under) expenditures	(18,840)	(18,840)	106,277	(125,117)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(18,840)	(18,840)	106,277	(125,117)
Budgeted cash carryover	18,840	18,840		
Total	\$ -	-		
RECONCILIATION FROM BUDGET/ACTUAL TO GAAP				
Change in net assets (Budget Basis)			\$ 106,277	
To adjust applicable revenue accruals and deferrals			6	
To adjust applicable expenditure accruals			-	
Change in net assets (GAAP basis)			\$ 106,283	

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COUNTY FLOOD COMMISSION FUND - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ 1,856,607	1,856,607	1,952,835	96,228
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	67,500	41,730	(25,770)
Charges for services	-	-	-	-
Investment earnings	83,830	83,830	53,582	(30,248)
Other revenue	30,150	30,150	40,845	10,695
Total revenues	<u>1,970,587</u>	<u>2,038,087</u>	<u>2,088,992</u>	<u>50,905</u>
EXPENDITURES				
Current:				
Personnel costs	650,550	650,550	562,195	88,355
Operating costs	906,766	996,766	375,702	621,064
Capital outlay	1,121,500	1,121,500	4,537	1,116,963
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>2,678,816</u>	<u>2,768,816</u>	<u>942,434</u>	<u>1,826,382</u>
Excess (deficiency) of revenues over (under) expenditures	(708,229)	(730,729)	1,146,558	(1,877,287)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(708,229)	(730,729)	1,146,558	(1,877,287)
Budgeted cash carryover	<u>708,229</u>	<u>730,729</u>		
Total	<u>\$ -</u>	<u>-</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ 1,146,558
To adjust applicable revenue accruals and deferrals	(13,788)
To adjust applicable expenditure accruals	<u>(21,032)</u>
Change in net assets (GAAP basis)	<u>\$ 1,111,738</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
COUNTY TREASURER'S FEES - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	2,000	2,000	2,981	981
Investment earnings	180	180	89	(91)
Other revenue	-	-	-	-
Total revenues	2,180	2,180	3,070	890
EXPENDITURES				
Current:				
Personnel costs	-	-	-	-
Operating costs	12,600	12,600	4,987	7,613
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	12,600	12,600	4,987	7,613
Excess (deficiency) of revenues over (under) expenditures	(10,420)	(10,420)	(1,917)	(8,503)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(10,420)	(10,420)	(1,917)	(8,503)
Budgeted cash carryover	10,420	10,420		
Total	\$ -	-		
RECONCILIATION FROM BUDGET/ACTUAL TO GAAP				
Change in net assets (Budget Basis)			\$ (1,917)	
To adjust applicable revenue accruals and deferrals			(7)	
To adjust applicable expenditure accruals			-	
Change in net assets (GAAP basis)			\$ (1,924)	

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CRISIS TRIAGE CENTER - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	-	-	7,603	7,603
Other revenue	-	-	-	-
Total revenues	-	-	7,603	7,603
EXPENDITURES				
Current:				
Personnel costs	-	3,000	1,205	1,795
Operating costs	-	-	-	-
Capital outlay	-	2,097,000	42,332	2,054,668
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	-	2,100,000	43,537	2,056,463
Excess (deficiency) of revenues over (under) expenditures	-	(2,100,000)	(35,934)	(2,064,066)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	2,100,000	2,100,000	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	2,100,000	2,100,000	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	-	2,064,066	(2,064,066)
Budgeted cash carryover	-	-		
Total	\$ -	-		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$	2,064,066
To adjust applicable revenue accruals and deferrals		670
To adjust applicable expenditure accruals		(53,113)
Change in net assets (GAAP basis)	\$	2,011,623

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DWI GRANT - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	980,305	1,078,060	968,057	(110,003)
Charges for services	360,000	360,000	275,970	(84,030)
Investment earnings	-	-	-	-
Other revenue	500	500	581	81
Total revenues	<u>1,340,805</u>	<u>1,438,560</u>	<u>1,244,608</u>	<u>(193,952)</u>
EXPENDITURES				
Current:				
Personnel costs	885,716	913,642	700,245	213,397
Operating costs	990,450	1,060,279	750,707	309,572
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>1,876,166</u>	<u>1,973,921</u>	<u>1,450,952</u>	<u>522,969</u>
Excess (deficiency) of revenues over (under) expenditures	(535,361)	(535,361)	(206,344)	(329,017)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(535,361)	(535,361)	(206,344)	(329,017)
Budgeted cash carryover	<u>535,361</u>	<u>535,361</u>		
Total	\$ <u>-</u>	<u>-</u>		
RECONCILIATION FROM BUDGET/ACTUAL TO GAAP				
Change in net assets (Budget Basis)			\$ (206,344)	
To adjust applicable revenue accruals and deferrals			51,249	
To adjust applicable expenditure accruals			<u>42,694</u>	
Change in net assets (GAAP basis)			<u>\$ (112,401)</u>	

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
EMERGENCY MEDICAL SERVICES - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Original Approved Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	145,088	148,395	147,599	(796)
Charges for services	-	-	-	-
Investment earnings	1,300	1,300	123	(1,177)
Other revenue	-	-	1,059	1,059
Total revenues	<u>146,388</u>	<u>149,695</u>	<u>148,781</u>	<u>(914)</u>
EXPENDITURES				
Current:				
Personnel costs	-	-	-	-
Operating costs	188,873	192,180	140,163	52,017
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>188,873</u>	<u>192,180</u>	<u>140,163</u>	<u>52,017</u>
Excess (deficiency) of revenues over (under) expenditures	(42,485)	(42,485)	8,618	(51,103)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(42,485)	(42,485)	8,618	(51,103)
Budgeted cash carryover	<u>42,485</u>	<u>42,485</u>		
Total	<u>\$ -</u>	<u>-</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ 8,618
To adjust applicable revenue accruals and deferrals	(16)
To adjust applicable expenditure accruals	<u>(10,962)</u>
Change in net assets (GAAP basis)	<u>\$ (2,360)</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FARM AND RANGE - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	11,500	11,500	12,158	658
Investment earnings	410	410	223	(187)
Other revenue	-	-	-	-
Total revenues	<u>11,910</u>	<u>11,910</u>	<u>12,381</u>	<u>471</u>
EXPENDITURES				
Current:				
Personnel costs	-	-	-	-
Operating costs	21,000	21,000	15,500	5,500
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>21,000</u>	<u>21,000</u>	<u>15,500</u>	<u>5,500</u>
Excess (deficiency) of revenues over (under) expenditures	(9,090)	(9,090)	(3,119)	(5,971)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(9,090)	(9,090)	(3,119)	(5,971)
Budgeted cash carryover	<u>9,090</u>	<u>9,090</u>		
Total	<u>\$ -</u>	<u>-</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ (3,119)
To adjust applicable revenue accruals and deferrals	(16)
To adjust applicable expenditure accruals	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ (3,135)</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FEDERAL REIMBURSEMENTS/DETENTION CENTER - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	2,000,000	-	(2,000,000)
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	-	2,000,000	-	(2,000,000)
EXPENDITURES				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	2,000,000	2,217	1,997,783
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	-	2,000,000	2,217	1,997,783
Excess (deficiency) of revenues over (under) expenditures	-	-	(2,217)	2,217
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt				
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	-	(2,217)	2,217
Budgeted cash carryover	-	-		
Total	\$ -	-		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ (2,217)
To adjust applicable revenue accruals and deferrals	2,217
To adjust applicable expenditure accruals	-
Change in net assets (GAAP basis)	\$ -

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FIRE DISTRICTS - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ 1,878,582	1,878,582	1,865,840	(12,742)
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	1,394,244	1,413,998	1,413,998	-
Charges for services	-	-	-	-
Investment earnings	132,980	132,980	61,102	(71,878)
Other revenue	4,200	4,200	9,319	5,119
Total revenues	<u>3,410,006</u>	<u>3,429,760</u>	<u>3,350,259</u>	<u>(79,501)</u>
EXPENDITURES				
Current:				
Personnel costs	-	-	-	-
Operating costs	3,704,863	3,276,819	1,062,763	2,214,056
Capital outlay	3,558,000	4,225,798	1,873,644	2,352,154
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>7,262,863</u>	<u>7,502,617</u>	<u>2,936,407</u>	<u>4,566,210</u>
Excess (deficiency) of revenues over (under) expenditures	(3,852,857)	(4,072,857)	413,852	(4,486,709)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	1,790,000	1,790,000	1,790,000	-
Transfers out	(1,790,000)	(1,790,000)	(1,790,000)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(3,852,857)	(4,072,857)	413,852	(4,486,709)
Budgeted cash carryover	<u>3,852,857</u>	<u>4,072,857</u>		
Total	\$ <u>-</u>	<u>-</u>		
RECONCILIATION FROM BUDGET/ACTUAL TO GAAP				
Change in net assets (Budget Basis)			\$ 413,852	
To adjust applicable revenue accruals and deferrals			(70,006)	
To adjust applicable expenditure accruals			<u>13,590</u>	
Change in net assets (GAAP basis)			<u>\$ 357,436</u>	

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAW ENFORCEMENT PROTECTION - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	1,840	1,840	479	(1,361)
Other revenue	109,200	109,200	109,200	-
Total revenues	<u>111,040</u>	<u>111,040</u>	<u>109,679</u>	<u>(1,361)</u>
EXPENDITURES				
Current:				
Personnel costs	-	-	-	-
Operating costs	74,106	117,179	115,840	1,339
Capital outlay	24,750	21,333	21,333	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>98,856</u>	<u>138,512</u>	<u>137,173</u>	<u>1,339</u>
Excess (deficiency) of revenues over (under) expenditures	12,184	(27,472)	(27,494)	22
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	12,184	(27,472)	(27,494)	22
Budgeted cash carryover	<u>-</u>	<u>27,472</u>		
Total	<u>\$ 12,184</u>	<u>-</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ (27,494)
To adjust applicable revenue accruals and deferrals	18,420
To adjust applicable expenditure accruals	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ (9,074)</u>

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

STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
REAPPRAISAL ADMINISTRATIVE FEES - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ 930,050	930,050	980,784	50,734
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	28,810	28,810	17,074	(11,736)
Other revenue	1,500	1,500	5,271	3,771
Total revenues	<u>960,360</u>	<u>960,360</u>	<u>1,003,129</u>	<u>42,769</u>
EXPENDITURES				
Current:				
Personnel costs	554,032	646,032	502,649	143,383
Operating costs	662,600	650,600	412,418	238,182
Capital outlay	480,000	400,000	227,356	172,644
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>1,696,632</u>	<u>1,696,632</u>	<u>1,142,423</u>	<u>554,209</u>
Excess (deficiency) of revenues over (under) expenditures	(736,272)	(736,272)	(139,294)	(596,978)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt				
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(736,272)	(736,272)	(139,294)	(596,978)
Budgeted cash carryover	<u>736,272</u>	<u>736,272</u>		
Total	<u>\$ -</u>	<u>-</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ (139,294)
To adjust applicable revenue accruals and deferrals	(1,180)
To adjust applicable expenditure accruals	<u>(25,376)</u>
Change in net assets (GAAP basis)	<u>\$ (165,850)</u>

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

STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SHERIFF'S GRANTS STATE - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	3,128,283	3,210,481	1,226,021	(1,984,460)
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	202,887	202,887	195,139	(7,748)
Total revenues	<u>3,331,170</u>	<u>3,413,368</u>	<u>1,421,160</u>	<u>(1,992,208)</u>
EXPENDITURES				
Current:				
Personnel costs	827,046	846,697	540,087	306,610
Operating costs	1,174,538	1,267,628	404,567	863,061
Capital outlay	924,000	976,624	436,594	540,030
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>2,925,584</u>	<u>3,090,949</u>	<u>1,381,248</u>	<u>1,709,701</u>
Excess (deficiency) of revenues over (under) expenditures	405,586	322,419	39,912	282,507
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt				
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	405,586	322,419	39,912	282,507
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	\$ <u>405,586</u>	<u>322,419</u>		
RECONCILIATION FROM BUDGET/ACTUAL TO GAAP				
Change in net assets (Budget Basis)			\$ 39,912	
To adjust applicable revenue accruals and deferrals			(29,918)	
To adjust applicable expenditure accruals			<u>828</u>	
Change in net assets (GAAP basis)			<u>\$ 10,822</u>	

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SHERIFF'S GREAT GRANT - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	21,423	21,423	19,695	(1,728)
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	<u>21,423</u>	<u>21,423</u>	<u>19,695</u>	<u>(1,728)</u>
EXPENDITURES				
Current:				
Personnel costs	6,155	6,155	1,343	4,812
Operating costs	22,641	22,641	23,857	(1,216)
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>28,796</u>	<u>28,796</u>	<u>25,200</u>	<u>3,596</u>
Excess (deficiency) of revenues over (under) expenditures	(7,373)	(7,373)	(5,505)	(1,868)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt				
Sale of real and personal property	-	-	-	-
Transfers in	6,844	14,318	14,318	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>6,844</u>	<u>14,318</u>	<u>14,318</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(529)	6,945	8,813	(1,868)
Budgeted cash carryover	<u>529</u>	<u>-</u>		
Total	\$ <u>-</u>	<u>6,945</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ 8,813
To adjust applicable revenue accruals and deferrals	(1,909)
To adjust applicable expenditure accruals	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ 6,904</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SPACEPORT GRT - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ 2,079,289	2,079,289	1,950,637	(128,652)
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	<u>2,079,289</u>	<u>2,079,289</u>	<u>1,950,637</u>	<u>(128,652)</u>
EXPENDITURES				
Current:				
Personnel costs	-	-	-	-
Operating costs	2,079,289	2,079,289	1,950,637	128,652
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>2,079,289</u>	<u>2,079,289</u>	<u>1,950,637</u>	<u>128,652</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	-	-	-
Budgeted cash carryover	-	-		
Total	<u>\$ -</u>	<u>-</u>		
RECONCILIATION FROM BUDGET/ACTUAL TO GAAP				
Change in net assets (Budget Basis)			\$ -	
To adjust applicable revenue accruals and deferrals			6,604	
To adjust applicable expenditure accruals			<u>-</u>	
Change in net assets (GAAP basis)			<u>\$ 6,604</u>	

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
STATE APPROPRIATIONS - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	3,957,277	3,957,277	2,395,701	(1,561,576)
Charges for services	-	-	-	-
Investment earnings	-	-	870	870
Other revenue	-	-	-	-
Total revenues	<u>3,957,277</u>	<u>3,957,277</u>	<u>2,396,571</u>	<u>(1,560,706)</u>
EXPENDITURES				
Current:				
Personnel costs	-	-	-	-
Operating costs	2,768,218	2,658,282	883,218	1,775,064
Capital outlay	1,128,382	1,238,318	802,053	436,265
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>3,896,600</u>	<u>3,896,600</u>	<u>1,685,271</u>	<u>2,211,329</u>
Excess (deficiency) of revenues over (under) expenditures	60,677	60,677	711,300	(650,623)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt				
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	60,677	60,677	<u>711,300</u>	<u>(650,623)</u>
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	<u>\$ 60,677</u>	<u>60,677</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ 711,300
To adjust applicable revenue accruals and deferrals	(731,956)
To adjust applicable expenditure accruals	<u>39,627</u>
Change in net assets (GAAP basis)	<u>\$ 18,971</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CHAPARRAL WASTEWATER SYSTEM - SAP - CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Original Approved Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	6,116,564	6,710,564	2,246,748	(4,463,816)
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	1,024,160	1,024,160	1,024,160	-
Total revenues	<u>7,140,724</u>	<u>7,734,724</u>	<u>3,270,908</u>	<u>(4,463,816)</u>
EXPENDITURES				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	-	-	-
Capital outlay	7,140,724	7,734,724	3,629,471	4,105,253
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>7,140,724</u>	<u>7,734,724</u>	<u>3,629,471</u>	<u>4,105,253</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	(358,563)	358,563
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	-	(358,563)	358,563
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	<u>\$ -</u>	<u>-</u>		
RECONCILIATION FROM BUDGET/ACTUAL TO GAAP				
Change in net assets (Budget Basis)			\$ (358,563)	
To adjust applicable revenue accruals and deferrals			954,151	
To adjust applicable expenditure accruals			<u>(984,280)</u>	
Change in net assets (GAAP basis)			<u>\$ (388,692)</u>	

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
AIRPORT FAA PROJECTS - CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	2,521,047	2,521,047	254,845	(2,266,202)
Charges for services	-	-	-	-
Investment earnings	3,630	3,630	385	(3,245)
Other revenue	-	-	-	-
Total revenues	<u>2,524,677</u>	<u>2,524,677</u>	<u>255,230</u>	<u>(2,269,447)</u>
EXPENDITURES				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	-	-	-
Capital outlay	2,593,319	2,593,319	231,120	2,362,199
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>2,593,319</u>	<u>2,593,319</u>	<u>231,120</u>	<u>2,362,199</u>
Excess (deficiency) of revenues over (under) expenditures	(68,642)	(68,642)	24,110	(92,752)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	68,642	68,642	68,642	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>68,642</u>	<u>68,642</u>	<u>68,642</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	-	92,752	(92,752)
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	<u>\$ -</u>	<u>-</u>		
RECONCILIATION FROM BUDGET/ACTUAL TO GAAP				
Change in net assets (Budget Basis)			\$ 92,752	
To adjust applicable revenue accruals and deferrals			(31,469)	
To adjust applicable expenditure accruals			<u>165,314</u>	
Change in net assets (GAAP basis)			<u>\$ 226,597</u>	

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CHAPARRAL WASTEWATER - USDA - CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	1,756,555	-	(1,756,555)
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	-	1,756,555	-	(1,756,555)
EXPENDITURES				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	21,400	-	21,400
Capital outlay	-	1,735,155	109,144	1,626,011
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	-	1,756,555	109,144	1,647,411
Excess (deficiency) of revenues over (under) expenditures	-	-	(109,144)	109,144
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	109,144	109,144	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	109,144	109,144	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	109,144	-	109,144
Budgeted cash carryover	-	-		
Total	\$ -	109,144		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ -
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditure accruals	-
Change in net assets (GAAP basis)	\$ -

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
UTILITY PROJECTS - CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	(2)	(2)
Total revenues	-	-	(2)	(2)
EXPENDITURES				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	(2)	2
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	-	(2)	2
Budgeted cash carryover	-	-		
Total	\$ -	-		
RECONCILIATION FROM BUDGET/ACTUAL TO GAAP				
Change in net assets (Budget Basis)			\$ (2)	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			-	
Change in net assets (GAAP basis)			\$ (2)	

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
WASTEWATER PROJECTS / GRANTS - CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	<u>Original Approved Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
REVENUES				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	1,250,000	-	(1,250,000)
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	2	2
Total revenues	<u>-</u>	<u>1,250,000</u>	<u>2</u>	<u>(1,249,998)</u>
EXPENDITURES				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	-	-	-
Capital outlay	-	1,250,000	-	1,250,000
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>-</u>	<u>1,250,000</u>	<u>-</u>	<u>1,250,000</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	2	(2)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt				
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	-	2	(2)
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	<u>\$ -</u>	<u>-</u>		
RECONCILIATION FROM BUDGET/ACTUAL TO GAAP				
Change in net assets (Budget Basis)			\$ 2	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			<u>-</u>	
Change in net assets (GAAP basis)			<u>\$ 2</u>	

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
REVENUES				
Taxes	\$ 580,000	580,000	558,809	(21,191)
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	120,990	120,990	139,505	18,515
Other revenue	-	-	-	-
Total revenues	<u>700,990</u>	<u>700,990</u>	<u>698,314</u>	<u>(2,676)</u>
EXPENDITURES				
Current:				
Personnel costs	-	-	-	-
Operating costs	30,537	30,912	8,271	22,641
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	3,280,000	3,280,000	3,280,000	-
Interest payments	1,986,695	1,986,695	1,986,695	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>5,297,232</u>	<u>5,297,607</u>	<u>5,274,966</u>	<u>22,641</u>
Excess (deficiency) of revenues over (under) expenditures	(4,596,242)	(4,596,617)	(4,576,652)	(19,965)
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of long-term capital-related debt				
Sale of real and personal property	-	-	-	-
Transfers in	4,764,858	4,748,048	4,748,048	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>4,764,858</u>	<u>4,748,048</u>	<u>4,748,048</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	168,616	151,431	171,396	(19,965)
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	<u>\$ 168,616</u>	<u>151,431</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ 171,396
To adjust applicable revenue accruals and deferrals	(2,227)
To adjust applicable expenditure accruals	<u>30,553</u>
Change in net assets (GAAP basis)	<u>\$ 199,722</u>

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

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NON-MAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED JUNE 30, 2012**

NON-MAJOR ENTERPRISE FUNDS

Doña Ana Public Housing Authority – To account for activities related to the County’s Public Housing Authority.

Chaparral Wastewater System - To account for the service activities of the wastewater system.

Doña Ana Wastewater System - To account for the service activities of the wastewater system.

La Union Wastewater- To account for the service activities of the wastewater system.

Las Palmeras/Montana Vista Wastewater - To account for the service activities of the wastewater system.

Rincon Wastewater - To account for the service activities of the water system.

Salem/Ogas Wastewater - To account for the service activities of the wastewater system.

San Miguel Water System – To account for the service activities of the wastewater system.

**DONA ANA COUNTY
NONMAJOR ENTERPRISE FUNDS
COMBINING BALANCE SHEETS
AS OF JUNE 30, 2012**

	Dona Ana Public Housing Authority	Chaparral Wastewater System	Dona Ana Wastewater System	La Union Wastewater System	Las Palmeras/ Montana Vista Wastewater
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 712,651	35,761	71,165	62,185	-
Investments	45,550	-	-	-	-
Receivable, net	7,402	10,368	7,897	-	-
Interest receivables	-	-	9	15	-
Other receivables	74,876	-	-	-	-
Deposits	17,450	-	-	-	-
Inventory	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total current assets	<u>857,929</u>	<u>46,129</u>	<u>79,071</u>	<u>62,200</u>	<u>-</u>
Non-current assets:					
Restricted cash and cash equivalents	1,472,762	-	-	-	-
Restricted cash held in investments	-	-	-	-	-
Capital assets, net	<u>40,755</u>	<u>6,270,962</u>	<u>2,741,252</u>	<u>4,765,725</u>	<u>489,800</u>
Total non-current assets	<u>1,513,517</u>	<u>6,270,962</u>	<u>2,741,252</u>	<u>4,765,725</u>	<u>489,800</u>
Total assets	<u>\$ 2,371,446</u>	<u>6,317,091</u>	<u>2,820,323</u>	<u>4,827,925</u>	<u>489,800</u>
LIABILITIES					
Current liabilities:					
Accounts payable	\$ (14)	2,447	5,880	185	-
Due to other funds	-	-	-	-	-
Bonds and notes payable	-	-	-	-	-
Accrued interest payable	-	-	-	3,298	-
Accrued payroll liabilities	-	83	-	16	-
Compensated absences	-	7,918	-	3,902	-
Other liabilities	-	3,606	324	1,344	1,600
Deposits	690	-	-	-	-
Deferred revenues	-	-	-	-	-
Total current liabilities	<u>676</u>	<u>14,054</u>	<u>6,204</u>	<u>8,745</u>	<u>1,600</u>
Non-current liabilities:					
Bonds and notes payable	-	-	-	527,003	-
Compensated absences	-	4,751	-	2,342	-
Total non-current liabilities	<u>-</u>	<u>4,751</u>	<u>-</u>	<u>529,345</u>	<u>-</u>
Total liabilities	676	18,805	6,204	538,090	1,600
NET ASSETS					
Invested in capital assets, net of related debt	40,755	6,270,962	2,741,252	4,238,722	489,800
Restricted for:					
Customer Deposits	17,450	-	-	-	-
Other purposes	1,472,762	-	-	-	-
Unrestricted	<u>839,803</u>	<u>27,324</u>	<u>72,867</u>	<u>51,113</u>	<u>(1,600)</u>
Total net assets	<u>2,370,770</u>	<u>6,298,286</u>	<u>2,814,119</u>	<u>4,289,835</u>	<u>488,200</u>
Total liabilities and net assets	<u>\$ 2,371,446</u>	<u>6,317,091</u>	<u>2,820,323</u>	<u>4,827,925</u>	<u>489,800</u>

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

**DONA ANA COUNTY
NONMAJOR ENTERPRISE FUNDS
COMBINING BALANCE SHEETS
AS OF JUNE 30, 2012**

	Rincon Wastewater System	Salem/Ogas Wastewater System	San Miguel Water System	Total Nonmajor Enterprise Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 4,113	64,370	8,303	958,548
Investments	-	-	-	45,550
Receivable, net	3,304	6,996	11,046	47,013
Interest receivables	1	21	-	46
Other receivables	-	-	-	74,876
Deposits	-	-	-	17,450
Inventory	-	-	-	-
Due from other funds	-	-	-	-
Total current assets	<u>7,418</u>	<u>71,387</u>	<u>19,349</u>	<u>1,143,483</u>
Non-current assets:				
Restricted cash and cash equivalents	-	-	-	1,472,762
Capital assets, net	<u>1,316,266</u>	<u>2,795,763</u>	<u>-</u>	<u>18,420,523</u>
Total non-current assets	<u>1,316,266</u>	<u>2,795,763</u>	<u>-</u>	<u>19,893,285</u>
Total assets	<u>\$ 1,323,684</u>	<u>2,867,150</u>	<u>19,349</u>	<u>21,036,768</u>
LIABILITIES				
Current liabilities:				
Accounts payable	\$ 151	145	17,769	26,563
Due to other funds	-	-	-	-
Bonds and notes payable	-	-	-	-
Accrued interest payable	-	2,766	-	6,064
Accrued payroll liabilities	89	70	-	258
Compensated absences	4,749	2,713	-	19,282
Other liabilities	298	2,834	1,580	11,586
Deposits	-	-	-	690
Deferred revenues	-	-	-	-
Total current liabilities	<u>5,287</u>	<u>8,528</u>	<u>19,349</u>	<u>64,443</u>
Non-current liabilities:				
Bonds and notes payable	-	441,956	-	968,959
Compensated absences	<u>2,850</u>	<u>1,629</u>	<u>-</u>	<u>11,572</u>
Total non-current liabilities	<u>2,850</u>	<u>443,585</u>	<u>-</u>	<u>980,531</u>
Total liabilities	8,137	452,113	19,349	1,044,974
NET ASSETS				
Invested in capital assets, net of related debt	1,316,266	2,353,807	-	17,451,564
Restricted for:				
Customer Deposits	-	-	-	17,450
Other purposes	-	-	-	1,472,762
Unrestricted	<u>(719)</u>	<u>61,230</u>	<u>-</u>	<u>1,050,018</u>
Total net assets	<u>1,315,547</u>	<u>2,415,037</u>	<u>-</u>	<u>19,991,794</u>
Total liabilities and net assets	<u>\$ 1,323,684</u>	<u>2,867,150</u>	<u>19,349</u>	<u>21,036,768</u>

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

DONA ANA COUNTY
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED JUNE 30, 2012

	Dona Ana Public Housing Authority	Chaparral Wastewater System	Dona Ana Wastewater System	La Union Wastewater System	Las Palmeras/ Montana Vista Wastewater
OPERATING REVENUES					
Charges for services	\$ -	27,299	-	4,210	-
Charges for water services	-	-	-	-	-
Charges for sewerage service	-	74,877	117,138	66,221	-
Rents and royalties	12,542	-	-	-	-
Other revenue	2,741	9,996	-	4,513	-
Total operating revenues	<u>15,283</u>	<u>112,172</u>	<u>117,138</u>	<u>74,944</u>	<u>-</u>
OPERATING EXPENSES					
Personnel services -salaries and wages	68,018	39,966	-	27,204	-
Personnel services -employee benefits	27,735	24,054	-	20,752	-
Purchased professional and technical services	3,476	-	102,736	-	-
Utilities	3,119	27,582	4,435	3,916	-
Other operating expenses	1,828,032	20,787	11,030	28,711	-
Depreciation	29,992	5,602	71,992	180,164	13,368
Total operating expenses	<u>1,960,372</u>	<u>117,991</u>	<u>190,193</u>	<u>260,747</u>	<u>13,368</u>
Operating income (loss)	(1,945,089)	(5,819)	(73,055)	(185,803)	(13,368)
NON-OPERATING REVENUES (EXPENSES)					
Gain (loss) on sale of property	(458,549)	-	-	-	-
Grants-federal (not capital grants)	1,239,603	-	-	-	-
Grants -capital	-	-	-	-	-
Investment earnings	3,983	-	123	7	-
Interest expense -non-operating	(876)	-	-	(295)	-
Total non-operating revenues (expenses)	<u>784,161</u>	<u>-</u>	<u>123</u>	<u>(288)</u>	<u>-</u>
Income (loss) before transfers	(1,160,928)	(5,819)	(72,932)	(186,091)	(13,368)
Transfers in	409,349	-	69,904	75,000	-
Capital transfer in	-	-	-	-	-
Capital transfer out	-	-	-	-	-
Transfers out	(409,349)	-	-	(11,412)	-
Total transfers in (out)	<u>-</u>	<u>-</u>	<u>69,904</u>	<u>63,588</u>	<u>-</u>
Change in net assets	(1,160,928)	(5,819)	(3,028)	(122,503)	(13,368)
Beginning net assets	3,531,698	120,260	2,817,147	4,412,338	501,568
Restatement	-	6,183,845	-	-	-
Beginning net assets-as restated	<u>3,531,698</u>	<u>6,304,105</u>	<u>2,817,147</u>	<u>4,412,338</u>	<u>501,568</u>
Net assets-end of the year	<u>\$ 2,370,770</u>	<u>6,298,286</u>	<u>2,814,119</u>	<u>4,289,835</u>	<u>488,200</u>

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

DONA ANA COUNTY
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS
FOR THE YEAR ENDED JUNE 30, 2012

	Rincon Wastewater System	Salem/Ogas Wastewater System	San Miguel Water System	Total Nonmajor Enterprise Funds
OPERATING REVEUNES				
Charges for services	\$ -	-	-	31,509
Charges for water services	-	-	-	-
Charges for sewerage service	23,301	62,484	-	344,021
Rents and royalties	-	-	-	12,542
Other revenue	2,567	5,167	-	24,984
Total operating revenues	<u>25,868</u>	<u>67,651</u>	<u>-</u>	<u>413,056</u>
OPERATING EXPENSES				
Personnel services -salaries and wages	19,846	12,686	-	167,720
Personnel services -employee benefits	8,043	5,535	-	86,119
Purchased professional and technical services	-	-	-	106,212
Utilities	7,560	26,284	-	72,896
Other operating expenses	8,591	20,582	-	1,917,733
Depreciation	32,143	78,840	-	412,101
Total operating expenses	<u>76,183</u>	<u>143,927</u>	<u>-</u>	<u>2,762,781</u>
Operating income (loss)	(50,315)	(76,276)	-	(2,349,725)
NON-OPERATING REVENUES (EXPENSES)				
Gain (loss) on sale of property	-	-	-	(458,549)
Grants-federal (not capital grants)	-	-	-	1,239,603
Grants -capital	-	-	-	-
Investment earnings	(69)	358	-	4,402
Interest expense -non-operating	-	(248)	-	(1,419)
Total non-operating revenues (expenses)	<u>(69)</u>	<u>110</u>	<u>-</u>	<u>784,037</u>
Income (loss) before transfers	(50,384)	(76,166)	-	(1,565,688)
Transfers in	15,000	-	-	569,253
Capital transfer in	-	-	-	-
Capital transfer out	-	-	-	-
Transfers out	(5,000)	(5,649)	-	(431,410)
Total transfers in (out)	<u>10,000</u>	<u>(5,649)</u>	<u>-</u>	<u>137,843</u>
Change in net assets	(40,384)	(81,815)	-	(1,427,845)
Beginning net assets	1,355,931	2,496,852	-	15,235,794
Restatement	-	-	-	6,183,845
Beginning net assets-as restated	<u>1,355,931</u>	<u>2,496,852</u>	<u>-</u>	<u>21,419,639</u>
Net assets-end of the year	<u>\$ 1,315,547</u>	<u>2,415,037</u>	<u>-</u>	<u>19,991,794</u>

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

DONA ANA COUNTY
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012

	Dona Ana Public Housing Authority	Chaparral Wastewater System	Dona Ana Wastewater System	La Union Wastewater System	Las Palmeras/ Montana Vista Wastewater
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers	\$ 9,816	96,030	115,734	75,258	-
Payments to employees	(95,753)	(65,536)	-	(50,720)	-
Payments to suppliers	(1,865,424)	(40,180)	(112,511)	(40,089)	-
Other receipts/(payments)	2,192	9,996	-	4,513	-
<i>Net cash provided (used) by operating activities</i>	<u>(1,949,169)</u>	<u>310</u>	<u>3,223</u>	<u>(11,038)</u>	<u>-</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:					
Intergovernmental HUD subsidy	1,239,603	-	-	-	-
Transfers from other funds	409,349	-	69,904	75,000	-
Operating subsidies and transfers to other funds	(409,349)	-	-	(11,412)	-
<i>Net cash provided by (used for) noncapital financing activities</i>	<u>1,239,603</u>	<u>-</u>	<u>69,904</u>	<u>63,588</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Capital contributions	-	-	-	-	-
Purchase of capital assets	-	(14,496)	(14,844)	-	-
Proceeds from sale of capital assets	437,160	-	-	-	-
Proceeds from issuance of debt	-	-	-	-	-
Principal payments	(369,793)	-	-	-	-
Interest payments	(876)	-	-	(295)	-
Due to HACLC	-	-	-	-	-
Grant revenues	-	-	-	-	-
Utility deposit	-	-	-	-	-
<i>Net cash provided by (used for) capital and related financing activities</i>	<u>66,491</u>	<u>(14,496)</u>	<u>(14,844)</u>	<u>(295)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Proceeds from sales and maturities of investments	6,421	-	-	-	-
Issuance of mortgages/notes receivable	-	-	-	-	-
Repayment of mortgages received	221,041	-	-	-	-
Purchase of investments	-	-	-	-	-
Interest and dividends	3,983	-	123	6	-
<i>Net cash provided by (used for) investing activities</i>	<u>231,445</u>	<u>-</u>	<u>123</u>	<u>6</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	(411,630)	(14,186)	58,406	52,261	-
Balances - beginning of year	<u>2,597,043</u>	<u>49,947</u>	<u>12,759</u>	<u>9,924</u>	<u>-</u>
Balances - end of year	<u>\$ 2,185,413</u>	<u>35,761</u>	<u>71,165</u>	<u>62,185</u>	<u>-</u>

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

DONA ANA COUNTY
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Dona Ana Public Housing Authority</u>	<u>Chaparral Wastewater System</u>	<u>Dona Ana Wastewater System</u>	<u>La Union Wastewater System</u>	<u>Las Palmeras/ Montana Vista Wastewater</u>
Reconciliation of operating income/(loss) to net cash provided/(used) by operating activities:					
Operating income/(loss)	\$ (1,945,089)	(5,819)	(73,055)	(185,803)	(13,368)
Adjustments:					
Depreciation expense	29,992	5,602	71,992	180,164	13,368
Bad debt expense	(314)	4,674	-	(7,974)	-
Change in assets and liabilities:					
Receivables	(2,726)	(6,146)	(1,404)	4,827	-
Due from other funds	-	-	-	-	-
Inventories and prepaid expenses	-	-	-	-	-
Deposits held for others	-	-	-	-	-
Accounts Payable	(30,483)	2,447	5,880	185	-
Accrued expenses and other liabilities	-	1,068	(190)	327	-
Compensated absences	-	(1,516)	-	(2,764)	-
Deposits	(549)	-	-	-	-
Deferred revenue	-	-	-	-	-
Due to other funds	-	-	-	-	-
Net cash provided by (used for) operating activities	<u>\$ (1,949,169)</u>	<u>310</u>	<u>3,223</u>	<u>(11,038)</u>	<u>-</u>

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

**DONA ANA COUNTY
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012**

	Rincon Wastewater System	Salem/Ogas Wastewater System	San Miguel Water System	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers	\$ 22,936	54,060	(485)	373,349
Payments to employees	(27,037)	(17,902)	-	(256,948)
Payments to suppliers	(16,084)	(37,017)	6,214	(2,105,091)
Other receipts/(payments)	2,567	5,167	-	24,435
<i>Net cash provided (used) by operating activities</i>	<u>(17,618)</u>	<u>4,308</u>	<u>5,729</u>	<u>(1,964,255)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Intergovernmental HUD subsidy	-	-	-	1,239,603
Transfers from other funds	15,000	-	-	569,253
Operating subsidies and transfers to other funds	<u>(5,000)</u>	<u>(5,649)</u>	<u>-</u>	<u>(431,410)</u>
<i>Net cash provided by (used for) noncapital financing activities</i>	<u>10,000</u>	<u>(5,649)</u>	<u>-</u>	<u>1,377,446</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Capital contributions	-	-	-	-
Purchase of capital assets	-	-	-	(29,340)
Proceeds from sale of capital assets	-	-	-	437,160
Proceeds from issuance of debt	-	-	-	-
Principal payments	-	-	-	(369,793)
Interest payments	-	(248)	-	(1,419)
Due to HACLC	-	-	-	-
Grant revenues	-	-	-	-
Utility deposit	-	-	-	-
<i>Net cash provided by (used for) capital and related financing activities</i>	<u>-</u>	<u>(248)</u>	<u>-</u>	<u>36,608</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Proceeds from sales and maturities of investments	-	-	-	6,421
Issuance of mortgages to homeowners	-	-	-	-
Repayment of mortgages received	-	-	-	221,041
Purchase of investments	-	-	-	-
Interest and dividends	<u>(70)</u>	<u>359</u>	<u>-</u>	<u>4,401</u>
<i>Net cash provided by (used for) investing activities</i>	<u>(70)</u>	<u>359</u>	<u>-</u>	<u>231,863</u>
Net increase/(decrease) in cash and cash equivalents	(7,688)	(1,230)	5,729	(318,338)
Balances - beginning of year	<u>11,801</u>	<u>65,600</u>	<u>2,574</u>	<u>2,749,648</u>
Balances - end of year	<u>\$ 4,113</u>	<u>64,370</u>	<u>8,303</u>	<u>2,431,310</u>

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

DONA ANA COUNTY
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2012

	<u>Rincon Wastewater System</u>	<u>Salem/Ogas Wastewater System</u>	<u>San Miguel Water System</u>	<u>Total Nonmajor Enterprise Funds</u>
Reconciliation of operating income/(loss) to net cash provided/(used) by operating activities:				
Operating income/(loss)	\$ (50,315)	(76,276)	-	(2,349,725)
Adjustments:				
Depreciation expense	32,143	78,840	-	412,101
Bad debt expense	(71)	8,029	-	4,344
Change in assets and liabilities:				
Receivables	(365)	(8,424)	(485)	(14,723)
Due from other funds	-	-	-	-
Inventories and prepaid expenses	-	-	-	-
Deposits held for others	-	-	-	-
Accounts Payable	132	145	5,314	(16,380)
Accrued expenses and other liabilities	6	1,675	900	3,786
Compensated absences	852	319	-	(3,109)
Deposits	-	-	-	(549)
Deferred revenue	-	-	-	-
Due to other funds	-	-	-	-
Net cash provided by (used for) operating activities	<u>\$ (17,618)</u>	<u>4,308</u>	<u>5,729</u>	<u>(1,964,255)</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BORDER WASTEWATER - ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
OPERATING REVENUES				
Charges for services	\$ 300	300	(116)	(416)
Charges for water services	30,455	30,455	24,512	(5,943)
Charges for sewerage service	45,000	45,000	41,269	(3,731)
Rents and royalties	-	-	-	-
Other revenue	-	-	-	-
Total operating revenues	<u>75,755</u>	<u>75,755</u>	<u>65,665</u>	<u>(10,090)</u>
OPERATING EXPENSES				
Personnel services -salaries and wages	-	-	-	-
Personnel services -employee benefits	-	-	-	-
Purchased professional and technical services	55,810	55,810	-	55,810
Utilities	46,150	46,150	30,199	15,951
Other operating expenses	14,450	14,450	1,517	12,933
Total operating expenses	<u>116,410</u>	<u>116,410</u>	<u>31,716</u>	<u>84,694</u>
Operating income (loss)	(40,655)	(40,655)	33,949	74,604
NON-OPERATING REVENUES (EXPENSES)				
Gain (loss) on sale of property	-	-	-	-
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	8,060	8,060	3,909	(4,151)
Interest expense -non-operating	(233,275)	(403,275)	(66,650)	336,625
Total non-operating revenues (expenses)	<u>(225,215)</u>	<u>(395,215)</u>	<u>(62,741)</u>	<u>332,474</u>
Income (loss) before transfers	(265,870)	(435,870)	(28,792)	407,078
Transfers in	95,000	215,000	48,045	166,955
Transfers out	-	-	-	-
Total transfers	<u>95,000</u>	<u>215,000</u>	<u>48,045</u>	<u>166,955</u>
Change in net assets	(170,870)	(220,870)	19,253	<u>240,123</u>
Budgeted cash carryover	<u>170,870</u>	<u>220,870</u>		
Total	<u>\$ -</u>	<u>-</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ 19,253
To adjust applicable revenue accruals and deferrals	(228,978)
To adjust applicable expenditure accruals	10,956
Depreciaiton and other non-cash items	<u>(95,585)</u>
Change in net assets (GAAP basis)	<u>\$ (294,354)</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
BORDER WATER SYSTEM - ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
OPERATING REVENUES				
Charges for services	\$ 2,000	2,000	1,884	(116)
Charges for water services	120,000	120,000	187,909	67,909
Charges for sewerage service	-	-	-	-
Rents and royalties	-	-	-	-
Other revenue	-	-	-	-
Total operating revenues	<u>122,000</u>	<u>122,000</u>	<u>189,793</u>	<u>67,793</u>
OPERATING EXPENSES				
Personnel services -salaries and wages	28,751	28,751	17,555	11,196
Personnel services -employee benefits	12,718	12,718	7,799	4,919
Purchased professional and technical services	248,410	248,410	109,436	138,974
Utilities	37,000	37,000	27,636	9,364
Other operating expenses	18,250	18,250	5,703	12,547
Total operating expenses	<u>345,129</u>	<u>345,129</u>	<u>168,129</u>	<u>177,000</u>
Operating income (loss)	(223,129)	(223,129)	21,664	244,793
NON-OPERATING REVENUES (EXPENSES)				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	7,210	7,210	2,837	(4,373)
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	<u>7,210</u>	<u>7,210</u>	<u>2,837</u>	<u>(4,373)</u>
Income (loss) before transfers	(215,919)	(215,919)	24,501	240,420
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	(215,919)	(215,919)	24,501	<u>240,420</u>
Budgeted cash carryover	<u>215,919</u>	<u>215,919</u>		
Total	<u>\$ -</u>	<u>-</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ 24,501
To adjust applicable revenue accruals and deferrals	(27,648)
To adjust applicable expenditure accruals	(9,670,060)
Depreciaiton and other non-cash items	<u>(127,933)</u>
Change in net assets (GAAP basis)	<u>\$ (9,801,140)</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
NMED COUNTY UTILITIES - ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
OPERATING REVENUES				
Charges for services	\$ -	-	-	-
Charges for water services	-	-	-	-
Charges for sewerage service	-	-	-	-
Rents and royalties	-	-	-	-
Other revenue	289,884	289,884	289,884	-
Total operating revenues	289,884	289,884	289,884	-
OPERATING EXPENSES				
Personnel services -salaries and wages	-	-	-	-
Personnel services -employee benefits	-	-	-	-
Purchased professional and technical services	-	-	-	-
Utilities	-	-	-	-
Other operating expenses	-	1,500	1,500	-
Total operating expenses	-	1,500	1,500	-
Operating income (loss)	289,884	288,384	288,384	-
NON-OPERATING REVENUES (EXPENSES)				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	6,900	6,900	3,918	(2,982)
Interest expense -non-operating	(289,884)	(289,884)	(289,884)	-
Total non-operating revenues (expenses)	(282,984)	(282,984)	(285,966)	(2,982)
Income (loss) before transfers	6,900	5,400	2,418	(2,982)
Transfers in	8,046	8,046	8,046	-
Transfers out	-	-	-	-
Total transfers	8,046	8,046	8,046	-
Change in net assets	14,946	13,446	10,464	(2,982)
Budgeted cash carryover	-	-		
Total	\$ 14,946	13,446		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ 10,464
To adjust applicable revenue accruals and deferrals	(468)
To adjust applicable expenditure accruals	207,334
Depreciaton and other non-cash items	(145,207)
Change in net assets (GAAP basis)	\$ 72,123

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SOUTH CENTRAL WASTEWATER - ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
OPERATING REVENUES				
Charges for services	\$ 22,800	22,800	75,500	52,700
Charges for water services	17,000	17,000	46,680	29,680
Charges for sewerage service	856,720	856,720	760,380	(96,340)
Rents and royalties	-	-	-	-
Other revenue	38,000	38,000	62,014	24,014
Total operating revenues	<u>934,520</u>	<u>934,520</u>	<u>944,574</u>	<u>10,054</u>
OPERATING EXPENSES				
Personnel services -salaries and wages	237,744	237,744	225,992	11,752
Personnel services -employee benefits	111,287	111,287	99,551	11,736
Purchased professional and technical services	10,000	4,374	752	3,622
Utilities	150,100	147,700	142,258	5,442
Other operating expenses	982,222	1,081,847	1,094,932	(13,085)
Total operating expenses	<u>1,491,353</u>	<u>1,582,952</u>	<u>1,563,485</u>	<u>19,467</u>
Operating income (loss)	(556,833)	(648,432)	(618,911)	29,521
NON-OPERATING REVENUES (EXPENSES)				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	6,934	6,934	62	(6,872)
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	<u>6,934</u>	<u>6,934</u>	<u>62</u>	<u>(6,872)</u>
Income (loss) before transfers	(549,899)	(641,498)	(618,849)	22,649
Transfers in	405,000	493,179	493,179	-
Transfers out	(106,767)	(106,767)	(106,767)	-
Total transfers	<u>298,233</u>	<u>386,412</u>	<u>386,412</u>	<u>-</u>
Change in net assets	(251,666)	(255,086)	<u>(232,437)</u>	<u>22,649</u>
Budgeted cash carryover	<u>251,666</u>	<u>255,086</u>		
Total	<u>\$ -</u>	<u>-</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ (232,437)
To adjust applicable revenue accruals and deferrals	2,197
To adjust applicable expenditure accruals	597,708
Depreciaiton and other non-cash items	<u>(824,833)</u>
Change in net assets (GAAP basis)	<u>\$ (457,365)</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DONA ANA COUNTY PUBLIC HOUSING AUTHORITY - ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
OPERATING REVENUES				
Rents and royalties	\$ 14,454	14,454	12,542	(1,912)
Other revenue	321,139	321,139	213,254	(107,885)
Total operating revenues	<u>335,593</u>	<u>335,593</u>	<u>225,796</u>	<u>(109,797)</u>
OPERATING EXPENSES				
Personnel services -salaries and wages	151,518	151,518	68,018	83,500
Personnel services -employee benefits	37,185	37,185	27,735	9,450
Purchased professional and technical services	20,000	20,000	3,476	16,524
Utilities	3,315	3,315	3,119	196
Other operating expenses	2,714,506	2,714,506	1,828,425	886,081
Total operating expenses	<u>2,926,524</u>	<u>2,926,524</u>	<u>1,930,773</u>	<u>995,751</u>
Operating income (loss)	(2,590,931)	(2,590,931)	(1,704,977)	885,954
NON-OPERATING REVENUES (EXPENSES)				
Gain (loss) on sale of property	98,500	98,500	(458,549)	(557,049)
Grants (not capital grants)	2,570,287	2,570,287	1,029,090	(1,541,197)
Grants -capital	-	-	-	-
Investment earnings	8,622	8,622	3,983	(4,639)
Interest expense -non-operating	(6,000)	(6,000)	(876)	5,124
Total non-operating revenues (expenses)	<u>2,671,409</u>	<u>2,671,409</u>	<u>573,648</u>	<u>(2,097,761)</u>
Income (loss) before transfers	80,478	80,478	(1,131,329)	(1,211,807)
Transfers in	-	-	409,349	(409,349)
Transfers out	-	-	(409,349)	409,349
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	80,478	80,478	(1,131,329)	<u>(1,211,807)</u>
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	<u>\$ 80,478</u>	<u>80,478</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ (1,131,329)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditure accruals	-
Depreciation and other non-cash items	<u>(29,599)</u>
Change in net assets (GAAP basis)	<u>\$ (1,160,928)</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
CHAPARRAL WASTEWATER SYSTEM - ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
OPERATING REVENUES				
Charges for services	\$ 54,000	54,000	27,299	(26,701)
Charges for water services	-	-	-	-
Charges for sewerage service	79,600	79,600	74,877	(4,723)
Rents and royalties	-	-	-	-
Other revenue	-	-	9,995	9,995
Total operating revenues	<u>133,600</u>	<u>133,600</u>	<u>112,171</u>	<u>(21,429)</u>
OPERATING EXPENSES				
Personnel services -salaries and wages	50,259	50,259	41,375	8,884
Personnel services -employee benefits	35,992	35,992	24,054	11,938
Purchased professional and technical services	-	-	-	-
Utilities	21,200	22,350	27,582	(5,232)
Other operating expenses	30,139	28,989	28,368	621
Total operating expenses	<u>137,590</u>	<u>137,590</u>	<u>121,379</u>	<u>16,211</u>
Operating income (loss)	(3,990)	(3,990)	(9,208)	(5,218)
NON-OPERATING REVENUES (EXPENSES)				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	-	-	-	-
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income (loss) before transfers	(3,990)	(3,990)	(9,208)	(5,218)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	(3,990)	(3,990)	(9,208)	<u>(5,218)</u>
Budgeted cash carryover	<u>3,990</u>	<u>3,990</u>		
Total	<u>\$ -</u>	<u>-</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ (9,208)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditure accruals	13,665
Depreciaton and other non-cash items	<u>(10,276)</u>
Change in net assets (GAAP basis)	<u>\$ (5,819)</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
DONA ANA WASTEWATER SYSTEM - ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
OPERATING REVENUES				
Charges for services	\$ -	-	-	-
Charges for water services	-	-	-	-
Charges for sewerage service	108,000	108,000	115,733	7,733
Rents and royalties	-	-	-	-
Other revenue	-	-	-	-
Total operating revenues	<u>108,000</u>	<u>108,000</u>	<u>115,733</u>	<u>7,733</u>
OPERATING EXPENSES				
Personnel services -salaries and wages	-	-	-	-
Personnel services -employee benefits	-	-	-	-
Purchased professional and technical services	108,000	148,000	117,579	30,421
Utilities	-	-	4,435	(4,435)
Other operating expenses	-	-	5,150	(5,150)
Total operating expenses	<u>108,000</u>	<u>148,000</u>	<u>127,164</u>	<u>20,836</u>
Operating income (loss)	-	(40,000)	(11,431)	28,569
NON-OPERATING REVENUES (EXPENSES)				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	510	510	124	(386)
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	<u>510</u>	<u>510</u>	<u>124</u>	<u>(386)</u>
Income (loss) before transfers	510	(39,490)	(11,307)	28,183
Transfers in	-	69,904	69,904	-
Transfers out	-	-	-	-
Total transfers	<u>-</u>	<u>69,904</u>	<u>69,904</u>	<u>-</u>
Change in net assets	510	30,414	58,597	<u>28,183</u>
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	<u>\$ 510</u>	<u>30,414</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ 58,597
To adjust applicable revenue accruals and deferrals	1,403
To adjust applicable expenditure accruals	8,964
Depreciaiton and other non-cash items	<u>(71,992)</u>
Change in net assets (GAAP basis)	<u>\$ (3,028)</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LA UNION WASTEWATER SYSTEM - ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
OPERATING REVENUES				
Charges for services	\$ 1,150	1,150	4,210	3,060
Charges for water services	-	-	-	-
Charges for sewerage service	63,500	63,500	66,221	2,721
Rents and royalties	-	-	-	-
Other revenue	4,500	4,500	4,512	12
Total operating revenues	<u>69,150</u>	<u>69,150</u>	<u>74,943</u>	<u>5,793</u>
OPERATING EXPENSES				
Personnel services -salaries and wages	40,768	40,768	29,772	10,996
Personnel services -employee benefits	26,459	26,459	20,752	5,707
Purchased professional and technical services	-	-	-	-
Utilities	5,000	5,000	3,916	1,084
Other operating expenses	36,325	36,325	36,696	(371)
Total operating expenses	<u>108,552</u>	<u>108,552</u>	<u>91,136</u>	<u>17,416</u>
Operating income (loss)	(39,402)	(39,402)	(16,193)	23,209
NON-OPERATING REVENUES (EXPENSES)				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	810	810	-	(810)
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	<u>810</u>	<u>810</u>	<u>-</u>	<u>(810)</u>
Income (loss) before transfers	(38,592)	(38,592)	(16,193)	22,399
Transfers in	75,000	75,000	75,000	-
Transfers out	(11,412)	(11,412)	(11,412)	-
Total transfers	<u>63,588</u>	<u>63,588</u>	<u>63,588</u>	<u>-</u>
Change in net assets	24,996	24,996	47,395	<u>22,399</u>
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	<u>\$ 24,996</u>	<u>24,996</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ 47,395
To adjust applicable revenue accruals and deferrals	8
To adjust applicable expenditure accruals	2,284
Depreciaton and other non-cash items	<u>(172,190)</u>
Change in net assets (GAAP basis)	<u>\$ (122,503)</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
LAS PALMERAS / MONTANA VISTA WASTEWATER - ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
	<u>Budget</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
OPERATING REVENUES				
Charges for services	\$ -	-	-	-
Charges for water services	-	-	-	-
Charges for sewerage service	-	-	-	-
Rents and royalties	-	-	-	-
Other revenue	-	-	-	-
Total operating revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OPERATING EXPENSES				
Personnel services -salaries and wages	-	-	-	-
Personnel services -employee benefits	-	-	-	-
Purchased professional and technical services	-	-	-	-
Utilities	-	-	-	-
Other operating expenses	-	-	-	-
Total operating expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating income (loss)	-	-	-	-
NON-OPERATING REVENUES (EXPENSES)				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	-	-	-	-
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income (loss) before transfers	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	-	-	-	<u>-</u>
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	<u>\$ -</u>	<u>-</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ -
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditure accruals	-
Depreciaiton and other non-cash items	<u>(13,368)</u>
Change in net assets (GAAP basis)	<u>\$ (13,368)</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
RINCON WASTEWATER SYSTEM - ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
OPERATING REVENUES				
Charges for services	\$ -	-	-	-
Charges for water services	-	-	-	-
Charges for sewerage service	25,166	25,166	23,301	(1,865)
Rents and royalties	-	-	-	-
Other revenue	1,850	1,850	2,567	717
Total operating revenues	<u>27,016</u>	<u>27,016</u>	<u>25,868</u>	<u>(1,148)</u>
OPERATING EXPENSES				
Personnel services -salaries and wages	18,829	18,829	19,054	(225)
Personnel services -employee benefits	7,983	7,983	8,043	(60)
Purchased professional and technical services	-	-	-	-
Utilities	8,355	8,355	7,560	795
Other operating expenses	11,850	11,850	8,469	3,381
Total operating expenses	<u>47,017</u>	<u>47,017</u>	<u>43,126</u>	<u>3,891</u>
Operating income (loss)	(20,001)	(20,001)	(17,258)	2,743
NON-OPERATING REVENUES (EXPENSES)				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	310	310	(65)	(375)
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	<u>310</u>	<u>310</u>	<u>(65)</u>	<u>(375)</u>
Income (loss) before transfers	(19,691)	(19,691)	(17,323)	2,368
Transfers in	15,000	15,000	15,000	-
Transfers out	(5,000)	(5,000)	(5,000)	-
Total transfers	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Change in net assets	(9,691)	(9,691)	(7,323)	<u>2,368</u>
Budgeted cash carryover	<u>9,691</u>	<u>9,691</u>		
Total	<u>\$ -</u>	<u>-</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ (7,323)
To adjust applicable revenue accruals and deferrals	(4)
To adjust applicable expenditure accruals	(985)
Depreciaiton and other non-cash items	<u>(32,072)</u>
Change in net assets (GAAP basis)	<u>\$ (40,384)</u>

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SALEM / OGAS WASTEWATER SYSTEM - ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
OPERATING REVENUES				
Charges for services	\$ -	-	-	-
Charges for water services	-	-	-	-
Charges for sewerage service	61,550	61,550	62,484	934
Rents and royalties	-	-	-	-
Other revenue	4,500	4,500	5,168	668
Total operating revenues	66,050	66,050	67,652	1,602
OPERATING EXPENSES				
Personnel services -salaries and wages	12,616	12,616	12,390	226
Personnel services -employee benefits	5,540	5,540	5,535	5
Purchased professional and technical services	-	-	-	-
Utilities	29,175	29,175	26,284	2,891
Other operating expenses	19,300	19,300	12,385	6,915
Total operating expenses	66,631	66,631	56,594	10,037
Operating income (loss)	(581)	(581)	11,058	11,639
NON-OPERATING REVENUES (EXPENSES)				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	790	790	387	(403)
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	790	790	387	(403)
Income (loss) before transfers	209	209	11,445	11,236
Transfers in	-	-	-	-
Transfers out	(5,649)	(5,649)	(5,649)	-
Total transfers	(5,649)	(5,649)	(5,649)	-
Change in net assets	(5,440)	(5,440)	5,796	11,236
Budgeted cash carryover	5,440	5,440		
Total	\$ -	-		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ 5,796
To adjust applicable revenue accruals and deferrals	(30)
To adjust applicable expenditure accruals	(712)
Depreciaton and other non-cash items	(86,869)
Change in net assets (GAAP basis)	\$ (81,815)

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
SAN MIGUEL WATER SYSTEM - ENTERPRISE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
OPERATING REVENUES				
Charges for services	\$ -	-	-	-
Charges for water services	-	-	-	-
Charges for sewerage service	-	-	-	-
Rents and royalties	-	-	-	-
Other revenue	-	-	-	-
Total operating revenues	-	-	-	-
OPERATING EXPENSES				
Personnel services -salaries and wages	-	-	-	-
Personnel services -employee benefits	-	-	-	-
Purchased professional and technical services	-	-	-	-
Utilities	-	-	-	-
Other operating expenses	-	-	-	-
Total operating expenses	-	-	-	-
Operating income (loss)	-	-	-	-
NON-OPERATING REVENUES (EXPENSES)				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	-	-	-	-
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	-	-	-	-
Income (loss) before transfers	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total transfers	-	-	-	-
Change in net assets	-	-	-	-
Budgeted cash carryover	-	-		
Total	\$ -	-		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$	-	
To adjust applicable revenue accruals and deferrals		-	
To adjust applicable expenditure accruals		-	
Depreciaton and other non-cash items		-	
Change in net assets (GAAP basis)	\$	-	

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

**STATE OF NEW MEXICO
DONA ANA COUNTY
STATEMENT OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FLEET - INTERNAL SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2012**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
OPERATING REVENUES				
Charges for services	\$ 1,870,000	1,870,000	2,176,140	306,140
Charges for water services	-	-	-	-
Charges for sewerage service	-	-	-	-
Rents and royalties	-	-	-	-
Other revenue	-	-	3,313	3,313
Total operating revenues	<u>1,870,000</u>	<u>1,870,000</u>	<u>2,179,453</u>	<u>309,453</u>
OPERATING EXPENSES				
Personnel services -salaries and wages	538,043	538,043	432,464	105,579
Personnel services -employee benefits	262,782	262,782	208,902	53,880
Purchased professional and technical services	-	-	-	-
Utilities	15,161	15,861	15,810	51
Other operating expenses	<u>5,131,227</u>	<u>5,130,527</u>	<u>3,071,657</u>	<u>2,058,870</u>
Total operating expenses	<u>5,947,213</u>	<u>5,947,213</u>	<u>3,728,833</u>	<u>2,218,380</u>
Operating income (loss)	(4,077,213)	(4,077,213)	(1,549,380)	2,527,833
NON-OPERATING REVENUES (EXPENSES)				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	-	-	-	-
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income (loss) before transfers	(4,077,213)	(4,077,213)	(1,549,380)	2,527,833
Transfers in	4,050,000	4,050,000	4,050,000	-
Transfers out	-	-	-	-
Total transfers	<u>4,050,000</u>	<u>4,050,000</u>	<u>4,050,000</u>	<u>-</u>
Change in net assets	(27,213)	(27,213)	2,500,620	<u>2,527,833</u>
Budgeted cash carryover	<u>27,213</u>	<u>27,213</u>		
Total	<u>\$ -</u>	<u>-</u>		

RECONCILIATION FROM BUDGET/ACTUAL TO GAAP

Change in net assets (Budget Basis)	\$ 2,500,620
To adjust applicable revenue accruals and deferrals	(61,386)
To adjust applicable expenditure accruals	1,289,537
Depreciaiton and other non-cash items	<u>(48,531)</u>
Change in net assets (GAAP basis)	<u>\$ 3,680,240</u>

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

DONA ANA COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
COST TO STATE/TREASURER				
Assets				
Cash and cash equivalents	\$ 7,250	70,606	(73,606)	4,250
Liabilities				
Due to others	\$ 7,250	70,606	(73,606)	4,250
INMATE WELFARE FUND				
Assets				
Cash and cash equivalents	\$ 243,287	314,672	(147,669)	410,290
Other receivables	14,441	14,441	(16,885)	11,997
Total assets	<u>257,728</u>	<u>329,113</u>	<u>(164,554)</u>	<u>422,287</u>
Liabilities				
Due to others	\$ 257,728	329,113	(164,554)	422,287
INMATE TRUST FUND				
Assets				
Cash and cash equivalents	\$ 35,914	1,552,185	(1,564,279)	23,820
Liabilities				
Due to others	\$ 35,914	1,552,185	(1,564,279)	23,820
CHILDREN'S TRUST FUND				
Assets				
Cash and cash equivalents	\$ 2,325	23,480	(23,585)	2,220
Liabilities				
Due to others	\$ 2,325	23,480	(23,585)	2,220
PROPERTY TAX FUND				
Assets				
Cash and cash equivalents	\$ 1,145,028	101,852,866	(101,957,951)	1,039,943
Taxes receivable, net	7,210,354	6,355,381	(6,719,917)	6,845,818
Total assets	<u>8,355,382</u>	<u>108,208,247</u>	<u>(108,677,868)</u>	<u>7,885,761</u>
Liabilities				
Accounts payable	644	69,185,918	(69,186,474)	88
Overpayments	2,462	321,007	(320,240)	3,229
Taxes paid in advance	153,635	191,799	(153,635)	191,799
Taxes in suspense -bankruptcies	270,597	177,430	(416,229)	31,798
Taxes in suspense -mortgages	-	31,163,682	(31,163,682)	-
Due to others	1,708,051	1,247,559	(1,336,121)	1,619,489
Deferred revenue	6,219,993	5,920,852	(6,101,487)	6,039,358
Total liabilities	\$ 8,355,382	108,208,247	(108,677,868)	7,885,761

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

DONA ANA COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
AIRPORT ROAD -SPECIAL ASSESSMENT -2001A				
Assets				
Cash and cash equivalents	\$ (34,268)	506,550	(619,066)	(146,784)
Receivable	34,268	(506,550)	619,066	146,784
Total assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Liabilities				
Due to others	\$ -	-	-	-
BORDER PARK -SPECIAL ASSESSMENT 2001 B				
Assets				
Cash and cash equivalents	\$ -	1,909,525	(1,909,525)	-
Liabilities				
Due to others	\$ -	1,909,525	(1,909,525)	-
TOTALS - ALL AGENCY FUNDS				
Assets				
Cash and cash equivalents	\$ 1,399,536	106,229,884	(106,295,681)	1,333,739
Taxes receivable	7,210,354	6,355,381	(6,719,917)	6,845,818
Other receivables	48,709	(492,109)	602,181	158,781
Total assets	<u>8,658,599</u>	<u>112,093,156</u>	<u>(112,413,417)</u>	<u>8,338,338</u>
Liabilities				
Accounts payable	644	69,185,918	(69,186,474)	88
Overpayments	2,462	321,007	(320,240)	3,229
Taxes paid in advance	153,635	191,799	(153,635)	191,799
Taxes in suspense -bankruptcies	270,597	177,430	(416,229)	31,798
Taxes in suspense -mortgages	-	31,163,682	(31,163,682)	-
Due to others	2,011,268	5,132,468	(5,071,670)	2,072,066
Deferred revenue	6,219,993	5,920,852	(6,101,487)	6,039,358
Total liabilities	<u>\$ 8,658,599</u>	<u>112,093,156</u>	<u>(112,413,417)</u>	<u>8,338,338</u>

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

STATE OF NEW MEXICO
DONA ANA COUNTY
SCHEDULE OF CASH AND INVESTMENTS
AS OF JUNE 30, 2012

Financial Institution	Account Type	Reconciled Balance	Balance Per Bank	Treasury Obligations or FDIC Coverage	Total Uninsured	Required Collateral Coverage	Collateral Requirement	Collateral Pledged	Over/ (Under) Collateralized
Cash and cash equivalents									
Petty cash	Petty cash	\$ 9,646							
Bank of Albuquerque									
PILT 2004 Debt Service Reserve	Debt service reserve	986,807	986,807						
Total Bank of Albuquerque		986,807	986,807	986,807	-	100%	-	-	-
Bank of New York Mellon									
Debt service reserve		166,107	166,107	166,107	-	100%	-	-	-
Bank of The West									
Confiscated Assets	Checking	323,478	323,478						
Seizures	Checking	51,907	51,907						
Money market	Money market	1,519,327	1,519,327						
Total Bank of The West		1,894,712	1,894,712	250,000	1,644,712	50%	822,356	1,920,543	1,098,187
BBVA Compass									
Money market		5,000,000	5,000,000	250,000	4,750,000	102%	4,845,000	5,500,000	655,000
Century Bank									
Money market		2,011,324	2,011,324	-	2,011,324	50%	1,005,662	2,221,054	1,215,392
Citizen's Bank County									
Money market		3,067,490	3,052,694	250,000	2,802,694	50%	1,401,347	2,079,141	677,794
Citizen's Bank Housing									
Checking		2,185,413	2,185,413	250,000	1,935,413	102%	1,974,121	2,659,909	685,788
First Savings Bank									
Money market		1,385,989	1,385,989	250,000	1,135,989	50%	567,995	676,978	108,984
Wells Fargo Bank									
CRRUA-DAC portion	Checking	43,595	43,595						
Chaparral Wastewater	Checking	100	100						
Dona Ana County - Main Acct	Checking	6,258,706	8,430,090						
Inmate Trust Fund	Checking	23,820	66,627						
Money market	Money market	16,237,362	16,237,362						
US EPA Transition Funds Escrow	Checking	712,208	712,190						
Total Wells Fargo Bank		23,275,791	25,489,964	250,000	25,239,964	50%	12,619,982	21,396,205	8,776,223
US Bank									
FGIC Cap Mrkt Services - 02/16/01 5.650%	Debt service reserve	221,500	221,500						
FGIC Cap Mrkt Services - 02/16/01 5.650%	Debt service reserve	556,000	556,000						
First American Treasury obligation	Debt service reserve	34,619	34,619						
First Union Combined funds	Debt service reserve	1	1						
First Union Combined funds	Debt service reserve	2,413,550	2,413,550						
First American Treasury obligation	Debt service reserve	128,497	128,497						
First American Treasury obligation	Debt service reserve	63,859	63,859						
First American Treasury obligation	Debt service reserve	172,619	172,619						
First American Treasury obligation	Debt service reserve	82	82						
Total US Bank		3,590,727	3,590,727	1,269,354	2,321,373	105%	2,437,442	3,522,000	1,084,558
White Sands FCU									
Money market		231	231	231	-	50%	-	-	-
Total cash and cash equivalents		\$ 43,574,237	45,763,968	3,922,499	41,841,469		25,673,904	39,975,830	14,301,926
Cash and cash equivalents									
		\$ 38,830,596	41,020,327						
Debt service reserves - held by Trustee									
		4,743,641	4,743,641						
Total cash and cash equivalents									
		\$ 43,574,237	45,763,968						

STATE OF NEW MEXICO
DONA ANA COUNTY
SCHEDULE OF CASH AND INVESTMENTS
AS OF JUNE 30, 2012

Financial Institution	Account Type	Fair Market Value	Cost Basis	FDIC Coverage	Total Uninsured	Required Collateral Coverage	Collateral Requirement	Collateral Pledged	Over/ (Under) Collateralized
Investments									
Citizen's Bank Housing	Certificate of deposit	45,550	45,550	-	45,550	50%	22,775	100,000	77,225
US Bank	Certificate of deposit	250,000	250,000	250,000	-	50%	-	250,000	250,000
Century Bsnk	Certificate of deposit	250,000	250,000	250,000	-	50%	-	-	-
First New Mexico Bank	Certificate of deposit	250,000	250,000	250,000	-	50%	-	-	-
Washington Federal Savings	Certificate of deposit	250,000	250,000	250,000	-	50%	-	-	-
Wells Fargo Bank	US Gov't Securities	36,506,287	36,239,641	36,239,641	-	50%	-	-	-
Western Heritage	Certificate of deposit	250,000	250,000	250,000	-	50%	-	-	-
White Sands FCU	Certificate of deposit	150,000	150,000	150,000	-	50%	-	-	-
White Sands FCU	Certificate of deposit	100,000	100,000	100,000	-	50%	-	-	-
NM State Treasurer - LGIP									
Reserve Contingencies Fund	LGIP Pool	35,686	35,686						
Dona Ana County Finance									
DAC Waste Systems Bonds	County bonds	6,495,000	6,495,000						
		<u>44,582,523</u>	<u>44,315,877</u>	<u>37,739,641</u>	<u>45,550</u>		<u>22,775</u>	<u>350,000</u>	<u>327,225</u>

**STATE OF NEW MEXICO
DONA ANA COUNTY
SCHEDULE OF COLLATERAL
AS OF JUNE 30, 2012**

BANK	CUSIP	MARKET VALUE	MATURITY DATE
BANK OF THE WEST			
GNMA G2 4922	36202FPF7	\$ 125,556	1/20/2041
GNMA G2 4922	36202FPF7	17,385	1/20/2041
GNMA G2 4977	36202FQ66	176,024	3/20/2041
GNMA GN 727469	3620AEFJ4	358,647	11/10/2041
GNMA G2 4882	36202FM78	744,265	12/20/2040
GNMA G2 4945	36202FP67	49,305	2/20/2041
FNMA FN 868624	31409EAZ4	176,578	4/1/2036
UNMHG UNIVERSITY OF NEW MEXICO-GALLUP	914684CL7	190,701	8/1/2014
UNMHG UNIVERSITY OF NEW MEXICO-GALLUP	914684CP8	82,082	8/1/2017
Total Bank of the West		<u>1,920,543</u>	
BBVA COMPASS BANK			
FHLB ATLANTA-LETTER OF CREDIT ISSUED 6/28/2012 EXPIRES 6/28/2013 COMMITMENT/ LOC # 46456 FOR \$5,500,000			
CENTURY BANK			
SAN MIGUEL COUNTY NM GROSS RC	799108DAD	458,545	6/1/2019
BELEN NM CONS SCH DIST NO 002	077581MQ6	331,911	8/1/2020
RUIDOSO NM MUN SCH DIST NO 3	781338GN2	550,610	8/1/2021
GRANT COUNTY NM	387766BD9	302,744	9/1/2016
LUNA COUNTY NM GROSS RECEIPTS	550332BL3	577,244	7/1/2022
Total Century Bank		<u>2,221,054</u>	
CITIZENS BANK-HOUSING			
FFCB	3133IVCA2	405,544	10/11/2012
FHLB	3133XHW57	532,890	12/13/2013
FHLB	3133XEUG2	1,721,475	3/11/2016
Total Citizen's Bank - Housing		<u>2,659,909</u>	
CITIZENS BANK-COUNTY			
FHLB	313372SZ8	2,079,141	2/23/2018
Total Citizen's Bank - County		<u>2,079,141</u>	
FIRST SAVINGS BANK			
FED: FEDERAL RESERVE	38374XWJ0	345,755	3/20/2034
FED: FEDERAL RESERVE	31398SN66	174,551	3/20/2034
FED: FEDERAL RESERVE	3136FPKH9	156,672	12/30/2015
Total First Savings Bank		<u>676,978</u>	
US BANK			
FIRST UNION COMBINED FDS--PNC	TAX COST	3,522,000	06/01/2016
Total US Bank		<u>3,522,000</u>	

**STATE OF NEW MEXICO
DONA ANA COUNTY
SCHEDULE OF COLLATERAL
AS OF JUNE 30, 2012**

BANK	CUSIP	MARKET VALUE	MATURITY DATE
WELLS FARGO			
FNMA AH1516	3138A2VJ5	739,643	12/1/2025
FNMA AH1560	3138A2WW5	134,553	1/1/2041
FNMA AH3394	3138A4XY6	18,220	1/1/2041
FNMA AH6783	3138A8RDO	2,495,831	3/1/2041
FNMA AH7905	3138A9YB4	3,228,301	7/1/2041
FNMA AH9937	3138ACBF3	219,085	5/1/2041
FNMA AI1163	3138AEJH7	10,480	4/1/2041
FNMA AI6900	3138ALU21	17,693	10/1/2026
FNMA AJ1625	3138ASYX4	12,262,806	10/1/2026
FNMA AE0981	31419BCT0	2,269,593	3/1/2041
Total Wells Fargo		21,396,205	
WASHINGTON FEDERAL			
FHLB AGENCY	312942XR1	\$ 19,658	10/1/2040
Total Washington Federal		19,658	

**STATE OF NEW MEXICO
DONA ANA COUNTY
SCHEDULE OF FUND BALANCES
AS OF JUNE 30, 2012**

	General Fund	Special Revenue Funds		Capital Project Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
		Health Services (SLIAG)	Indigent Hospital Care	Chaparral Wastewater System - SAP			
Fund Balances:							
Nonspendable:							
Inventory	\$ 567,092	-	-	-	-	-	567,092
Subtotal nonspendable	<u>567,092</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>567,092</u>
Restricted for:							
Sanitation	70,755	-	-	-	-	2,348	73,103
Farm and range improvements	-	-	-	-	-	28,248	28,248
Road/drainage improvements	138,464	-	-	-	-	514,979	653,443
Flood control projects	-	-	-	-	-	8,584,224	8,584,224
Airport	83,468	-	-	-	-	306,942	390,410
Debt service reserve	-	-	-	-	4,658,918	-	4,658,918
County clerk operations	-	-	-	-	-	169,021	169,021
Environmental projects	-	-	-	-	-	344,838	344,838
DWI enforcement and education	-	-	-	-	-	400,107	400,107
Public safety	40,264	-	-	-	-	1,036,193	1,076,457
Fire fighting efforts	-	-	-	-	-	9,608,492	9,608,492
Indigent care	-	-	1,573,984	-	-	-	1,573,984
Law enforcement enhancement	-	-	-	-	-	1,820	1,820
Appraisal operations	-	-	-	-	-	2,334,442	2,334,442
Spaceport	-	-	-	-	-	340,603	340,603
Subtotal restricted	<u>332,951</u>	<u>-</u>	<u>1,573,984</u>	<u>-</u>	<u>4,658,918</u>	<u>23,672,257</u>	<u>30,238,110</u>
Committed to:							
Debt service	-	-	-	-	1,393,515	-	1,393,515
Public safety	964,717	-	-	-	-	-	964,717
Mesilla Vally Regional Dispatch Authority	275,415	-	-	-	-	-	275,415
Employee training and equipment	-	-	-	-	-	12,849	12,849
Crisis Triage Center	-	-	-	-	-	2,011,623	2,011,623
Subtotal committed	<u>1,240,132</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,393,515</u>	<u>2,024,472</u>	<u>4,658,119</u>
Assigned to:							
Environmental projects	123,307	-	-	-	-	-	123,307
Public safety	647,679	-	-	-	-	-	647,679
Road/drainage improvements	408,701	-	-	-	-	-	408,701
Health and welfare	547,059	419,939	-	-	-	-	966,998
Other purposes	6,476,444	-	-	-	-	-	6,476,444
Subtotal assigned	<u>8,203,190</u>	<u>419,939</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,623,129</u>
Unassigned:							
	42,311,261	-	-	(388,692)	(60,144)	232,426	42,094,851
Total fund balances	<u>52,654,626</u>	<u>419,939</u>	<u>1,573,984</u>	<u>(388,692)</u>	<u>5,992,289</u>	<u>25,929,155</u>	<u>86,181,301</u>

**STATE OF NEW MEXICO
DONA ANA COUNTY
SCHEDULE OF RECONCILIATION OF PROPERTY TAX RECEIVABLE
FOR THE YEAR ENDED JUNE 30, 2012**

Reconciliation of Property Taxes Receivable

Taxes receivable, beginning of year	\$	11,382,131
2001 Tax year dropped off		(98,345)
2011 Property tax assessment		107,558,629
Tax roll corrections and adjustments, net		<u>(118,762)</u>
Subtotal - net taxes due		<u>118,723,653</u>
Less Taxes Collected:		
Current		103,049,078
Delinquent		4,394,063
Taxes collected in advance applied to current year		<u>265,060</u>
Subtotal - net taxes collected		<u>107,708,201</u>
Total taxes to be collected		11,015,452
Allowance for uncollected taxes		<u>(147,607)</u>
Taxes receivable, end of year (net of allowance)	\$	10,867,845
Property Taxes Receivable by Years:		
2011	\$	5,479,005
2010		2,704,446
2009		1,160,451
2008		571,955
2007		305,709
2006		268,911
2005		145,425
2004		139,105
2003		142,080
2002		<u>98,365</u>
Total taxes receivable		11,015,452
Allowance for uncollected taxes		<u>(147,607)</u>
Taxes receivable, end of year, net of allowance	\$	<u><u>10,867,845</u></u>

**STATE OF NEW MEXICO
DONA ANA COUNTY
COUNTY TREASURER'S PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2012**

Agency		Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Allowance	Undistributed at Year-End	County Receivable at Year-End
DOÑA ANA COUNTY:									
General Ad Valorem	2011	\$ 36,019,274	34,162,427	34,162,427	34,162,427	34,162,427	24,882	-	1,831,965
General Ad Valorem	2010	35,496,307	1,064,816	34,584,485	1,064,816	34,584,485	12,218	-	899,604
General Ad Valorem	2009	34,124,178	595,397	33,729,842	595,397	33,729,842	5,284	-	389,052
General Ad Valorem	2008	31,684,345	150,797	31,498,883	150,797	31,498,883	2,485	-	182,977
General Ad Valorem	2007	28,817,608	53,480	28,736,834	53,480	28,736,834	1,082	-	79,692
General Ad Valorem	2006	25,344,848	39,375	25,260,297	39,375	25,260,297	1,133	-	83,418
General Ad Valorem	2005	23,044,547	42,967	23,020,297	42,967	23,020,297	327	-	23,923
General Ad Valorem	2004	20,936,675	13,335	20,899,475	13,335	20,899,475	498	-	36,702
General Ad Valorem	2003	19,619,068	3,849	19,570,077	3,849	19,570,077	656	-	48,335
General Ad Valorem	2002	18,301,952	14,398	18,272,697	14,398	18,272,697	392	-	28,863
TOTAL GENERAL AD VALOREM		273,388,802	36,140,841	269,735,314	36,140,841	269,735,314	48,957	-	3,604,531
Non-Rendition Penalty	2011	99,798	70,431	70,431	70,431	70,431	394	-	28,973
Non-Rendition Penalty	2010	98,267	8,338	77,747	8,338	77,747	275	-	20,245
Non-Rendition Penalty	2009	97,467	4,077	82,305	4,077	82,305	203	-	14,959
Non-Rendition Penalty	2008	53,046	1,354	51,035	1,354	51,035	27	-	1,984
Non-Rendition Penalty	2007	56,440	174	54,734	174	54,734	23	-	1,683
Non-Rendition Penalty	2006	116,506	645	108,434	645	108,434	108	-	7,964
Non-Rendition Penalty	2005	122,822	468	116,231	468	116,231	88	-	6,503
Non-Rendition Penalty	2004	115,419	346	110,605	346	110,605	65	-	4,749
Non-Rendition Penalty	2003	120,710	239	116,365	239	116,365	58	-	4,287
Non-Rendition Penalty	2002	141,826	318	138,139	318	138,139	49	-	3,638
TOTAL NON-RENDITION PENALTY		1,022,301	86,390	926,026	86,390	926,026	1,290	-	94,985
County Debt Service	2011	561,528	533,450	533,450	533,450	533,450	376	-	27,702
County Debt Service	2010	574,333	16,506	560,205	16,506	560,205	189	-	13,939
County Debt Service	2009	551,969	8,996	546,079	8,996	546,079	79	-	5,811
County Debt Service	2008	487,713	2,205	484,837	2,205	484,837	39	-	2,837
County Debt Service	2007	521,223	921	519,278	921	519,278	26	-	1,919
County Debt Service	2006	541,972	725	540,155	725	540,155	24	-	1,793
County Debt Service	2005	587,114	875	585,420	875	585,420	23	-	1,671
County Debt Service	2004	514,056	281	512,885	281	512,885	16	-	1,155
County Debt Service	2003	418,037	77	417,132	77	417,132	12	-	893
County Debt Service	2002	673,119	427	671,978	427	671,978	15	-	1,126
TOTAL COUNTY DEBT SERVICE		5,431,064	564,463	5,371,419	564,463	5,371,419	799	-	58,846

**STATE OF NEW MEXICO
DONA ANA COUNTY
COUNTY TREASURER'S PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2012**

Agency		Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Allowance	Undistributed at Year-End	County Receivable at Year-End
Administrative Fees	2011	4,473	3,449	3,449	3,449	3,449	14	-	1,010
Administrative Fees	2010	4,611	322	3,952	322	3,952	9	-	650
Administrative Fees	2009	4,575	107	4,046	107	4,046	7	-	522
Administrative Fees	2008	4,919	53	4,480	53	4,480	5	-	434
Administrative Fees	2007	3,201	7	3,043	7	3,043	2	-	156
Administrative Fees	2006	3,141	-	3,011	-	3,011	2	-	128
Administrative Fees	2005	3,265	-	3,182	-	3,182	1	-	82
Administrative Fees	2004	4,326	3	4,251	3	4,251	1	-	74
Administrative Fees	2003	5,552	3	5,465	3	5,465	1	-	86
Administrative Fees	2002	5,413	3	5,356	3	5,356	1	-	56
TOTAL ADMINISTRATIVE FEES		43,476	3,947	40,235	3,947	40,235	43	-	3,198
Flood Levy	2011	1,953,062	1,828,850	1,828,850	1,828,850	1,828,850	1,664	-	122,548
Flood Levy	2010	1,883,260	63,158	1,820,266	63,158	1,820,266	844	-	62,150
Flood Levy	2009	1,832,795	37,447	1,804,263	37,447	1,804,263	382	-	28,150
Flood Levy	2008	1,655,352	9,996	1,640,223	9,996	1,640,223	203	-	14,926
Flood Levy	2007	1,504,519	3,773	1,495,214	3,773	1,495,214	125	-	9,180
Flood Levy	2006	1,327,907	3,186	1,320,863	3,186	1,320,863	94	-	6,950
Flood Levy	2005	1,197,919	3,584	1,192,585	3,584	1,192,585	71	-	5,263
Flood Levy	2004	1,076,208	1,120	1,072,069	1,120	1,072,069	57	-	4,082
Flood Levy	2003	1,075,506	342	1,071,402	342	1,071,402	55	-	4,049
Flood Levy	2002	1,032,872	1,308	1,029,660	1,308	1,029,660	43	-	3,169
TOTAL FLOOD LEVY		14,539,400	1,952,764	14,275,395	1,952,764	14,275,395	3,538	-	260,467
TOTAL DOÑA ANA COUNTY		294,425,043	38,748,405	290,348,389	38,748,405	290,348,389	54,627	-	4,022,027
MUNICIPALITIES:									
City of Las Cruces	2011	13,345,949	12,623,300	12,823,300	12,438,466	12,702,370	7,004	120,930	515,645
City of Las Cruces	2010	13,129,636	331,182	12,897,354	445,866	12,856,307	3,113	41,047	229,169
City of Las Cruces	2009	12,719,721	171,413	12,634,976	153,150	12,605,739	1,136	29,237	83,609
City of Las Cruces	2008	11,808,944	40,320	11,772,683	67,400	11,766,328	486	6,355	35,775
City of Las Cruces	2007	10,577,011	12,355	10,561,420	9,122	10,559,429	209	1,991	15,382
City of Las Cruces	2006	9,072,691	3,596	9,058,492	2,765	9,058,439	190	53	14,009
City of Las Cruces	2005	8,080,065	1,113	8,068,832	1,725	8,068,771	151	61	11,082
City of Las Cruces	2004	7,214,342	703	7,209,565	1,411	7,209,534	64	31	4,713
City of Las Cruces	2003	6,695,672	394	6,692,300	958	6,692,270	45	30	3,327
City of Las Cruces	2002	6,234,256	227	6,231,611	237	6,231,578	34	33	2,611
TOTAL CITY OF LAS CRUCES		98,878,287	13,184,603	97,950,533	13,121,100	97,750,765	12,432	199,768	915,322

**STATE OF NEW MEXICO
DONA ANA COUNTY
COUNTY TREASURER'S PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2012**

<u>Agency</u>		<u>Property Taxes Levied</u>	<u>Collected in Current Year</u>	<u>Collected To-Date</u>	<u>Distributed in Current Year</u>	<u>Distributed To-Date</u>	<u>Allowance</u>	<u>Undistributed at Year-End</u>	<u>County Receivable at Year-End</u>
Village of Hatch	2011	76,709	66,724	66,724	65,965	65,964	134	760	9,851
Village of Hatch	2010	65,819	3,556	61,482	3,884	61,321	58	161	4,279
Village of Hatch	2009	61,362	1,261	60,129	771	59,630	17	499	1,216
Village of Hatch	2008	58,107	303	57,540	242	57,469	8	71	559
Village of Hatch	2007	53,863	147	53,689	121	53,656	2	33	172
Village of Hatch	2006	50,121	59	49,949	59	49,949	2	-	170
Village of Hatch	2005	47,470	-	47,311	-	47,311	2	-	157
Village of Hatch	2004	43,215	4	43,153	10	43,153	1	-	61
Village of Hatch	2003	41,580	-	41,546	-	41,546	-	-	34
Village of Hatch	2002	39,489	-	39,437	-	39,437	1	-	51
TOTAL VILLAGE OF HATCH		537,735	72,054	520,960	71,052	519,436	225	1,524	16,550
Town of Mesilla	2011	67,546	61,188	61,188	60,457	60,456	85	732	6,273
Town of Mesilla	2010	69,441	1,619	65,449	2,307	65,249	53	200	3,939
Town of Mesilla	2009	65,964	2,720	65,695	2,632	65,286	4	409	265
Town of Mesilla	2008	60,656	219	60,534	472	60,534	2	-	120
Town of Mesilla	2007	54,825	28	54,755	28	54,755	1	-	69
Town of Mesilla	2006	49,276	(4)	49,266	(4)	49,266	-	-	10
Town of Mesilla	2005	44,895	-	44,895	-	44,895	-	-	-
Town of Mesilla	2004	42,038	-	42,037	-	42,037	-	-	1
Town of Mesilla	2003	39,365	-	39,364	-	39,364	-	-	1
Town of Mesilla	2002	38,349	-	38,349	-	38,349	-	-	-
TOTAL TOWN OF MESILLA		532,355	65,770	521,532	65,892	520,191	145	1,341	10,678
City of Sunland Park	2011	507,458	467,954	467,954	463,482	463,482	529	4,472	38,975
City of Sunland Park	2010	501,939	22,420	485,362	24,878	484,763	222	599	16,355
City of Sunland Park	2009	474,487	10,657	462,312	10,745	461,221	163	1,091	12,012
City of Sunland Park	2008	412,816	3,227	408,857	3,973	408,620	53	237	3,906
City of Sunland Park	2007	381,028	409	378,971	424	378,936	28	35	2,029
City of Sunland Park	2006	341,128	142	339,505	150	339,505	22	-	1,601
City of Sunland Park	2005	304,097	107	302,895	114	302,895	16	-	1,186
City of Sunland Park	2004	275,075	87	274,058	87	274,056	14	2	1,003
City of Sunland Park	2003	254,900	45	254,107	44	254,106	11	1	782
City of Sunland Park	2002	245,288	167	244,732	112	244,678	7	54	549
TOTAL CITY OF SUNLAND PARK		3,698,216	505,215	3,618,753	504,009	3,612,262	1,065	6,491	78,398
TOTAL MUNICIPALITIES		103,646,593	13,827,642	102,611,778	13,762,053	102,402,654	13,867	209,124	1,020,948

**STATE OF NEW MEXICO
DONA ANA COUNTY
COUNTY TREASURER'S PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2012**

<u>Agency</u>		<u>Property Taxes Levied</u>	<u>Collected in Current Year</u>	<u>Collected To-Date</u>	<u>Distributed in Current Year</u>	<u>Distributed To-Date</u>	<u>Allowance</u>	<u>Undistributed at Year-End</u>	<u>County Receivable at Year-End</u>
SCHOOL DISTRICTS:									
Las Cruces PSD #2	2011	29,168,858	27,896,887	27,896,887	27,632,724	27,632,724	17,044	264,163	1,254,927
Las Cruces PSD #2	2010	29,476,401	782,493	28,849,717	990,940	28,773,087	8,398	76,630	618,286
Las Cruces PSD #2	2009	28,689,001	447,738	28,467,679	419,291	28,385,521	2,966	82,158	218,356
Las Cruces PSD #2	2008	26,900,452	106,055	26,793,115	159,271	26,782,803	1,438	10,312	105,899
Las Cruces PSD #2	2007	24,290,114	37,989	24,232,463	45,291	24,229,465	773	2,998	56,878
Las Cruces PSD #2	2006	20,947,525	10,356	20,901,426	12,816	20,901,221	618	205	45,481
Las Cruces PSD #2	2005	19,061,272	3,059	19,035,226	3,423	19,035,091	349	135	25,697
Las Cruces PSD #2	2004	16,907,547	2,600	16,886,684	2,536	16,886,500	280	184	20,583
Las Cruces PSD #2	2003	16,150,727	1,361	16,129,780	1,363	16,129,695	281	85	20,666
Las Cruces PSD #2	2002	15,154,066	1,452	15,135,963	1,340	15,135,850	241	113	17,862
TOTAL LAS CRUCES PSD #2		226,745,963	29,289,990	224,328,940	29,268,995	223,891,957	32,388	436,983	2,384,635
Hatch Valley SD #11	2011	871,550	797,242	797,242	786,422	786,422	996	10,820	73,312
Hatch Valley SD #11	2010	863,592	30,301	829,501	34,625	827,273	457	2,228	33,634
Hatch Valley SD #11	2009	825,852	10,299	811,863	8,503	809,098	187	2,765	13,802
Hatch Valley SD #11	2008	804,495	3,089	795,721	2,839	795,068	118	653	8,656
Hatch Valley SD #11	2007	581,685	1,111	577,883	1,039	577,578	51	305	3,751
Hatch Valley SD #11	2006	711,091	630	708,492	642	708,492	35	-	2,564
Hatch Valley SD #11	2005	682,146	322	680,277	335	680,277	25	-	1,844
Hatch Valley SD #11	2004	617,660	149	615,749	169	615,749	26	-	1,885
Hatch Valley SD #11	2003	574,338	131	572,681	131	572,681	22	-	1,635
Hatch Valley SD #11	2002	560,096	135	559,268	135	559,268	10	-	818
TOTAL HATCH VALLEY SD #11		7,092,505	843,409	6,948,677	834,840	6,931,906	1,927	16,771	141,901
Gadsden ISD #16	2011	12,054,230	11,170,505	11,170,505	11,034,046	11,034,046	11,842	136,459	871,883
Gadsden ISD #16	2010	11,982,429	451,028	11,534,085	546,873	11,516,197	6,008	17,888	442,336
Gadsden ISD #16	2009	11,342,158	226,129	11,083,006	219,406	11,057,354	3,473	25,652	255,679
Gadsden ISD #16	2008	10,921,457	77,037	10,778,061	92,152	10,773,017	1,922	5,044	141,474
Gadsden ISD #16	2007	10,109,859	26,435	10,015,278	26,131	10,013,858	1,267	1,420	93,314
Gadsden ISD #16	2006	9,334,952	43,102	9,262,943	43,208	9,262,433	965	510	71,044
Gadsden ISD #16	2005	8,861,952	57,782	8,818,849	57,471	8,818,258	578	591	42,525
Gadsden ISD #16	2004	8,128,109	15,995	8,080,506	15,817	8,080,129	638	377	46,965
Gadsden ISD #16	2003	7,938,593	4,157	7,898,230	3,806	7,897,871	541	359	39,822
Gadsden ISD #16	2002	6,859,174	18,874	6,833,619	18,549	6,833,294	341	325	25,214
TOTAL GADSDEN ISD #16		97,532,913	12,091,044	95,475,082	12,057,459	95,286,457	27,575	188,625	2,030,256
TOTAL SCHOOL DISTRICTS		331,371,381	42,224,443	326,752,699	42,161,294	326,110,320	61,890	642,379	4,556,792

**STATE OF NEW MEXICO
DONA ANA COUNTY
COUNTY TREASURER'S PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2012**

<u>Agency</u>		<u>Property Taxes Levied</u>	<u>Collected in Current Year</u>	<u>Collected To-Date</u>	<u>Distributed in Current Year</u>	<u>Distributed To-Date</u>	<u>Allowance</u>	<u>Undistributed at Year-End</u>	<u>County Receivable at Year-End</u>
NEW MEXICO STATE TREASURER:									
N. M. State Treasurer	2011	5,188,016	4,931,000	4,931,000	4,879,911	4,879,912	3,444	51,088	253,572
N. M. State Treasurer	2010	5,866,185	165,932	5,722,370	207,520	5,708,700	1,927	13,670	141,888
N. M. State Treasurer	2009	4,321,843	68,437	4,275,788	64,535	4,264,260	617	11,528	45,438
N. M. State Treasurer	2008	4,424,219	19,443	4,398,426	27,262	4,396,690	346	1,736	25,447
N. M. State Treasurer	2007	3,945,309	6,741	3,930,229	7,611	3,929,725	202	504	14,878
N. M. State Treasurer	2006	3,642,969	4,725	3,630,347	5,054	3,630,280	169	67	12,453
N. M. State Treasurer	2005	3,222,132	4,652	3,212,453	4,676	3,212,392	130	61	9,549
N. M. State Treasurer	2004	2,400,676	1,262	2,395,084	1,246	2,395,041	75	43	5,517
N. M. State Treasurer	2003	3,356,019	602	3,348,530	571	3,348,484	100	46	7,389
N. M. State Treasurer	2002	2,313,060	1,434	2,306,446	1,400	2,306,411	89	35	6,525
TOTAL NM STATE TREASURER (Levy & Lvstck)		38,680,428	5,204,228	38,150,673	5,199,786	38,071,895	7,099	78,778	522,656
DOÑA ANA BRANCH COMMUNITY COLLEGE:									
NMSU									
DABCC	2011	7,478,570	7,104,651	7,104,651	7,033,365	7,033,364	5,011	71,287	368,908
DABCC	2010	7,476,936	215,185	7,292,755	269,096	7,274,951	2,468	17,804	181,713
DABCC	2009	7,204,622	117,835	7,127,572	111,077	7,107,692	1,032	19,880	76,018
DABCC	2008	6,734,921	30,568	6,695,105	42,869	6,692,365	534	2,740	39,282
DABCC	2007	6,100,248	10,823	6,077,446	12,222	6,076,630	306	816	22,496
DABCC	2006	5,349,044	7,251	5,331,080	7,755	5,330,980	241	100	17,723
DABCC	2005	4,973,040	7,501	4,958,858	7,538	4,958,764	190	94	13,992
DABCC	2004	4,345,334	2,425	4,335,454	2,395	4,335,375	132	79	9,748
DABCC	2003	4,143,257	767	4,134,265	727	4,134,208	120	57	8,872
DABCC	2002	3,850,894	2,538	3,844,234	2,479	3,844,175	89	59	6,571
TOTAL DABCC - NMSU (Oper. & Debt)		57,656,866	7,499,544	56,901,420	7,489,523	56,788,504	10,123	112,916	745,323

**STATE OF NEW MEXICO
DONA ANA COUNTY
COUNTY TREASURER'S PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2012**

<u>Agency</u>		<u>Property Taxes Levied</u>	<u>Collected in Current Year</u>	<u>Collected To-Date</u>	<u>Distributed in Current Year</u>	<u>Distributed To-Date</u>	<u>Allowance</u>	<u>Undistributed at Year-End</u>	<u>County Receivable at Year-End</u>
WATERSHED DISTRICT									
McClead WD	2011	4,911	4,870	4,870	4,716	4,763	1	107	40
McClead WD	2010	4,833	17	4,813	17	4,813	-	-	20
McClead WD	2009	2,974	-	2,961	-	2,961	-	-	13
McClead WD	2008	2,977	-	2,964	-	2,964	-	-	13
McClead WD	2007	2,852	-	2,839	-	2,839	-	-	13
McClead WD	2006	2,795	-	2,795	-	2,795	-	-	-
McClead WD	2005	2,781	-	2,781	-	2,781	-	-	-
McClead WD	2004	3,842	-	3,842	-	3,842	-	-	-
McClead WD	2003	3,277	-	3,277	-	3,277	-	-	-
McClead WD	2002	3,606	-	3,606	-	3,606	-	-	-
TOTAL McCLEAD WD		34,848	4,887	34,748	4,733	34,641	1	107	99
TOTAL NMST, DABCC & WATERSHED		96,372,142	12,708,659	95,086,841	12,694,042	94,895,040	17,223	191,801	1,268,078
GRAND TOTALS		\$ 825,815,159	107,509,149	814,799,707	107,365,794	813,756,403	147,607	1,043,304	10,867,845

**STATE OF NEW MEXICO
DONA ANA COUNTY
SCHEDULE OF JOINT POWERS AGREEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

Participants	Responsible Party for Operations	Descriptions	Beginning And Ending dates	Total Estimated Amount of Project	Contribution June 30, 2012	Audit Responsibility	Revenues and Expenditures Reported On
Village of Hatch	DAC	DAC to perform building inspections within the city limits of Hatch.	5/25/1997 Ongoing	Insignificant - absorbed by General Fund	Insignificant - absorbed by General Fund	CLC	DAC
Town of Mesilla	DAC	DAC to perform building inspections within the city limits of Mesilla.	4/9/1997 Ongoing	Insignificant - absorbed by General Fund	Insignificant - absorbed by General Fund	CLC	DAC
DAC Flood Commissioner	DAC	DAC to provide certain services, personnel and office space.	3/13/1990 Ongoing	Ongoing project costs vary from year to year	Insignificant - absorbed by General Fund	DAC	DAC
Las Cruces, Mesilla, Hatch, NMSU, Sunland Park, Anthony WSD, EBID	LRGWUO	Lower Rio Grande Water Users Organization for coordinated regional water planning.	10/8/1996 Ongoing	Insignificant - absorbed by General Fund	Insignificant - absorbed by General Fund	CLC	CLC
NM Taxation & Revenue	TRD	Register taxpayers with TRD for gross receipts tax reporting purposes and to assign TRO taxpayer J.D. numbers.	7/15/2004 Ongoing	Ongoing project costs vary from year to year	Insignificant - absorbed by General Fund	TRD	TRD
City of Las Cruces	SCSWA	Established a joint City/County Solid Waste Authority	4/1/1993 Ongoing	Ongoing project costs vary from year to year	928,302	CLC	CLC Component Unit

**STATE OF NEW MEXICO
DONA ANA COUNTY
SCHEDULE OF JOINT POWERS AGREEMENTS
FOR THE YEAR ENDED JUNE 30, 2012**

Participants	Responsible Party for Operations	Descriptions	Beginning And Ending dates	Total Estimated Amount of Project	Contribution June 30, 2012	Audit Responsibility	Revenues and Expenditures Reported On
City of Las Cruces	MVRDA	Mesilla Valley Regional Dispatch Authority (MVRDA)	2/11/2003 Ongoing	Ongoing project costs vary from year to year	1,183,908	CLC	CLC
City of Las Cruces	DAC	Established a joint City/County Commission to hear subdivision and zoning matters (Extraterritorial Zoning Commission)	5/12/1987 Ongoing	Insignificant - absorbed by General Fund	Insignificant - absorbed by General Fund	DAC	DAC
City of Las Cruces, Dona Ana County and Town of Mesilla		Metropolitan Planning Organization	12/21/1989 Ongoing	Ongoing project costs vary from year to year	Insignificant - absorbed by General Fund	CLC	CLC
City of Las Cruces	CLC	Metro Narcotics	6/13/1995 Ongoing	Ongoing project costs vary from year to year	225,543	CLC	CLC
City of Las Cruces	CLC	Mesilla Valley Animal Services Center	10/30/2008 Ongoing	Ongoing project costs vary from year to year	865,563	CLC	CLC
City of Sunland Park	CSP/DAC	Camino Real Regional Utility Authority	2/24/2009 Ongoing	Ongoing project costs vary from year to year	-	CRRUA	CRRUA
ENMRD Forestry Div	DAC/ Forestry	Wildfire protection and suppression	1/18/2010 Ongoing	Per event	-	DAC	DAC

STATE OF NEW MEXICO
DONA ANA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

Federal Grantor/Program Title	Federal CFDA Number	Project Number	Award Amount	Accrued or (Deferred) Revenue at June 30, 2011	Receipts	Expenditures	Accrued or (Deferred) Revenue at June 30, 2012
U.S. Dept of Housing and Urban Dev.							
Passed through State of NM:							
Comm Dev. Block Grants State's Program:							
Chaparral WW System Improvements	14.218	* 10-C-NR-I-07-G-29	\$ 500,000	-	(321,721)	321,721	-
Direct Funding:							
Public Housing Operating Subsidy	14.850		22,144	-	(11,030)	11,030	-
Sustainable Communities Regional Planning Grants	14.703	NMRIP0064-11	2,000,000	-	-	2,217	2,217
HUD Section 8 Tenant -Based Cluster:							
Section 8 Vouchers	14.871	*	2,812,559	-	(1,218,654)	1,218,654	-
CGP/CFP (2009)	14.872	NM02P06250109	12,204	1,435	(6,092)	4,657	-
CGP/CFP (2010)	14.872	NM02P06250110	12,163	-	(5,262)	5,262	-
CGP/CFP (2011)	14.872	NM02P06250111	8,608	-	-	-	-
Subtotal CFDA 14.872			32,975	1,435	(11,354)	9,919	-
Total U.S. Dept of Housing and Urban Development			5,367,678	1,435	(1,562,759)	1,563,541	2,217
U.S. Environ. Protection Agency (EPA)							
Passed through NADbank:							
South Central Transitional Assistance	66.202	28-52/02	838,346	-	-	187,518	187,518
La Union Transitional Assistance	66.202	30-61/02	306,130	-	-	68,474	68,474
Salem/Ogaz Transitional Assistance	66.202	29-53/02	151,522	-	-	33,892	33,892
Total U.S. Environ. Protection Agency			1,295,998	-	-	289,884	289,884
Federal Aviation Administration (FAA)							
Airport Improvement Grant	20.106	3-35-0055-20	2,552,500	716,887	(733,470)	16,583	-
Total Federal Aviation Administration			2,552,500	716,887	(733,470)	16,583	-
Federal Emergency Management Assistance (FEMA)							
OEM-Interoperable Emer Comm	97.001	2009-IP-T9-0007	4,000	2,112	(2,112)	-	-
JAG Program Cluster							
Hazard Mitigation Grant	97.039	FEMA-1783-DR-NM	67,500	-	(20,865)	41,730	20,865
State Homeland Security Grant	97.042	2010-EP-EO-0022	174,927	28,664	(79,072)	50,408	-
State Homeland Security Grant	97.042	2011-SS-00051	119,331	-	(29,404)	58,807	29,403
Subtotal JAG Program Cluster			361,758	28,664	(129,341)	150,945	50,268
Homeland Security Cluster							
State Domestic Preparedness Equipment Support	97.004	* 2007-GE-T7-0023	408,828	-	(8,795)	8,795	-
State Homeland Security Sheltering Grant	97.067	* 2008-GE-T8-0020	48,000	-	-	-	-
State Homeland Security Grant	97.067	* 2008-GE-T8-0030	965,451	17,970	(17,970)	-	-
State Homeland Security Grant	97.067	* 2009-SS-T9-000030-DONA ANA	602,398	181,688	(254,958)	73,270	-
State Homeland Security Grant	97.067	* 2010-SS-T0-0011-DONA ANA	472,500	-	(21,472)	230,513	209,041
State Homeland Security Grant	97.067	* 2011-SS-00094-S01	206,594	-	-	78,586	78,586
State Homeland Security Grant	97.067	* 09-SG-T9-0001-DA	1,129,374	196,460	(587,687)	685,752	294,525
State Homeland Security Grant	97.067	* 09-SJ-T9-0001-DA Sup	965,623	13,418	(117,450)	201,443	97,411
State Homeland Security Grant	97.067	* 10-SS-T0-0011-OPSG	1,229,374	-	(24,371)	106,784	82,413
State Homeland Security Grant	97.067	* 11-SS-00094-S01	1,227,858	-	-	-	-
State Homeland Security Grant	97.067	* Safe Border FY11	36,500	14,424	(14,424)	-	-
State Homeland Security Grant	97.067	* Safe Border FY12	36,500	-	-	31,621	31,621
Subtotal Homeland Security Cluster			7,329,000	423,960	(1,047,127)	1,416,764	793,597
Total FEMA			7,694,758	454,736	(1,178,580)	1,567,709	843,865
U.S. Department of Energy							
ARRA-Energy Efficiency & Conservation Block G	81.128	DE-SC0001870	446,900	22,316	(22,316)	-	-
Total U.S. Dept. of Energy			446,900	22,316	(22,316)	-	-
U.S. Dept of the Interior							
Passed through NM Bureau of Land Mgmt:							
2009 Rural Fire Assistance	15.242	L10AP16391	5,400	5,400	(5,400)	-	-
Community Wildfire Protection Plan (CWPP)	15.228	GDA 040021	40,000	(40,000)	-	32,188	(7,812)
Total Border Health Foundation			45,400	(34,600)	(5,400)	32,188	(7,812)
U.S. Dept of Justice							
G.R.E.A.T Grant	16.737	2009-JV-FX-0032	67,269	7,626	(25,412)	17,786	-
Jail Diversion	16.753	2009-D1-BX-0282	180,000	16,125	(16,125)	-	-
Edward Byrne Memorial JAG-Smart Investigations	16.738	2011-DJ-BX-3080	35,556	-	-	20,779	20,779
ARRA-Edward Byrne Memorial	16.803	NM RA JAG DA-SFY10	527,697	183,714	(183,714)	-	-
Passed through Office of Juvenile Justice & Delin. Prev. (OJJDP):							
State Criminal Alien Assistance Program	16.606	2011-AP-BX-0897	14,831	-	(14,831)	14,831	-
Southwest Border Local Assitance Initiative	n/a	P.L. 106-553	-	-	-	-	-
Total U.S. Dept of Justice			825,353	207,465	(240,082)	53,396	20,779

STATE OF NEW MEXICO
DONA ANA COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

Federal Grantor/Program Title	Federal CFDA Number	Project Number	Award Amount	Accrued or (Deferred) Revenue at June 30, 2011	Receipts	Expenditures	Accrued or (Deferred) Revenue at June 30, 2012
U.S. Dept of Transportation							
Passed through NM State Highway and Transportation Dept.							
ARRA-East Berino Road & Drainage	20.205	ES21350	2,168,207	941,138	(1,106,403)	165,265	-
Dona Ana Road Safety Hazard Elimination Funds	20.205	HSHE-4538(2)01	135,000	135,000	(135,000)	-	-
Subtotal CFDA 20.205			2,303,207	1,076,138	(1,241,403)	165,265	-
Highway Safety Cluster							
STEP GRANT	20.605	11-RF-01-031	13,481	1,278	(13,480)	12,202	-
STEP GRANT	20.605	12-RF-01-031	14,980	-	-	14,922	14,922
STEP GRANT (100 Days/Nights...)	20.609	11-63-DS-031	19,988	-	(18,351)	18,351	-
STEP GRANT (100 Days/Nights...)	20.609	12-63-DS-031	39,900	-	-	-	-
Subtotal Highway Safety Cluster			88,349	1,278	(31,831)	45,475	14,922
Operation DWI	20.608	11-AL-64-031	31,021	11,159	(30,988)	19,829	-
Operation DWI	20.608	12-AL-64-031	31,021	-	(10,059)	22,869	12,810
Subtotal CFDA 20.608			62,042	11,159	(41,047)	42,698	12,810
Total U.S. Dept of Transportation			2,453,598	1,088,575	(1,314,281)	253,438	27,732
Total Federal Expenditures			20,682,185	2,456,814	(5,056,888)	3,776,739	1,176,665

* denotes major program

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
NOTES ON ACCOUNTING POLICIES AND PROCEDURES FOR FEDERAL
AWARDS
FOR THE YEAR ENDED JUNE 30, 2012**

1. Special Revenue Funds are used to account for resources restricted to or designated for specific purposes by a Grantor. Generally, federal and state financial assistance is accounted for in a Special Revenue Fund and unused balances are returned to the grantor at the close of specified projects periods. Certain capital grants for construction have been accounted for in Capital Projects Funds.
2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All federal grant funds were accounted for in these funds. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.
3. The modified accrual basis of accounting is used for the Governmental Fund Types and Agency Funds. This basis of accounting recognizes revenues in the accounting period, in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, If measurable, except for un-matured interest on General Long-Term Debt, which is recognized when the obligations are expected to be liquidated with expendable available financial resources. Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received they are recorded as deferred revenues until earned.
4. The period of availability for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 30 days beyond the federal project period ending date, in accordance with provisions in Section H. Period of Availability of Federal Funds, Part 3, OMB Circular A-133 Compliance Supplement.

**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***

Mr. Hector H. Balderas, State Auditor and
The Board of County Commissioners
Doña Ana County
Las Cruces, New Mexico

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue funds, and the combining and individual funds and related budgetary comparisons presented as supplemental information of Doña Ana County (County), as of and for the year ended June 30, 2012, and have issued our report thereon dated November 13, 2012. 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.

Internal Control Over Financial Reporting

Management of the County is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures 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 agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Board of County Commissioners, others within the entity, the State Auditor, the New Mexico Legislature, and applicable federal grantors, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Hinkle & Landers, P.C." in a cursive, flowing script.

Hinkle + Landers, P.C.
November 13, 2012

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

Hector Balderas
New Mexico State Auditor
The Office of Management and Budget and
The Board of County Commissioners
Doña Ana County
Las Cruces, New Mexico

Compliance

We have audited Doña Ana County, State of New Mexico's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. Doña Ana County, State of New Mexico's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Doña Ana County's management. Our responsibility is to express an opinion on Doña Ana County's compliance based on our audit.

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 Doña Ana County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Doña Ana County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the 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, 2012.

Internal Control Over Compliance

Management of Doña Ana County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Doña Ana County's internal

control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or 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.

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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of County Commissioners, management, Legislative Finance Committee, Department of Finance and Administration, the State Auditor, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Hinkle + Landers, P.C.
November 13, 2012

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
Schedule of Findings and Questioned Costs
June 30, 2012**

A. SUMMARY OF AUDIT RESULTS

Financial Statements:

- | | |
|--|-------------|
| 1. Type of auditors' report issued | Unqualified |
| 1. Internal control over financial reporting: | |
| a. Material weakness identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | No |
| c. Noncompliance material to the financial statements noted? | No |

Federal Awards:

- | | | | | | | | | | | | |
|--|-----------------------------------|------------------------|---------------|--|--------|----------------------------------|--------|-----------------------------------|---------------|---------------------------|--|
| 1. Internal control over major programs: | | | | | | | | | | | |
| a. Material weaknesses identified? | No | | | | | | | | | | |
| b. Significant deficiencies identified not considered to be material weaknesses? | No | | | | | | | | | | |
| 2. Type of auditors' report issued on compliance for major programs | Unqualified | | | | | | | | | | |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? | No | | | | | | | | | | |
| 4. Identification of major programs: | | | | | | | | | | | |
| <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;"><u>CFDA</u></td> <td style="text-align: center;"><u>Federal Program</u></td> </tr> <tr> <td style="text-align: center;"><u>Number</u></td> <td></td> </tr> <tr> <td style="text-align: center;">14.218</td> <td style="text-align: center;">Chaparral WW System Improvements</td> </tr> <tr> <td style="text-align: center;">14.871</td> <td style="text-align: center;">Section 8 Housing Choice Vouchers</td> </tr> <tr> <td style="text-align: center;">97.067+97.004</td> <td style="text-align: center;">Homeland Security Cluster</td> </tr> </table> | <u>CFDA</u> | <u>Federal Program</u> | <u>Number</u> | | 14.218 | Chaparral WW System Improvements | 14.871 | Section 8 Housing Choice Vouchers | 97.067+97.004 | Homeland Security Cluster | |
| <u>CFDA</u> | <u>Federal Program</u> | | | | | | | | | | |
| <u>Number</u> | | | | | | | | | | | |
| 14.218 | Chaparral WW System Improvements | | | | | | | | | | |
| 14.871 | Section 8 Housing Choice Vouchers | | | | | | | | | | |
| 97.067+97.004 | Homeland Security Cluster | | | | | | | | | | |
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$300,000 | | | | | | | | | | |
| 6. Auditee qualified as low-risk auditee? | No | | | | | | | | | | |

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
Schedule of Findings and Questioned Costs
June 30, 2012**

Finding	Status of Current and Prior Year Findings	Financial Statement Finding	Federal Awards Finding
Prior Year Findings None			
Current Year Findings None			

**STATE OF NEW MEXICO
DOÑA ANA COUNTY
Other Disclosures
Year Ended June 30, 2012**

A. AUDITOR PREPARED FINANCIAL STATEMENTS

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

B. EXIT CONFERENCE

The contents of the report for Doña Ana County were discussed on November 13, 2012. The following individuals were in attendance.

Doña Ana County Officials

Karen G. Perez	Chair, County Commissioner District 3
Sue Padilla	Interim County Manager
Bill Noland	Finance Director
Mireya Moreno	Accountant III – Finance
Raquel Quiroga	Accountant III – Finance

Attending telephonically
Robbie R. Levey

DAC Housing Authority – Interim Executive Director

Auditors

Farley Vener, CPA, CFE	Audit Partner
Erick Robinson, CPA, CFE	Audit Manager
Steve Nolan, CPA	Audit Senior
Katelyn Constantin	Staff Auditor