

STATE OF NEW MEXICO  
MORA COUNTY

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FINANCIAL STATEMENTS  
AND  
SUPPLEMENTAL INFORMATION  
YEAR ENDED JUNE 30, 2008  
WITH  
REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

 KEYSTONE ACCOUNTING, LLC  
CERTIFIED PUBLIC ACCOUNTANTS

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## INTRODUCTORY SECTION

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STATE OF NEW MEXICO  
MORA COUNTY

OFFICIAL ROSTER  
June 30, 2008

Elected Officials

Peter A. Martinez	Commission Chairman
Gene Maes	Commission Vice Chairman
Michael Lovato	County Commissioner
Charlotte R. Duran	County Clerk
Ida E. Mora	County Treasurer
Angela K. Romero	County Assessor
Roy Cordova	County Sheriff
Victoria Lujan	Probate Judge

Administrative Officials

Miguel Martinez	County Manager
Yolanda Medina	DWI Coordinator
David Montoya	Road Superintendent

STATE OF NEW MEXICO  
MORA COUNTY

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**FINANCIAL SECTION**

**FISCAL YEAR 2008**

**JULY 1, 2007 THROUGH JUNE 30, 2008**

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# KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

4801 N Butler, Ste. 8101  
Farmington, NM 87401

keystone@keystoneacct.com

Telephone (505) 566-1900  
Fax (505) 566-1911

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## INDEPENDENT AUDITORS' REPORT

Hector H. Balderas, State Auditor  
Members of the Mora County Commissioners

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and respective budgetary comparison for the general fund, major special revenue fund, budgetary comparison for each non major fund and the aggregate remaining fund information of Mora County (County), as of and for the year ended June 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. We also audited the financial statements of each of the County's non-major governmental, and fiduciary funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2008 as listed in the table of contents. These financial statements are the responsibility of Mora 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 above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Mora County, as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison 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 above present fairly, in all material respects, the respective financial position of each non-major governmental fund, enterprise fund, and fiduciary fund of the Mora County, as of June 30, 2008, and the respective changes in financial position, thereof and the respective budgetary comparisons for the non-major governmental funds and enterprise 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 October 27, 2009, on our consideration of Mora County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants 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 conjunction with this report in assessing the results of our audit.

# KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

4801 N Butler, Ste. 8101  
Farmington, NM 87401

[keystone@keystoneacct.com](mailto:keystone@keystoneacct.com)

Telephone (505) 566-1900  
Fax (505) 566-1911

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Hector H. Balderas, State Auditor  
Members of the Mora County Commissioners,

The County has not presented Management's Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the basic financial statements and the combining and individual fund financial statements 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 basic financial statements. The additional schedules listed as "other supplemental information" in the table of contents is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*Keystone Accounting, LLC*

October 27, 2009

## **BASIC FINANCIAL STATEMENTS**

STATE OF NEW MEXICO  
MORA COUNTY

STATEMENT OF NET ASSETS  
June 30, 2008

	<u>Governmental</u> <u>Activities</u>	<u>Business type</u> <u>Activities</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 3,890,222	\$ -	\$ 3,890,222
Receivables:			
Delinquent property taxes receivable	25,179	-	25,179
Loan	10,100	-	10,100
Accounts (net of allowance for uncollectables)	-	5,119	5,119
Intergovernmental	200,689	4,095	204,784
Deferred bond issuance costs	1,200	-	1,200
Prepaid insurance	43,991	-	43,991
Non-current:			
Non-depreciable assets	877,738	-	877,738
Depreciable capital assets, net	<u>6,606,399</u>	<u>-</u>	<u>6,606,399</u>
Total assets	<u>11,655,518</u>	<u>9,214</u>	<u>11,664,732</u>
<u>LIABILITIES</u>			
Deficit cash pool	\$ -	\$ 5,932	\$ 5,932
Accounts payable	119,756	8,802	128,558
Accrued interest	21,182	-	21,182
Compensated absences	44,865	-	44,865
Noncurrent liabilities:			
Due within one year	196,153	-	196,153
Due in more than one year	<u>3,132,181</u>	<u>-</u>	<u>3,132,181</u>
Total liabilities	<u>3,514,137</u>	<u>14,734</u>	<u>3,528,871</u>
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	4,155,803	-	4,155,803
Restricted:			
Debt service	223,158	-	223,158
Capital projects	2,405,105	-	2,405,105
Unrestricted	<u>1,357,315</u>	<u>(5,520)</u>	<u>1,351,795</u>
Total net assets	<u>\$ 8,141,381</u>	<u>\$ (5,520)</u>	<u>\$ 8,135,861</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
MORA COUNTY

STATEMENT OF ACTIVITIES  
Year Ended June 30, 2008

<u>Functions/Programs</u>	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>Primary government:</b>							
<b>Governmental activities:</b>							
General government	\$ 1,156,096	\$ 16,904	\$ 96,266	\$ 62,638	\$ (980,288)	\$ -	\$ (980,288)
Public safety	1,961,866	28,686	163,360	106,293	(1,663,527)	-	(1,663,527)
Public works	1,013,314	14,816	84,376	54,901	(859,221)	-	(859,221)
Culture and recreation	2,048	30	171	111	(1,736)	-	(1,736)
Bond interest paid	<u>104,265</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(104,265)</u>	<u>-</u>	<u>(104,265)</u>
 Total governmental activities	 <u>\$ 4,237,589</u>	 <u>\$ 60,436</u>	 <u>\$ 344,173</u>	 <u>\$ 223,943</u>	 <u>(3,609,037)</u>	 <u>-</u>	 <u>(3,609,037)</u>
 <b>Business-type activities:</b>							
Sanitary land fill	<u>\$ 185,672</u>	<u>\$ 133,437</u>	<u>\$ 4,370</u>	<u>\$ -</u>	<u>-</u>	<u>(47,865)</u>	<u>(47,865)</u>
<b>General revenues:</b>							
<b>Taxes:</b>							
					880,990		880,990
					33,650		33,650
					154,647		154,647
					-		-
					359,420	35,009	394,429
					45,511		45,511
					96,377		96,377
					3,795,771	-	3,795,771
					15,254	-	15,254
					98,617	-	98,617
					<u>(112,123)</u>	<u>112,123</u>	<u>-</u>
					<u>5,368,114</u>	<u>147,132</u>	<u>5,515,246</u>
					1,759,077	99,267	1,858,344
					<u>6,382,304</u>	<u>(104,787)</u>	<u>6,277,517</u>
					<u>\$ 8,141,381</u>	<u>\$ (5,520)</u>	<u>\$ 8,135,861</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
MORA COUNTY

GOVERNMENTAL FUNDS  
Balance Sheet  
June 30, 2008

	General Fund	Road Fund	Severance Bond SAP Fund	Ocate VFD USDA Grant Fund	Rainsville VFD USDA Grant Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>								
Pooled cash and investments	\$ 606,530	\$ 48,438	\$ (175,505)	\$ 83,686	\$ -	\$ 2,685,765	\$ 641,308	\$ 3,890,222
Receivables:								
Delinquent property taxes	21,159	-	-	-	-	4,020	-	25,179
Loan	-	-	-	-	-	-	10,100	10,100
Intergovernmental	4,945	19,198	58,267	48,145	23,278	3,325	43,531	200,689
Prepaid insurance	<u>43,991</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>43,991</u>
 Total assets	 <u>\$ 676,625</u>	 <u>\$ 67,636</u>	 <u>\$ (117,238)</u>	 <u>\$ 131,831</u>	 <u>\$ 23,278</u>	 <u>\$ 2,693,110</u>	 <u>\$ 694,939</u>	 <u>\$ 4,170,181</u>
<u>LIABILITIES AND FUND BALANCE</u>								
Liabilities:								
Accounts payable	<u>\$ 17,901</u>	<u>\$ 3,622</u>	<u>\$ 10,346</u>	<u>\$ 48,145</u>	<u>\$ 23,278</u>	<u>\$ -</u>	<u>\$ 16,464</u>	<u>\$ 119,756</u>
Fund balance:								
Reserved:								
Retirement of long-term debt	-	-	-	-	-	288,005	-	288,005
Unreserved reported in:								
General fund	658,724	-	-	-	-	-	-	658,724
Special revenue funds	-	64,014	(127,584)	83,686	-	-	678,475	698,591
Capital projects funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,405,105</u>	<u>-</u>	<u>2,405,105</u>
 Total fund balance	 <u>658,724</u>	 <u>64,014</u>	 <u>(127,584)</u>	 <u>83,686</u>	 <u>-</u>	 <u>2,693,110</u>	 <u>678,475</u>	 <u>4,050,425</u>
 Total liabilities and fund balance	 <u>\$ 676,625</u>	 <u>\$ 67,636</u>	 <u>\$ (117,238)</u>	 <u>\$ 131,831</u>	 <u>\$ 23,278</u>	 <u>\$ 2,693,110</u>	 <u>\$ 694,939</u>	 <u>\$ 4,170,181</u>

The notes to the financial statements are an integral part of this statement.



STATE OF NEW MEXICO  
MORA COUNTY

RECONCILIATION OF THE BALANCE SHEET - ALL  
GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET ASSETS  
June 30, 2008

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

Fund balances - total governmental funds	\$ 4,050,425
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	7,484,137
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	<u>(3,393,181)</u>
Net assets of governmental activities	<u>\$ 8,141,381</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
MORA COUNTY

GOVERNMENTAL FUNDS  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2008

	General Fund	Road Fund	Severance Bond SAP Fund	Ocate VFD USDA Grant Fund	Rainsville VFD USDA Grant Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>								
Forest reserve	\$ -	\$ 17,162	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,162
Federal grant	-	20,397	-	136,359	138,268	-	181,427	476,451
<b>Taxes:</b>								
Property	693,977	-	-	-	-	187,013	-	880,990
Penalties and interest	33,650	-	-	-	-	-	-	33,650
Payments in lieu	154,647	-	-	-	-	-	-	154,647
Gross receipts	132,186	57,460	-	-	-	-	169,774	359,420
Cigarette	2,698	-	-	-	-	-	42,813	45,511
Gasoline	-	96,377	-	-	-	-	-	96,377
Intergovernmental	321,339	891,541	1,323,285	-	-	-	1,044,189	3,580,354
Licenses and permits	111,830	86,425	-	-	-	-	-	198,255
Charges for services	35,324	-	-	-	-	-	25,112	60,436
Earnings from investments	6,726	346	-	-	-	91,665	8,182	106,919
Miscellaneous	18,955	79,014	-	-	-	-	648	98,617
<b>Total revenue</b>	<u>1,511,332</u>	<u>1,248,722</u>	<u>1,323,285</u>	<u>136,359</u>	<u>138,268</u>	<u>278,678</u>	<u>1,472,145</u>	<u>6,108,789</u>

(continued)

The notes to the financial statements are an integral part of this statement.

	General Fund	Road Fund	Severance Bond SAP Fund	Ocate VFD USDA Grant Fund	Rainsville VFD USDA Grant Fund	Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Expenditures:								
Current:								
General government	1,000,405	-	-	-	-	-	15,658	1,016,063
Public safety	337,794	-	990,244	-	-	-	396,195	1,724,233
Public works	150,556	444,612	-	-	-	-	299,945	895,113
Culture and recreation	-	-	-	-	-	-	1,800	1,800
Capital outlay	2,713	1,019,277	118,489	242,685	163,268	361,075	649,454	2,556,961
Debt service:								
Principal retirement	2,850	-	-	-	-	110,000	71,047	183,897
Bond interest paid	35	-	-	-	-	81,714	25,822	107,571
Bond issuance costs	-	-	-	1,200	-	-	-	1,200
Total expenditures	<u>1,494,353</u>	<u>1,463,889</u>	<u>1,108,733</u>	<u>243,885</u>	<u>163,268</u>	<u>552,789</u>	<u>1,459,921</u>	<u>6,486,838</u>
Excess (deficiency) of revenues over expenditures	<u>16,979</u>	<u>(215,167)</u>	<u>214,552</u>	<u>(107,526)</u>	<u>(25,000)</u>	<u>(274,111)</u>	<u>12,224</u>	<u>(378,049)</u>
Other financing sources and uses:								
Sale of bonds	-	-	-	191,025	-	-	-	191,025
Transfers in	61,428	275,583	5,992	-	-	100,000	214,641	657,644
Transfers out	<u>(154,716)</u>	<u>-</u>	<u>(198,193)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(416,858)</u>	<u>(769,767)</u>
Total other financing sources and uses	<u>(93,288)</u>	<u>275,583</u>	<u>(192,201)</u>	<u>191,025</u>	<u>-</u>	<u>100,000</u>	<u>(202,217)</u>	<u>78,902</u>
Net change in fund balance	(76,309)	60,416	22,351	83,499	(25,000)	(174,111)	(189,993)	(299,147)
Fund balance (deficit) at beginning of the year	<u>735,033</u>	<u>3,598</u>	<u>(149,935)</u>	<u>187</u>	<u>25,000</u>	<u>2,867,221</u>	<u>868,468</u>	<u>4,349,572</u>
Fund balance (deficit) at end of the year	<u>\$ 658,724</u>	<u>\$ 64,014</u>	<u>\$ (127,584)</u>	<u>\$ 83,686</u>	<u>\$ -</u>	<u>\$ 2,693,110</u>	<u>\$ 678,475</u>	<u>\$ 4,050,425</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
MORA COUNTY

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES ALL GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES

Year Ended June 30, 2008

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

Net change in fund balance - total governmental funds	\$ (299,147)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year	2,056,308
The issuance of long-term debt (e.g., bonds) 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 issuance costs, premiums, and similar, items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(5,928)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	<u>7,844</u>
Change in net assets of governmental activities	<u>\$ 1,759,077</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
MORA COUNTY

GENERAL FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
Revenues:				
Taxes:				
Property	\$ 690,253	\$ 690,253	\$ 687,337	\$ (2,916)
Penalties and interest	20,000	20,000	39,277	19,277
Payments in lieu	156,162	156,162	154,647	(1,515)
Cigarette	2,000	2,000	2,698	698
Gasoline	131,500	131,500	132,186	686
Intergovernmental	321,200	321,200	322,259	1,059
Licenses and permits	82,500	82,500	110,494	27,994
Charges for services	16,200	16,200	35,324	19,124
Earnings from investments	3,000	3,000	-	(3,000)
Miscellaneous	38,600	38,600	25,682	(12,918)
	<u>1,461,415</u>	<u>1,461,415</u>	<u>1,509,904</u>	<u>48,489</u>
Total revenues				

(continued)

STATE OF NEW MEXICO  
MORA COUNTY

GENERAL FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Expenditures:				
Current:				
General government	\$ 938,784	\$ 1,000,987	\$ 1,030,349	\$ (29,362)
Public safety	257,188	273,888	331,613	(57,725)
Public works	<u>118,780</u>	<u>118,780</u>	<u>145,501</u>	<u>(26,721)</u>
Total current expenses	1,314,752	1,393,655	1,507,463	(113,808)
Capital outlay:				
Equipment	<u>5,000</u>	<u>5,000</u>	<u>2,713</u>	<u>2,287</u>
Total expenditures	<u>1,319,752</u>	<u>1,398,655</u>	<u>1,510,176</u>	<u>(111,521)</u>
Excess (deficiency) of revenues over expenditures	<u>141,663</u>	<u>62,760</u>	<u>(272)</u>	<u>(63,032)</u>
Other financing sources and uses:				
Transfers in	-	-	61,428	61,428
Transfers out	<u>-</u>	<u>-</u>	<u>(154,716)</u>	<u>(154,716)</u>
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>(93,288)</u>	<u>(93,288)</u>
Net change in fund balance	141,663	62,760	(93,560)	(156,320)
Beginning cash balance budgeted	(141,663)	(62,760)	-	62,760
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>735,033</u>	<u>735,033</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	641,473	<u>\$ 641,473</u>
RECONCILIATION TO GAAP BASIS:				
Change in receivables			(2,126)	
Change in property tax receivable			3,556	
Change in payables			<u>15,821</u>	
			<u>\$ 658,724</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
MORA COUNTY

ROAD SPECIAL REVENUE FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis)	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
<b>Revenues:</b>				
Forest reserve	\$ 17,000	\$ 17,000	\$ 17,162	\$ 162
Federal grant	-	-	20,397	20,397
<b>Taxes:</b>				
Gross receipts	30,000	30,000	45,559	15,559
Gasoline	80,000	80,000	89,080	9,080
Intergovernmental	179,004	1,620,725	891,541	(729,184)
Licenses and permits	60,000	60,000	86,425	26,425
Charges for services	76,744	76,744	-	(76,744)
Earnings from investments	-	-	346	346
Miscellaneous	50,000	50,000	79,014	29,014
	<u>492,748</u>	<u>1,934,469</u>	<u>1,229,524</u>	<u>(704,945)</u>
<b>Total revenues</b>				
<b>Expenditures:</b>				
<b>Current:</b>				
Public works	338,341	338,341	457,509	(119,168)
<b>Capital outlay:</b>				
Equipment	-	1,441,721	1,019,277	422,444
	<u>338,341</u>	<u>1,780,062</u>	<u>1,476,786</u>	<u>303,276</u>
<b>Total expenditures</b>				
Excess (deficiency) of revenues over expenditures	154,407	154,407	(247,262)	(401,669)
<b>Other financing sources:</b>				
Transfers in	-	-	275,583	275,583
Net change in fund balance	154,407	154,407	28,321	(126,086)
Beginning cash balance budgeted	(154,407)	(154,407)	-	154,407
Fund balance at beginning of the year	-	-	3,598	3,598
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	31,919	<u>\$ 31,919</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in receivables			19,198	
Change in payables			<u>12,897</u>	
			<u>\$ 64,014</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
MORA COUNTY

SEVERANCE BOND SAP SPECIAL REVENUE FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 2,968,069	\$ 2,868,069	\$ 1,265,018	\$ (1,603,051)
Expenditures:				
Current:				
Public safety	696,227	696,227	608,315	87,912
Capital outlay:				
Equipment	<u>2,271,842</u>	<u>2,171,842</u>	<u>524,372</u>	<u>1,647,470</u>
Total expenditures	<u>2,968,069</u>	<u>2,868,069</u>	<u>1,132,687</u>	<u>1,735,382</u>
Excess of revenues over expenditures	-	-	132,331	132,331
Other uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>(198,193)</u>	<u>(198,193)</u>
Net change in fund balance	-	-	(65,862)	(65,862)
Fund balance (deficit) at beginning of the year	<u>-</u>	<u>-</u>	<u>(149,935)</u>	<u>(149,935)</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>(215,797)</u>	<u>\$ (215,797)</u>
RECONCILIATION TO GAAP BASIS:				
Change in receivables			58,267	
Change in payables			23,954	
Change in transfers			<u>5,992</u>	
			<u>\$ (127,584)</u>	

The notes to the financial statements are an integral part of this statement.



**STATE OF NEW MEXICO  
MORA COUNTY**

**OCATE VFD USDA GRANT SPECIAL REVENUE FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Federal grant	\$ -	\$ 268,500	\$ 88,215	\$ (180,285)
<b>Expenditures:</b>				
Capital outlay:				
Buildings and improvements	<u>-</u>	<u>268,500</u>	<u>194,541</u>	<u>73,959</u>
Excess (deficiency) of revenues over expenditures	-	-	(106,326)	(106,326)
<b>Other financing sources:</b>				
Sale of bonds	<u>-</u>	<u>-</u>	<u>109,825</u>	<u>109,825</u>
Net change in fund balance	-	-	3,499	3,499
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>187</u>	<u>187</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>3,686</u>	<u>\$ 3,686</u>
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in receivables			48,144	
Change in payables			(48,144)	
Cash with fiscal agent			<u>80,000</u>	
			<u>\$ 83,686</u>	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
MORA COUNTY

RAINSVILLE VFD USDA GRANT SPECIAL REVENUE FUND  
Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Revenues:</b>				
Federal grant	\$ -	\$ 250,000	\$ 139,990	\$ (110,010)
 <b>Expenditures:</b>				
<b>Capital outlay:</b>				
Buildings and improvements	-	250,000	139,990	110,010
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	25,000	25,000
Fund balance at end of the year	\$ -	\$ -	25,000	\$ 25,000
 <b>RECONCILIATION TO GAAP BASIS:</b>				
Change in receivables			23,278	
Change in payables			(23,278)	
Cash with fiscal agent			(25,000)	
			\$ -	

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
MORA COUNTY

PROPRIETARY FUND - SANITARY LANDFILL  
STATEMENT OF NET ASSETS

June 30, 2008

ASSETS

Current assets:

Receivables:

Accounts (net of allowance for uncollectible) \$ 5,119

Intergovernmental 4,095

Total assets \$ 9,214

LIABILITIES AND NET ASSETS (DEFICIT)

Current liabilities:

Bank overdrafts \$ 5,932

Accounts payable 8,802

Total current liabilities 14,734

Net assets (deficit):

Undesignated (5,520)

Total liabilities and net assets (deficit) \$ 9,214

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
MORA COUNTY

PROPRIETARY FUND - SANITARY LANDFILL  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
Year Ended June 30, 2008

Operating revenues:	
Charges for sales and services:	
Solid waste charges	\$ 133,437
Operating expenses:	
Personal services	75,193
Operating expenses	<u>110,479</u>
Total operating expenses	<u>185,672</u>
Operating loss	<u>(52,235)</u>
Nonoperating revenues (expenses):	
Intergovernmental	4,370
Gross receipts tax	<u>35,009</u>
Total nonoperating revenues (expenses)	<u>39,379</u>
Income before contributions and transfers	(12,856)
Transfers in	<u>112,123</u>
Change in net assets	99,267
Net assets (deficit) - beginning of year	<u>(104,787)</u>
Net assets (deficit) - ending of year	<u>\$ (5,520)</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
MORA COUNTY

PROPRIETARY FUND - SANITARY LANDFILL  
STATEMENT OF CASH FLOWS  
Year Ended June 30, 2008

CASH FLOWS FROM OPERATING  
ACTIVITIES

Receipts from customers and users	\$ 134,332
Payments to supplies and maintenance	(77,423)
Payments to employees	<u>(110,479)</u>
Net cash used in operating activities	<u>(53,570)</u>

CASH FLOWS FROM NONCAPITAL  
FINANCING ACTIVITIES

Transfer from other funds	112,123
Payments of taxes	35,009
Subsidy from federal grant	<u>275</u>
Net cash provided (used) by capital and related financing activities	<u>147,407</u>

Net increase (decrease) in cash and cash equivalents	93,837
Cash and cash equivalents, beginning of year	<u>(99,769)</u>
Cash and cash equivalents, end of year	<u>\$ (5,932)</u>

RECONCILIATION OF OPERATING INCOME  
TO NET CASH PROVIDED (USED) BY  
OPERATING ACTIVITIES

Operating income (loss)	\$ <u>(52,235)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
(Increase) decrease in asseets:	
Accounts receivable	895
Increase (decrease) in liabilities:	
Accounts payable	<u>(2,230)</u>
Total adjustments	<u>(1,335)</u>
Net cash used in operating activities	<u>\$ (53,570)</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
MORA COUNTY

AGENCY FUNDS  
Statement of Fiduciary Assets and Liabilities  
June 30, 2008

ASSETS

Pooled cash and investments	\$	37,533
Receivables:		
Property taxes		<u>307,893</u>
Total assets	\$	<u><u>345,426</u></u>

LIABILITIES

Taxes due from others	\$	307,893
Due to others		862
Undistributed taxes		29,501
Taxes paid in advance		<u>7,170</u>
Total liabilities	\$	<u><u>345,426</u></u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
MORA COUNTY

Notes to Basic Financial Statements  
June 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) applicable to governmental entities. A summary of the Mora County, New Mexico's significant accounting policies applied in the preparation of these financial statements follows.

A. Reporting Entity

The Mora County, New Mexico (County) was incorporated, and it is administered by a manager, who is overseen by a Commission of three elected officials. The reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the primary governments is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the County's financial statements to be misleading or incomplete. The County provides the usual municipal services with the exception of education, which administered by other governmental agencies.

As required by GAAP, these financial statements present the County (primary government).

Depending upon the significance of the financial and operational relationships with various separate entities, the organizations are classified as blended or discrete component units.

1. Blended Component Units. Legally separate component units for which the County is financially accountable are blended with the primary government because they are, in substance, part of the government's operations. Blended means the data from these units are combined with data of the primary government. The County had no blended component units during the fiscal year ended June 30, 2008.
2. Discretely Presented Component Units. The financial data of component units are reported in separate columns to emphasize that they are legally separate from the County. The County had no discrete component units during the fiscal year ended June 30, 2008.
3. Related Organizations. The County appoints members to the boards, but the County's accountability for the organizations does not extend beyond making these appointments and there is no fiscal dependency of these organizations on the County.

STATE OF NEW MEXICO  
MORA COUNTY

Notes to Basic Financial Statements  
June 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Government Wide and Fund Financial Statements

The government-wide financial statements, which include the statement of net assets and statement of activities, report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which generally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from business-type activities, which rely generally on fees and charges to external parties.

The statement of activities demonstrates the extent to which the direct expenses of a given function or business-type activity is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, internally dedicated resources, including special assessments. Internally dedicated resources, taxes, and other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The emphasis of fund financial statements is on major governmental funds, and enterprise funds, each reported as a separate column. All remaining governmental funds and enterprise funds are aggregated and reported as non-major funds.

C. Measurement Focus, Basis of Accounting, and Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. On an accrual basis, property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they are measurable and available. Available means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. The County considers all revenue as available, if collected within 60 days after year-end. Property taxes, sales and use taxes, franchise taxes, occupational privilege taxes, interest revenue, grant revenue, and charges for services are susceptible to accrual. Other receipts, fines, licenses, and permits revenues become measurable and available when cash is received by the County and are recognized as revenue at that time. Grant revenue is considered available if expected to be collected within one year and all eligibility requirements are met. Expenditures are recorded when the related liability is incurred, except for debt service expenditures, and certain compensated absences and claims and judgments which are recognized when the payment is due.



STATE OF NEW MEXICO  
MORA COUNTY

Notes to Basic Financial Statements  
June 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting, and Statement Presentation (continued)

The County reports the following major governmental funds:

GENERAL FUND – County's primary operating fund. It accounts for all financial resources of the general government, except those required to be reported in another fund.

ROAD FUND – County management is accounting for the distribution of gasoline taxes and motor vehicle registration fees to the County and the expenditures for construction, reconstruction, resurfacing or other improvement or maintenance of public roads as authorized by NMSA 1978 Section 7-24A-5

SEVERANCE BONDS SAP – To account for grant funds provided by the State of New Mexico out of severance tax bonds. The funds are to be used for repairs to the courthouse.

OCATE VFD USDA GRANT – To account for funds received under a grant from the U.S. Department of Agriculture to undertake the acquisition, construction, enlargement, capital improvement, or purchase of equipment. Authority is 197 C.F.R. Part 3570.

RAINSVILLE VFD USDA GRANT – To account for funds received under a grant from the U.S. Department of Agriculture to undertake the acquisition, construction, enlargement, capital improvement, or purchase of equipment. Authority is 197 C.F.R. Part 3570.

DEBT SERVICE FUND – The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

The County reports the following major proprietary funds:

SANITARY LANDFILL FUND – accounts for fees collected and expenses incurred to operate the County Sanitary Landfill.

Additionally, the County reports the following fund type:

Agency funds account for miscellaneous assets held by the County for other funds, governmental units, and individuals. The County's fiduciary funds are custodial in nature and do not involve measurement of results of operations. The County's Fiduciary funds are used to account for the collection and payment of property taxes and special fees due to other governmental agencies.

The County reports its government-wide and enterprise fund financial statements following all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless the pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins. Governments are given the option whether or not to apply all FASB Statements and Interpretations issued after November 30, 1989. The County has elected not to follow subsequent private-sector guidance.

STATE OF NEW MEXICO  
MORA COUNTY

Notes to Basic Financial Statements  
June 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting, and Statement Presentation (continued)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for the enterprise funds include the administrative expenses, cost of sales and services, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The effect of inter-fund activity generally has been eliminated from the government-wide financial statements. Exceptions to this practice include payments and other charges between the County'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 affected.

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

When both restricted and unrestricted resources are available for use, the County uses the restricted resources first, then unrestricted resources as needed.

D. Assets, Liabilities, and Net Assets or Equity

1. Deposits and Investments

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

State statutes authorize the investment of the County's funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, and money market accounts. The County is also allowed to invest in United States Government obligations. All funds for the County must follow the above investment policies.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the County. Deposits may be made to the extent that they are insured by an agency of the United States or by collateral deposited as security or by bond given by the financial institution.

The rate of interest in non-demand interest-bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States treasury bills of the same maturity on the day of deposit.

STATE OF NEW MEXICO  
MORA COUNTY

Notes to Basic Financial Statements  
June 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Assets or Equity (continued)

1. Deposits and Investments (continued)

Excess of funds may be temporarily invested in securities which are issued by the State or by the United States government, or by their departments or agencies, and which are either direct obligations of the State or the United States or are backed by the full faith and credit of those governments.

*2. Receivables and payables*

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Property taxes are recognized as revenue on the modified accrual basis. They are reported as a receivable and as deferred revenue when the levy is certified by the County's Assessor on November and April 10th of each year unless there is a special election. Property taxes are due and considered earned on January 1 following the year levied. The first and second halves become delinquent on November 10th and April 10th, respectively.

Oil and gas taxes received from the County are recognized as revenue when received by the County.

Due from other governments includes amounts due from grantors for grants for specific programs and capital projects. Program and capital grants for capital assets are recorded as receivables and revenues when all eligibility requirements are met. Revenues received in advance of project costs being incurred or for which eligibility requirements have not been met are deferred. In the governmental funds, revenue recognition depends on the timing of cash collections (availability).

The Sanitary Landfill enterprise fund is responsible for billing and collecting sanitation fees using a cycle billing system biannually. Revenues relating to future years are classified as deferred revenue. All trade receivables are shown net of an allowance for uncollectible. The County reviews accounts receivable on a regular basis and all receivable are reported net of uncollectible accounts.

The County has reviewed its customer base for concentrations of credit risk and has determined that no individual customer or group of customers engaged in similar activities represent a material concentration of credit risk to the County.

*3. Prepaid Items*

Payments made to vendors for services representing costs applicable to future accounting periods are recorded as prepaid items.

STATE OF NEW MEXICO  
MORA COUNTY

Notes to Basic Financial Statements  
June 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Assets or Equity (continued)

*4. Capital Assets*

Land, collections, construction in progress, buildings, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns of the government-wide financial statements. Such assets are recorded at cost or estimated cost if purchased or constructed. Donated capital assets are recorded at their estimated fair value at the date of donation. The capitalization threshold of the County is \$5,000. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not capitalized. Interest incurred during the construction phase of capital assets of business-type activities is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

<u>Assets</u>	<u>Years</u>
Improvements other than buildings	10 to 50
Buildings and improvements	10 to 45
Motor vehicles and motorized equipment	5 to 30
Furniture, machinery, equipment, and software	5 to 30
Infrastructure	10 to 50

No depreciation is recorded for assets held for disposition. Library books and software are depreciated if the single individual cost is \$5,000 or more.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest on construction projects has not been capitalized.

*5. Compensated Absences*

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. No expenditure is reported for these amounts. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrued to employees. The County does not pay for unused sick leave upon termination; therefore, amounts are not accrued for sick leave liability. The compensated absences are paid from the general fund in the amount of \$28,304, from the roads fund \$9,637, from the DWI \$3,547 from the solid waste \$3,377, which totals \$44,865 as reported in the statement of net assets.

STATE OF NEW MEXICO  
MORA COUNTY

Notes to Basic Financial Statements  
June 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Assets or Equity (continued)

*6. Long-term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, statement of net assets. 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 discounts. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as capital projects expenditures.

*7. Fund Equity*

In the fund financial statements, governmental funds report reservations of fund balance representing amounts that are not appropriable or are legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

*8. Net assets*

Net assets are presented on the statement of net assets and may be presented in any of three components.

a. Invested in capital assets, net of related debt

This component of net assets consists of capital assets, including restricted 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. The portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. That portion of the debt is included in restricted for capital projects.

b. Restricted net assets

Net assets are reported as being restricted when the restriction is either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation.

STATE OF NEW MEXICO  
MORA COUNTY

Notes to Basic Financial Statements  
June 30, 2008

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Assets or Equity (continued)

8. *Net assets (continued)*

c. Unrestricted net assets

Unrestricted net assets consist of net assets that do not meet the definition of “invested in capital assets, net of related debt” or “restricted.”

In the governmental environment, net assets often are designated to indicate that management does not consider them to be available for general operations. In contrast to restricted net assets, these types of constraints on resources are internal and management can remove or modify them. However, enabling legislation established by the reporting government should not be construed as an internal constraint.

9. *Use of estimates*

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

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.” The details of the \$7,484,137 difference are as follows:

Capital assets	\$ 10,522,957
Accumulated depreciation	<u>(3,038,820)</u>
Net adjustment to increase fund balance - total governmental funds to arrive at net assets - governmental activities	<u>\$ 7,484,137</u>

STATE OF NEW MEXICO  
MORA COUNTY

Notes to Basic Financial Statements  
June 30, 2008

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (continued)

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets (continued)

The final adjustment in the reconciliation indicates that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The \$3,393,181 difference is detailed as follows:

Bonds payable	\$	(3,328,334)
Accrued interest payable		(21,182)
Accrued compensated absences		(44,865)
Bond premium or issuance costs		<u>1,200</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	\$	<u>(3,393,181)</u>

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this \$2,056,308 difference are as follows:

Capital outlay	\$	(2,556,961)
Depreciation expense		<u>500,653</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	\$	<u>(2,056,308)</u>

STATE OF NEW MEXICO  
MORA COUNTY

Notes to Basic Financial Statements  
June 30, 2008

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (continued)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities (continued)

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, 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 issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$5,928 difference are as follows:

Principal payments:	
General obligation debt	\$ (183,897)
Proceeds from debt	191,025
Current year issuance cost	<u>(1,200)</u>
Net adjustment to change in net assets of governmental activities for revenues that are not recorded in the funds	
	<u>\$ 5,928</u>

The final element of that reconciliation states that “Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.” The details of this \$7,844 difference are as follows:

Accrued interest:	
June 30, 2008	\$ (49,403)
June 30, 2007	44,865
Compensated balances:	
June 30, 2008	21,182
June 30, 2007	<u>(24,488)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	
	<u>\$ (7,844)</u>



STATE OF NEW MEXICO  
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Notes to Basic Financial Statements  
June 30, 2008

III. STEWARDSHIP COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted for all funds except agency funds. All budgets are prepared on the Non-GAAP cash basis. All annual appropriations lapse at fiscal year end. Carry over funds must be appropriated in the budget of the subsequent fiscal year. Because the budget process in the State of New Mexico requires that the beginning cash balance be appropriated in the budget of the subsequent fiscal year, such appropriated balance is legally restricted and is therefore presented as a reserve portion of fund balance.

Actual expenditures may not exceed the budget on a fund basis. Budgets may be amended by County Commission resolution with approval by the State Department of Finance and Administration. County department heads may make transfers of appropriations within a fund. The legal level of budgetary control is the fund level. Increases or decreases of appropriations between funds require the approval of the governing commission.

The County follows the following procedures in establishing the budgetary data reflected in the financial statements:

Prior to June 1, the County Manager submits to the County Commission a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayers comments. Prior to September 1, the budget is legally enacted through passage of a resolution.

The County Manager is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the County Commission. Expenditures of the County may not legally exceed appropriations at the level at which the budget is adopted, that is, expenditures in each fund may not exceed the budgeted appropriation for that fund.

The budgetary information presented in these financial statements have been amended in accordance with the above procedures.

B. Excess of Expenditures Over Appropriations

For the year ended June 30, 2008 expenditures exceed appropriations in the following individual funds.

General	Mora VFD NMEMNRD	DWI-ST
Corrections	CDWI	Debt Service
Law Enforcement USDA		

STATE OF NEW MEXICO  
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Notes to Basic Financial Statements  
June 30, 2008

III. STEWARDSHIP COMPLIANCE, AND ACCOUNTABILITY (continued)

C. Deficit Fund Equity of Activities

Deficit fund balance of individual funds as of June 30, 2008, are as follows.

Wildland Fire Grant	\$ 457
Severance Bond SAP	127,584
Law Enforcement USDA Grant	1,864
Sanitary Landfill	5,520
Corrections	216,705
CDWI	3,055
DWI-D	10,179
DWI-G	11,907
Total	<u>\$ 377,271</u>

The deficits are expected to be funded by additional grant funds user fees or transfers from the general fund.

IV. DETAILED NOTES FOR ALL FUNDS

A. Cash and Temporary Investments

At June 30, 2008, the carrying amount of the District's deposits was \$3,921,523 and the bank balance was \$4,022,183. Of this balance \$204,608 was covered by federal depository insurance and \$1,097 was covered by collateral held in joint safekeeping by a third party, \$2,500,573 was invested in U.S. Government Money Market Funds and \$1,315,905 was uncollateralized.

STATE OF NEW MEXICO  
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Notes to Basic Financial Statements  
June 30, 2008

IV. DETAILED NOTES ON ALL FUNDS (continued)

A. Cash and Temporary Investments (continued)

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a policy for custodial credit risk. NM State Statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the County for at least one half of the amount on deposit with the institution. The statement listed below will meet the State of New Mexico Office of the State Auditor's requirement in reporting the uninsured portion of the deposits. As of June 30, 2008, 523,187 of the County's bank balance of \$4,022,183 were uninsured and uncollateralized and was exposed to custodial risk.

	<u>Depository Accounts</u>	
Insured		\$ 204,608
Collateralized:		
Collateral held by pledging bank's trust department in the County's name		1,097
U.S. Government Money Market Funds		2,500,573
Uninsured and uncollateralized		<u>1,315,905</u>
 Total deposits		 <u>\$ 4,022,183</u>
 Collateral requirement:		
50% of uninsured public fund bank deposits		\$ 658,501
Pledged security		<u>1,097</u>
 Over collateralization		 <u>\$ (657,404)</u>

The collateral pledged is listed on Page 122 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, district or political subdivision of the State of New Mexico.

According to the Federal Deposit Insurance Authority, public unit deposits are funds owned by the County. Time deposits, savings deposits and interest bearing "Now" accounts of a public unit in an institution in the same state will be insured up to \$100,000 in aggregate and separate from the \$100,000 coverage for public unit demand deposits at the same institution.

**STATE OF NEW MEXICO  
MORA COUNTY**

Notes to Basic Financial Statements  
June 30, 2008

IV. DETAILED NOTES FOR ALL FUNDS (continued)

B. Receivables

Receivables as of June 30, 2008 are as follows:

	<u>General</u>	<u>Road</u>	<u>Severance Bond SAP</u>	<u>Ocate VFD USDA Grant</u>	<u>Rainsville VFD USDA Grant</u>	<u>Debt Service</u>	<u>Other Governmental</u>	<u>Enterprise</u>
Receivables:								
Accounts receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 255,974
Loans	-	-	-	-	-	-	40,228	-
Property taxes	21,159	-	-	-	-	4,020	-	-
Intergovernmental	<u>4,945</u>	<u>19,198</u>	<u>58,267</u>	<u>48,145</u>	<u>23,278</u>	<u>3,325</u>	<u>43,531</u>	<u>4,095</u>
Gross receivables	26,104	19,198	58,267	48,145	23,278	7,345	83,759	260,069
Less: Allowance for uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,128</u>	<u>250,855</u>
Net receivables	<u>\$ 26,104</u>	<u>\$ 19,198</u>	<u>\$ 58,267</u>	<u>\$ 48,145</u>	<u>\$ 23,278</u>	<u>\$ 7,345</u>	<u>\$ 53,631</u>	<u>\$ 9,214</u>

Revenues of Other Governmental funds and Enterprise Funds are reported net of uncollectible amounts. Total uncollectible amounts related to the revenue are as follows:

Uncollectibles	
Other Governmental Funds	\$ 30,128
Enterprise Fund	<u>250,855</u>
Total	<u>\$ 280,983</u>

C. Transfer

Net operating transfers during the year ended June 30, 2008 are as follows:

Governmental Activities:	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General fund	\$ 61,428	\$ 154,716
Road	275,583	-
Severance Bond SAP	5,992	198,193
Debt Service	100,000	-
Nonmajor general funds	214,641	416,858
Proprietary fund	<u>112,123</u>	<u>-</u>
Total Governmental transfers	<u>\$ 769,767</u>	<u>\$ 769,767</u>

The general purpose of the transfers are to fund expenditures until other financing is arranged or to provide matching funds.

**STATE OF NEW MEXICO  
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Notes to Basic Financial Statements  
June 30, 2008

IV. DETAILED NOTES FOR ALL FUNDS (continued)

D. Capital Assets

Capital asset activity for the year ended June 30, 2008, was as follows:

	<u>July 1, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2008</u>
<b>Governmental Activities.</b>				
Capital assets not being depreciated:				
Land and land rights	\$ 186,018	\$ 201,970	\$ -	\$ 387,988
Construction in progress	<u>1,467</u>	<u>488,283</u>	<u>-</u>	<u>489,750</u>
Total capital assets not being depreciated	<u>187,485</u>	<u>690,253</u>	<u>-</u>	<u>877,738</u>
Capital assets being depreciated:				
Buildings and improvements	3,396,874	1,328,252	-	4,725,126
Equipment and other	<u>4,381,637</u>	<u>538,456</u>	<u>-</u>	<u>4,920,093</u>
Total capital assets being depreciated	<u>7,778,511</u>	<u>1,866,708</u>	<u>-</u>	<u>9,645,219</u>
Less accumulated depreciation for:				
Buildings and improvements	(626,361)	(120,329)	-	(746,690)
Equipment and other	<u>(1,911,806)</u>	<u>(380,324)</u>	<u>-</u>	<u>(2,292,130)</u>
Total accumulated depreciation	<u>(2,538,167)</u>	<u>(500,653)</u>	<u>-</u>	<u>(3,038,820)</u>
Total capital assets being depreciated, net	<u>5,240,344</u>	<u>1,366,055</u>	<u>-</u>	<u>6,606,399</u>
<b>Governmental Activities Capital Assets, net</b>	<u>\$ 5,427,829</u>	<u>\$ 2,056,308</u>	<u>\$ -</u>	<u>\$ 7,484,137</u>

Depreciation by fund:

General	\$ 140,033
Public works	237,633
Public safety	122,739
Culture and recreation	<u>248</u>
Total	<u>\$ 500,653</u>

Construction commitments

The County is involved in several long-term construction projects as part of their master plan for upgrading the county buildings. The amount of \$2,405,105 in the debt service fund designated for subsequent years expenditures are committed for funding these projects. Interest on construction projects is not capitalized.

E. Long-Term Debt

General Obligation Bonds:

The County issues general obligation bonds to provide for the acquisition and construction of major capital facilities. Bonds are direct obligations and pledge the full faith and credit of the County. The bonds will be paid from taxes levied against property within the County boundaries. General obligation bonds in the amount of \$2,425,000 were outstanding at the year ended June 30, 2008.

**STATE OF NEW MEXICO  
MORA COUNTY**

Notes to Basic Financial Statements  
June 30, 2008

IV. DETAILED NOTES FOR ALL FUNDS (continued)

E. Long-Term Debt (continued)

Revenue Bonds

The County has issued bonds where the County pledges state fire allotment revenues and income derived from the \$903,334.

	Original Amount	Balance due	Current Balance
<b>General Obligation Bonds:</b>			
Bond issued from the New Mexico Finance Authority. The interest rate is from 2.4% to 3.71% annually. The bond matures on August 1, 2021.	2,650,000	2,425,000	115,000
<b>Revenue Bonds:</b>			
Bond issued from New Mexico Finance Authority for Fire Equipment for the Chet Fire Station, with a variable annual payment no interest and a .025% administrative fee. The bond matures on May 1, 2009	55,000	6,935	6,935
Bond issue from New Mexico Finance Authority for Golondrinas Fire District, with a variable annual payment, no interest payments, and a .25% administrative fee. The bond matures on May 1, 2013.	69,700	43,726	8,702
Bond issued from USDA for the Golondrinas Fire District. The interest rate is 4.7665% annually. The bond matures on August 1, 2023.	31,970	28,037	1,000
Bond issued from New Mexico Finance Authority for the Ocate Ojo Feliz Fire District. The interest rate is from 1.22% to 3.49% annually. The bond matures on May 1, 2014.	150,000	83,022	14,976
Bond issued from New Mexico Finance Authority for the Ocate Ojo Feliz Fire District. The interest rate is from 0% annually. The bond matures on May 1, 2029.	81,200	81,200	-
Bond issued from USDA for the Fire District. The interest rate is from 2.5% to 5.0% annually. The bond matures on August 1, 2023.	119,700	104,514	5,000
Bond issued from USDA for the Chet Fire District. There is no annual interest, and a .25% administrative fee annually. The bond matures on May 1, 2007.	30,000	6,030	6,030
Bond issued from USDA for the Ledoux Fire District. The interest rate is from 4.0% to 4.5% annually. The bond matures on April 16, 2034.	125,220	116,220	2,500

**STATE OF NEW MEXICO  
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Notes to Basic Financial Statements  
June 30, 2008

IV. DETAILED NOTES FOR ALL FUNDS (continued)

E. Long-Term Debt (continued)

	Original Amount	Balance due	Current Balance
Revenue Bonds:			
Bond issued from USDA for the Ocate Ojo Feliz Fire District. The interest rate is from 4.25% annually. The bond matures on August 6, 2022.	109,825	109,825	5,000
Bond issued from USDA for the Buena Vista Fire District. The interest rate is from 2.50% to 5.455% annually. The bond matures on October 25, 2024.	80,000	56,000	8,000
Bond issued from USDA for the Buena Vista Fire District. The interest rate is 6.5% annually. The bond matures on August 19, 2024.	177,800	139,800	7,000
Bond issued from the New Mexico Finance Authority. The interest rate is from 2.50% to 4.00% annually. The bond matures on May 1, 2020.	75,000	60,224	4,950
Bond issued from USDA for the Law Enforcement Protection fund. The interest rate is 4.25% annually. The bond matures on November 26, 2015.	81,815	67,801	7,000
Total revenue bonds	1,187,230	903,334	77,093
Total	\$ 3,837,230	\$ 3,328,334	\$ 192,093

Balances shown for bonds and notes do not include unamortized premiums or deferred amounts on refinancing.

Annual debt service requirements to maturity for long-term debt are as follows:

Year Ending			Total
<u>June 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Requirements</u>
2008	\$ 192,093	\$ 107,858	\$ 299,951
2009	184,834	102,725	287,559
2010	196,611	97,404	294,015
2011	208,018	91,525	299,543
2012	214,352	85,153	299,505
2013-2017	1,107,807	320,024	1,427,831
2018-2022	1,113,052	109,053	1,222,105
2023-2027	67,837	84	67,921
2028-2032	36,060	-	36,060
2033-2037	7,670	-	7,670
Total	\$ 3,328,334	\$ 913,826	\$ 4,242,160

**STATE OF NEW MEXICO  
MORA COUNTY**

Notes to Basic Financial Statements  
June 30, 2008

IV. DETAILED NOTES FOR ALL FUNDS (continued)

E. Long-Term Debt (continued)

Changes in Long-Term Liabilities

During the year ended June 30, 2008, the following changes occurred in long-term liabilities:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One year</u>
Governmental activities:					
Compensated absences	\$ 49,403	\$ 28,544	\$ (33,082)	\$ 44,865	\$ 44,865
Loans payable:					
State Board of Finance	2,850	-	(2,850)	-	-
General obligation bonds:					
New Mexico Finance Authority	2,535,000	-	(110,000)	2,425,000	115,000
Revenue bonds payable:					
New Mexico Finance Authority	-	81,200	-	81,200	-
New Mexico Finance Authority	13,853	-	(6,918)	6,935	6,935
New Mexico Finance Authority	52,406	-	(8,680)	43,726	8,702
USDA	29,037	-	(1,000)	28,037	1,000
New Mexico Finance Authority	97,018	-	(13,996)	83,022	14,976
USDA	108,564	-	(4,050)	104,514	5,000
USDA	-	109,825	-	109,825	5,000
USDA	12,045	-	(6,015)	6,030	6,030
USDA	118,720	-	(2,500)	116,220	2,500
USDA	66,000	-	(10,000)	56,000	8,000
USDA	145,800	-	(6,000)	139,800	7,000
USDA	74,801	-	(7,000)	67,801	7,000
New Mexico Finance Authority	<u>65,162</u>	<u>-</u>	<u>(4,938)</u>	<u>60,224</u>	<u>4,950</u>
Total loans and bonds	<u>3,321,256</u>	<u>191,025</u>	<u>(183,947)</u>	<u>3,328,334</u>	<u>192,093</u>
Total long-term liabilities	<u>\$ 3,370,659</u>	<u>\$ 219,569</u>	<u>\$ (217,029)</u>	<u>\$ 3,373,199</u>	<u>\$ 236,958</u>

The liability of compensated absences is liquidated with resources from the general fund and several special revenue funds. The Bonds and Loans are paid from the general fund, debt service fund and the fire districts.



STATE OF NEW MEXICO  
MORA COUNTY

Notes to Basic Financial Statements  
June 30, 2008

IV. DETAILED NOTES FOR ALL FUNDS (continued)

F. Reserved Fund Balances

The New Mexico Department of Finance and Administration (DFA) requires that 1/12th of the general fund budgeted expenditures be reserved as subsequent year expenditures to maintain an adequate cash flow until the next significant property tax collection.

V. OTHER NOTE DISCLOSURES

A. Contingent Liabilities

Litigation

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the government attorney the resolution of these matters will not have a material adverse effect on the financial condition of the government.

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial

B. Employee Retirement Systems and Plans

Plan Description

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

STATE OF NEW MEXICO  
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Notes to Basic Financial Statements  
June 30, 2008

V. OTHER NOTE DISCLOSURES (continued)

B. Employee Retirement Systems and Plans (continued)

Funding Policy.

Plan members are required to contribute 7% (ranges from 4.78% to 16.65% depending upon the plan - i.e., state general, state hazardous duty, state police and adult correctional officers, municipal general, municipal police, municipal fire, municipal detention officer) of their gross salary. The County is required to contribute 10% for police and 7% for other employees (ranges from 7.0% to 25.72% depending upon the plan) of the gross covered salary. The contribution requirements of plan members and the County are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The County's contributions to PERA for the fiscal years ending June 30, 2008, 2007 and 2006 were \$47,818, \$45,127, and \$53,345, respectively, which equal the amount of the required contributions for each fiscal year.

Retirement Eligibility

Eligibility for receiving the monthly benefits equal to the number of years of credited service times 2.5% of their final average monthly salary for the thirty-six consecutive months of credited service producing the largest average is as follows:

- Any age with 25 or more years of credited service, or age 60 or older with 20 or more years of credited service; or
- Age 61 or older with 17 or more years of credited service; or
- Age 62 or older with 14 or more years of credited service; or
- Age 63 or older with 11 or more years of credited service; or
- Age 64 or older with 8 or more years of credited service; or
- Age 65 or older with 5 or more years of credited service.

Police officers and fire fighters are eligible for retirement at any age after 20 years of service. Benefits vest after 5 years of credited service.

STATE OF NEW MEXICO  
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Notes to Basic Financial Statements  
June 30, 2008

V. OTHER NOTE DISCLOSURES (continued)

B. Employee Retirement Systems and Plans (continued)

Contribution Requirements

Contributions to the pension plan as of June 30, 2008 are equal to percentages of annual salaries as follows:

	<u>County Contribution</u>	<u>Employee Contribution</u>	<u>Total</u>
Police	10.00%	7.00%	17.00%
General	7.00%	7.00%	14.00%

The contribution requirements of plan members and the County are established under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The actuarially determined contribution requirements and actual contributions made for the year ended June 30, 2008 were \$92,766, (which consisted of \$47,818 from the County and \$44,949 from employees; representing 11.0 percent and 10.6 percent of covered payroll, respectively). The payroll for employees covered by PERA for the year ended June 30, 2008 was \$642,122. Contributions for the past three years are as follows:

<u>Fiscal Year</u>	<u>Pension Cost</u>	<u>Percentage Contribution</u>	<u>Benefit Obligation</u>
2006	\$ 53,345	100%	\$ -
2007	\$ 45,127	100%	\$ -
2008	\$ 44,818	100%	\$ -

If member's employment is terminated before the member is eligible for any other benefits under PERA, the member may receive a refund of the member's contribution and interest accrued based on rates established biannually by the retirement board.

C. Post-Employment Benefits

The County has elected not to participate in the Retiree Health Care Act (Section 10-7C-1 to 10-7c-16, NMSA 1978).

D. Trend Information

Information pertaining to the actuarially computed present value of vested accumulated plan benefits and nonvested accumulated plan benefits, the plan's net assets available for benefits and the assumed rate of return used in computing the present value, and ten-year historical trend information presenting PERA's progress in accumulating sufficient assets to pay benefits when due is not available by individual government agencies participating in the plan. Actuarial pension data for the State of New Mexico, as employer, is provided at the state-wide level in a separately-issued financial report of the PERA.

STATE OF NEW MEXICO  
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Notes to Basic Financial Statements  
June 30, 2008

V. OTHER NOTE DISCLOSURES (continued)

E. Risk Management

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters.

Mora County is a member and is insured through the New Mexico County Insurance Authority. The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The Authority acts as the common carrier for the State of New Mexico counties. The County pays an annual premium to the Authority based on claim experience and the status of the pool. The Risk Management Program includes Workers Compensation, General and Automobile Liability, Automobile Physical Damage, and Property and Crime coverage. The County is not liable for more than the premiums paid.

F. Jointly Governed Organizations

Joint powers agreement for Solid Waste Bins

Participants:	Mora County, Village of Wagon Mound
Operation Responsibility:	Both parties
Description:	Village of Wagon Mound agrees to house proper bins for Mora County Solid Waste Department.
Period:	January 23, 2003 until cancelled
Project Costs:	Mora County agrees to pay one-half of the salary of an employee to monitor the site.
Association Contributions:	Undetermined
County Contributions:	Undeterminable
Audit Responsibility:	Village of Wagon Mound
Reporting Responsibility:	Revenue are collected and reported by the County. Expenses are incurred and reported by both parties.

STATE OF NEW MEXICO  
MORA COUNTY

Notes to Basic Financial Statements  
June 30, 2008

V. OTHER NOTE DISCLOSURES (continued)

F. Jointly Governed Organizations (continued)

Joint powers agreement for Inmate Housing – Quay County

Participants:	Mora County, Quay County
Operation Responsibility:	Quay County
Description:	Quay County has agreed to house adult and juvenile prisoners from Mora County.
Period:	March 15, 2003 until cancelled
Project Costs:	Mora County agrees to pay \$85 per day for each adult or juvenile prisoner.
Association Contributions:	Undetermined
County Contributions:	Undeterminable
Audit Responsibility:	Quay County
Reporting Responsibility:	Expenses are incurred by the number of inmates housed.

G. Budgetary Violations

The County exceeded its legal budget in individual funds as referenced in Findings 2008-5 and 2008-6 on page 146 and 147. For the funds identified without proper approval, the County will implement the appropriate protocols to timely monitor individual line items

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**NONMAJOR GOVERNMENTAL FUNDS**

STATE OF NEW MEXICO  
MORA COUNTY

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2008

Special Revenue Funds

		Corrections Fund	Property Valuation Fund	Emergency Medical Services Fund	Farm And Range Fund	Law Protection Fund	Recreation Fund	Mora County Senior Centers Fund	Indigent Fund	County Fire Excise Tax Fund	Development Loan Fund
<u>ASSETS</u>											
Pooled cash and investments	\$	(220,524)	\$ 28,200	\$ 44,256	\$ 1,715	\$ 521	\$ 562	\$ -	\$ 47,467	\$ 16,153	\$ 3,635
Receivables:											
Grant	-	-	-	-	-	-	-	-	-	-	10,100
Other receivables	<u>4,143</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,726</u>	<u>8,086</u>	<u>-</u>
Total assets	<u>\$</u>	<u>(216,381)</u>	<u>\$ 28,200</u>	<u>\$ 44,256</u>	<u>\$ 1,715</u>	<u>\$ 521</u>	<u>\$ 562</u>	<u>\$ -</u>	<u>\$ 52,193</u>	<u>\$ 24,239</u>	<u>\$ 13,735</u>
<u>LIABILITIES AND FUND BALANCE</u>											
Liabilities:											
Accounts payable	\$	324	\$ 288	\$ 1,388	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balance:											
Unreserved and reported in:											
Special revenues funds	<u>(216,705)</u>	<u>27,912</u>	<u>42,868</u>	<u>1,715</u>	<u>521</u>	<u>562</u>	<u>-</u>	<u>52,193</u>	<u>24,239</u>	<u>13,735</u>	
Total liabilities and fund balance	<u>\$</u>	<u>(216,381)</u>	<u>\$ 28,200</u>	<u>\$ 44,256</u>	<u>\$ 1,715</u>	<u>\$ 521</u>	<u>\$ 562</u>	<u>\$ -</u>	<u>\$ 52,193</u>	<u>\$ 24,239</u>	<u>\$ 13,735</u>

(continued)



STATE OF NEW MEXICO  
MORA COUNTY

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2008

Special Revenue Funds

	Clerk's Filing Fees Fund	Chacon VFD Fund	Mora VFD Fund	Guadalupita VFD Fund	Golondrinas VFD Fund	Ocate VFD Fund	Rainsville VFD Fund	Watrous VFD Fund	CHET VFD Fund	VFD Fire Excise Share Fund
<u>ASSETS</u>										
Pooled cash and investments	\$ 21,910	\$ 46,144	\$ 8,157	\$ 96,893	\$ 16,768	\$ 47,180	\$ 100,042	\$ 4,345	\$ 77,752	\$ 232,039
Receivables:										
Grant	-	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-	5,098
Total assets	<u>\$ 21,910</u>	<u>\$ 46,144</u>	<u>\$ 8,157</u>	<u>\$ 96,893</u>	<u>\$ 16,768</u>	<u>\$ 47,180</u>	<u>\$ 100,042</u>	<u>\$ 4,345</u>	<u>\$ 77,752</u>	<u>\$ 237,137</u>
<u>LIABILITIES AND FUND BALANCE</u>										
Liabilities:										
Accounts payable	\$ -	\$ 37	\$ 1,670	\$ 8,709	\$ 1,324	\$ -	\$ -	\$ 129	\$ 119	\$ 395
Fund balance:										
Unreserved and reported in:										
Special revenues funds	<u>21,910</u>	<u>46,107</u>	<u>6,487</u>	<u>88,184</u>	<u>15,444</u>	<u>47,180</u>	<u>100,042</u>	<u>4,216</u>	<u>77,633</u>	<u>236,742</u>
Total liabilities and fund balance	<u>\$ 21,910</u>	<u>\$ 46,144</u>	<u>\$ 8,157</u>	<u>\$ 96,893</u>	<u>\$ 16,768</u>	<u>\$ 47,180</u>	<u>\$ 100,042</u>	<u>\$ 4,345</u>	<u>\$ 77,752</u>	<u>\$ 237,137</u>

(continued)

STATE OF NEW MEXICO  
MORA COUNTY

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2008

Special Revenue Funds

	LMC VFD Fund	Buena Vista VFD Fund	Disaster Project Fund	Wildland Fire Grant Fund	Mora VFD NMEMNRD Grant Fund	Golondrinas VFD USDA Fund	David Cargo Library Fund	CHET VFD Rescue Fund	Law Enforcement USDA Grant Fund	CHET VFD NMEMNRD Fund
<u>ASSETS</u>										
Pooled cash and investments	\$ 45,462	\$ 28,418	\$ 4,784	\$ (5,935)	\$ -	\$ -	\$ 949	\$ -	\$ (1,864)	\$ -
Receivables:										
Grant	-	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	5,478	-	-	-	-	-	-
Total assets	<u>\$ 45,462</u>	<u>\$ 28,418</u>	<u>\$ 4,784</u>	<u>\$ (457)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 949</u>	<u>\$ -</u>	<u>\$ (1,864)</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND BALANCE</u>										
Liabilities:										
Accounts payable	\$ 84	\$ 1,910	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balance:										
Unreserved and reported in:										
Special revenues funds	45,378	26,508	4,784	(457)	-	-	949	-	(1,864)	-
Total liabilities and fund balance	<u>\$ 45,462</u>	<u>\$ 28,418</u>	<u>\$ 4,784</u>	<u>\$ (457)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 949</u>	<u>\$ -</u>	<u>\$ (1,864)</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO  
MORA COUNTY

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2008

Special Revenue Funds

	Rainsville NMEMNRD <u>Fund</u>	CDWI <u>Fund</u>	DWI-D <u>Fund</u>	DWI-ST <u>Fund</u>	DWI-ST <u>Fund</u>	DWI-G <u>Fund</u>	DOH/CHIC <u>Fund</u>	US Cops Grant <u>Fund</u>	Housing Authority Section Eight <u>Fund</u>
<u>ASSETS</u>									
Pooled cash and investments	\$ 3,709	\$ (3,055)	\$ (10,092)	\$ 139	\$ 37	\$ (11,907)	\$ 17,381	\$ 67	\$ -
Receivables:									
Grant	-	-	-	-	-	-	-	-	-
Other receivables	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,000</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 3,709</u>	<u>\$ (3,055)</u>	<u>\$ (10,092)</u>	<u>\$ 139</u>	<u>\$ 37</u>	<u>\$ (11,907)</u>	<u>\$ 33,381</u>	<u>\$ 67</u>	<u>\$ -</u>
<u>LIABILITIES AND FUND BALANCE</u>									
Liabilities:									
Accounts payable	\$ -	\$ -	\$ 87	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balance:									
Unreserved and reported in:									
Special revenues funds	<u>3,709</u>	<u>(3,055)</u>	<u>(10,179)</u>	<u>139</u>	<u>37</u>	<u>(11,907)</u>	<u>33,381</u>	<u>67</u>	<u>-</u>
Total liabilities and fund balance	<u>\$ 3,709</u>	<u>\$ (3,055)</u>	<u>\$ (10,092)</u>	<u>\$ 139</u>	<u>\$ 37</u>	<u>\$ (11,907)</u>	<u>\$ 33,381</u>	<u>\$ 67</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO  
MORA COUNTY

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Balance Sheet  
June 30, 2008

	<u>Capital Projects Fund</u>		
	Total Nonmajor Special Revenue <u>Funds</u>	CDBG <u>Fund</u>	Total Nonmajor Governmental <u>Funds</u>
<u>ASSETS</u>			
Pooled cash and investments	\$ 641,308	\$ -	\$ 641,308
Receivables:			
Grant	10,100	-	10,100
Other receivables	<u>43,531</u>	<u>-</u>	<u>43,531</u>
Total assets	<u>\$ 694,939</u>	<u>\$ -</u>	<u>\$ 694,939</u>
<u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
Accounts payable	\$ 16,464	\$ -	\$ 16,464
Fund balance:			
Unreserved and reported in:			
Special revenues funds	<u>678,475</u>	<u>-</u>	<u>678,475</u>
Total liabilities and fund balance	<u>\$ 694,939</u>	<u>\$ -</u>	<u>\$ 694,939</u>

(continued)

STATE OF NEW MEXICO  
MORA COUNTY

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2008

	Special Revenue Funds					
	Corrections	Property	Emergency	Farm And	Law	Recreation
	Fund	Valuation	Medical	Range	Protection	Fund
Revenues:						
Federal grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes:						
Gross receipts	-	-	-	-	-	-
Cigarette	-	-	-	-	-	1,354
Intergovernmental	178,295	-	16,050	-	30,760	-
Charges for services	-	19,393	-	-	-	-
Earnings from investments	-	-	-	-	-	-
Miscellaneous	-	-	-	648	-	-
Total revenue	<u>178,295</u>	<u>19,393</u>	<u>16,050</u>	<u>648</u>	<u>30,760</u>	<u>1,354</u>
Expenditures:						
Current:						
General government	-	15,658	-	-	-	-
Public safety	-	-	13,323	-	8,934	-
Public works	134,862	-	-	1,200	-	-
Culture and recreation	-	-	-	-	-	1,800
Capital outlay	-	-	-	-	29,981	-
Debt service:						
Principal retirement	-	-	-	-	7,000	-
Bond interest paid	-	-	-	-	3,180	-
Total expenditures	<u>134,862</u>	<u>15,658</u>	<u>13,323</u>	<u>1,200</u>	<u>49,095</u>	<u>1,800</u>
Excess (deficiency) of revenues over expenditures	<u>43,433</u>	<u>3,735</u>	<u>2,727</u>	<u>(552)</u>	<u>(18,335)</u>	<u>(446)</u>
Other financing sources and uses:						
Transfers in	-	-	6,000	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	43,433	3,735	8,727	(552)	(18,335)	(446)
Fund balance (deficit) at beginning of the year	<u>(260,138)</u>	<u>24,177</u>	<u>34,141</u>	<u>2,267</u>	<u>18,856</u>	<u>1,008</u>
Fund balance (deficit) at end of the year	<u>\$ (216,705)</u>	<u>\$ 27,912</u>	<u>\$ 42,868</u>	<u>\$ 1,715</u>	<u>\$ 521</u>	<u>\$ 562</u>

(continued)

STATE OF NEW MEXICO  
MORA COUNTY

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statements of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2008

	Special Revenue Funds						
	Mora County		County Fire	Development	Clerk's Filing	Chacon VFD	Mora VFD
	Senior Centers Fund	Indigent Fund	Excise Tax Fund	Loan Fund	Fees Fund	Fund	Fund
Revenues:							
Federal grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes:							
Gross receipts	-	4,726	77,555	-	-	-	-
Cigarette	-	41,459	-	-	-	-	-
Intergovernmental	-	-	-	-	-	43,628	59,243
Charges for services	-	-	-	-	5,719	-	-
Earnings from investments	-	-	-	1,548	-	223	-
Miscellaneous	-	-	-	-	-	-	-
<b>Total revenue</b>	<u>-</u>	<u>46,185</u>	<u>77,555</u>	<u>1,548</u>	<u>5,719</u>	<u>43,851</u>	<u>59,243</u>
Expenditures:							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	7,685	29,102
Public works	-	19,592	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	9,126	-	10,975
Debt service:							
Principal retirement	-	-	-	-	-	-	4,000
Bond interest paid	-	-	-	-	-	-	4,577
<b>Total expenditures</b>	<u>-</u>	<u>19,592</u>	<u>-</u>	<u>-</u>	<u>9,126</u>	<u>7,685</u>	<u>48,654</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>26,593</u>	<u>77,555</u>	<u>1,548</u>	<u>(3,407)</u>	<u>36,166</u>	<u>10,589</u>
Other financing sources and financing uses:							
Transfers in	17,040	-	-	-	-	37	693
Transfers out	-	-	(72,000)	(1,638)	-	-	-
<b>Total other financing sources and financing uses</b>	<u>17,040</u>	<u>-</u>	<u>(72,000)</u>	<u>(1,638)</u>	<u>-</u>	<u>37</u>	<u>693</u>
Net change in fund balance	17,040	26,593	5,555	(90)	(3,407)	36,203	11,282
Fund balance (deficit) at beginning of the year	(17,040)	25,600	18,684	13,825	25,317	9,904	(4,795)
Fund balance (deficit) at end of the year	<u>\$ -</u>	<u>\$ 52,193</u>	<u>\$ 24,239</u>	<u>\$ 13,735</u>	<u>\$ 21,910</u>	<u>\$ 46,107</u>	<u>\$ 6,487</u>

(continued)

STATE OF NEW MEXICO  
MORA COUNTY

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statements of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2008

**Special Revenue Funds**

	Guadalupita VFD <u>Fund</u>	Golondrinas VFD <u>Fund</u>	Ocate VFD <u>Fund</u>	Rainsville VFD <u>Fund</u>	Watrous VFD <u>Fund</u>	CHET VFD <u>Fund</u>	VFD Fire Excise Share <u>Fund</u>
<b>Revenues:</b>							
Federal grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Taxes:</b>							
Gross receipts	-	-	-	-	-	-	87,493
Cigarette	-	-	-	-	-	-	-
Intergovernmental	60,858	43,498	60,858	43,628	60,858	87,256	-
Charges for services	-	-	-	-	-	-	-
Earnings from investments	590	939	2,924	305	204	941	-
Miscellaneous	-	-	-	-	-	-	-
<b>Total revenue</b>	<u>61,448</u>	<u>44,437</u>	<u>63,782</u>	<u>43,933</u>	<u>61,062</u>	<u>88,197</u>	<u>87,493</u>
<b>Expenditures:</b>							
<b>Current:</b>							
General government	-	-	-	-	-	-	-
Public safety	17,838	18,635	23,813	9,187	20,797	39,750	-
Public works	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	-	6,218	14,350	-	106,086	5,745	226,821
<b>Debt service:</b>							
Principal retirement	6,000	9,680	13,996	-	-	12,933	-
Bond interest paid	5,779	1,491	2,454	-	-	65	-
<b>Total expenditures</b>	<u>29,617</u>	<u>36,024</u>	<u>54,613</u>	<u>9,187</u>	<u>126,883</u>	<u>58,493</u>	<u>226,821</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>31,831</u>	<u>8,413</u>	<u>9,169</u>	<u>34,746</u>	<u>(65,821)</u>	<u>29,704</u>	<u>(139,328)</u>
<b>Other financing sources and financing uses:</b>							
Transfers in	19,442	-	5,238	-	-	2,178	136,642
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources and financing uses</b>	<u>19,442</u>	<u>-</u>	<u>5,238</u>	<u>-</u>	<u>-</u>	<u>2,178</u>	<u>136,642</u>
<b>Net change in fund balance</b>	51,273	8,413	14,407	34,746	(65,821)	31,882	(2,686)
<b>Fund balance (deficit) at beginning of the year</b>	<u>36,911</u>	<u>7,031</u>	<u>32,773</u>	<u>65,296</u>	<u>70,037</u>	<u>45,751</u>	<u>239,428</u>
<b>Fund balance (deficit) at end of the year</b>	<u>\$ 88,184</u>	<u>\$ 15,444</u>	<u>\$ 47,180</u>	<u>\$ 100,042</u>	<u>\$ 4,216</u>	<u>\$ 77,633</u>	<u>\$ 236,742</u>

(continued)

STATE OF NEW MEXICO  
MORA COUNTY

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statements of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2008

	Special Revenue Funds						
	LMC VFD Fund	Buena Vista VFD Fund	Disaster Project Fund	Wildland Fire Grant Fund	Mora VFD		David Cargo Library Fund
					NMEMNRD Grant Fund	Golondrinas VFD USDA Fund	
Revenues:							
Federal grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 359	\$ -
Taxes:							
Gross receipts	-	-	-	-	-	-	-
Cigarette	-	-	-	-	-	-	-
Intergovernmental	61,995	61,995	-	19,192	-	-	72,412
Charges for services	-	-	-	-	-	-	-
Earnings from investments	186	322	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total revenue	<u>62,181</u>	<u>62,317</u>	<u>-</u>	<u>19,192</u>	<u>-</u>	<u>359</u>	<u>72,412</u>
Expenditures:							
Current:							
General government	-	-	-	-	-	-	-
Public safety	17,899	17,395	-	21,490	1	359	-
Public works	-	-	-	-	-	-	6,139
Culture and recreation	-	-	-	-	-	-	-
Capital outlay	8,852	11,087	-	-	-	-	-
Debt service:							
Principal retirement	2,500	14,938	-	-	-	-	-
Bond interest paid	5,194	3,082	-	-	-	-	-
Total expenditures	<u>34,445</u>	<u>46,502</u>	<u>-</u>	<u>21,490</u>	<u>1</u>	<u>359</u>	<u>6,139</u>
Excess (deficiency) of revenues over expenditures	<u>27,736</u>	<u>15,815</u>	<u>-</u>	<u>(2,298)</u>	<u>(1)</u>	<u>-</u>	<u>66,273</u>
Other financing sources and financing uses:							
Transfers in	-	-	-	-	-	-	-
Transfers out	(37)	-	(275,583)	-	-	-	(61,428)
Total other financing sources and financing uses	<u>(37)</u>	<u>-</u>	<u>(275,583)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(61,428)</u>
Net change in fund balance	27,699	15,815	(275,583)	(2,298)	(1)	-	4,845
Fund balance (deficit) at beginning of the year	17,679	10,693	280,367	1,841	1	-	(3,896)
Fund balance (deficit) at end of the year	<u>\$ 45,378</u>	<u>\$ 26,508</u>	<u>\$ 4,784</u>	<u>\$ (457)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 949</u>

(continued)



STATE OF NEW MEXICO  
MORA COUNTY

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statements of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2008

	Special Revenue Funds					
	CHET VFD Rescue Fund	Law Enforcement USDA Grant Fund	CHET VFD NMEMNRD Fund	Rainsville NMEMNRD Fund	CDWI Fund	DWI-D Fund
	Fund	Fund	Fund	Fund	Fund	Fund
Revenues:						
Federal grant	\$ -	\$ 9,998	\$ -	\$ -	\$ -	\$ -
Taxes:						
Gross receipts	-	-	-	-	-	-
Cigarette	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	57,554
Charges for services	-	-	-	-	-	-
Earnings from investments	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total revenue	<u>-</u>	<u>9,998</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,554</u>
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	609	-	-	-	2,597	62,773
Public works	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay	-	-	91,004	96,291	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Bond interest paid	-	-	-	-	-	-
Total expenditures	<u>609</u>	<u>-</u>	<u>91,004</u>	<u>96,291</u>	<u>2,597</u>	<u>62,773</u>
Excess (deficiency) of revenues over expenditures	<u>(609)</u>	<u>9,998</u>	<u>(91,004)</u>	<u>(96,291)</u>	<u>(2,597)</u>	<u>(5,219)</u>
Other financing sources and financing uses:						
Transfers in	-	-	-	-	180	-
Transfers out	-	(5,992)	-	-	-	(180)
Total other financing sources and financing uses	<u>-</u>	<u>(5,992)</u>	<u>-</u>	<u>-</u>	<u>180</u>	<u>(180)</u>
Net change in fund balance	(609)	4,006	(91,004)	(96,291)	(2,417)	(5,399)
Fund balance (deficit) at beginning of the year	609	(5,870)	91,004	100,000	(638)	(4,780)
Fund balance (deficit) at end of the year	<u>\$ -</u>	<u>\$ (1,864)</u>	<u>\$ -</u>	<u>\$ 3,709</u>	<u>\$ (3,055)</u>	<u>\$ (10,179)</u>

(continued)

STATE OF NEW MEXICO  
MORA COUNTY

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statements of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2008

	Special Revenue Funds					
	DWI-ST Fund	DWI-ST Fund	DWI-G Fund	DOH/CHIC Fund	US Cops Grant Fund	Housing Authority Section Eight Fund
Revenues:						
Federal grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 138,152
Taxes:						
Gross receipts	-	-	-	-	-	-
Cigarette	-	-	-	-	-	-
Intergovernmental	1,249	500	19,850	64,510	-	-
Charges for services	-	-	-	-	-	-
Earnings from investments	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total revenue	<u>1,249</u>	<u>500</u>	<u>19,850</u>	<u>64,510</u>	<u>-</u>	<u>138,152</u>
Expenditures:						
Current:						
General government	-	-	-	-	-	-
Public safety	1,154	463	20,000	62,391	-	-
Public works	-	-	-	-	-	138,152
Culture and recreation	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Bond interest paid	-	-	-	-	-	-
Total expenditures	<u>1,154</u>	<u>463</u>	<u>20,000</u>	<u>62,391</u>	<u>-</u>	<u>138,152</u>
Excess (deficiency) of revenues over expenditures	<u>95</u>	<u>37</u>	<u>(150)</u>	<u>2,119</u>	<u>-</u>	<u>-</u>
Other financing sources and financing uses:						
Transfers in	-	-	-	-	27,191	-
Transfers out	-	-	-	-	-	-
Total other financing sources and financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,191</u>	<u>-</u>
Net change in fund balance	95	37	(150)	2,119	27,191	-
Fund balance (deficit) at beginning of the year	44	-	(11,757)	31,262	(27,124)	-
Fund balance (deficit) at end of the year	<u>\$ 139</u>	<u>\$ 37</u>	<u>\$ (11,907)</u>	<u>\$ 33,381</u>	<u>\$ 67</u>	<u>\$ -</u>

(continued)

STATE OF NEW MEXICO  
MORA COUNTY

NON-MAJOR GOVERNMENTAL FUNDS  
Combining Statements of Revenues, Expenditures, and  
Changes in Fund Balance  
Year Ended June 30, 2008

	<u>Capital Projects Funds</u>		
	Total Nonmajor Special Revenue <u>Funds</u>	CDBG <u>Fund</u>	Total Nonmajor Governmental <u>Funds</u>
<b>Revenues:</b>			
Federal grant	\$ 148,509	\$ 32,918	\$ 181,427
<b>Taxes:</b>			
Gross receipts	169,774	-	169,774
Cigarette	42,813	-	42,813
Intergovernmental	1,044,189	-	1,044,189
Charges for services	25,112	-	25,112
Earnings from investments	8,182	-	8,182
Miscellaneous	648	-	648
	<u>1,439,227</u>	<u>32,918</u>	<u>1,472,145</u>
<b>Total revenue</b>			
<b>Expenditures:</b>			
<b>Current:</b>			
General government	15,658	-	15,658
Public safety	396,195	-	396,195
Public works	299,945	-	299,945
Culture and recreation	1,800	-	1,800
Capital outlay	616,536	32,918	649,454
<b>Debt service:</b>			
Principal retirement	71,047	-	71,047
Bond interest paid	25,822	-	25,822
	<u>1,427,003</u>	<u>32,918</u>	<u>1,459,921</u>
<b>Total expenditures</b>			
Excess (deficiency) of revenues over expenditures	<u>12,224</u>	<u>-</u>	<u>12,224</u>
<b>Other financing sources and financing uses:</b>			
Transfers in	214,641	-	214,641
Transfers out	(416,858)	-	(416,858)
	<u>(202,217)</u>	<u>-</u>	<u>(202,217)</u>
<b>Total other financing sources and financing uses</b>			
Net change in fund balance	(189,993)	-	(189,993)
Fund balance (deficit) at beginning of the year	<u>868,468</u>	<u>-</u>	<u>868,468</u>
Fund balance (deficit) at end of the year	<u>\$ 678,475</u>	<u>\$ -</u>	<u>\$ 678,475</u>

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## **BUDGETARY PRESENTATION**

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## NONMAJOR SPECIAL REVENUE FUNDS

### CLERK FILING FEES

To account for revenues and expenditures for control of equipment. The fees collected are restricted in that they may only be used for the purchase of equipment associated with the recording, filing, maintaining or reproducing of documents in the Office of the County Clerk. This fund was created by authority of state statute. (See Section 14-8-12.2, NMSA 1978 Compilation).

### DEVELOPMENT LOAN

To account for payments received on the economic development loans. Funding was provided by a prior year CDBG grant.

### MORA COUNTY SENIOR CENTERS

To account for funds used to provide services to the elderly in Mora County. Funding is provided by the Area Agency on Aging

### FIRE DISTRICT FUNDS

To account for the revenues and expenditures of fire protection funds for the communities of Chacon, Mora, Guadalupita, Golondrinas, Ocate, Rainsville, Watrous, Chet, LMC, and Buena Vista. Funding is provided by allotments from the New Mexico State Fire Marshall's Office. The funds were created under the authority of state statute (section 59A-93-5-8 and 59A-53-5, NMSA 1978 compilation).

### HOUSING AUTHORITY SECTION EIGHT

To account for Department of Housing and Urban Development (HUD) Section 8 existing housing and voucher programs including housing assistance payments for qualifying citizens of the County. These funds are provided under annual contribution contract with the U.S. Department of Housing and Urban Development.

### VFD FIRE EXCISE SHARE

To account for the fire excise tax set aside for the purposes of financing operational expenses in providing ambulance services for the County. The fund was created by authority of the County electorate election held November 9, 1998. Financing is provided by an excise tax equal to  $\frac{1}{4}$  of 1 percent of the gross receipts.

### LAW PROTECTION

To account for revenues and expenditures for maintaining and improving the County's law enforcement department in order to enhance its efficiency and effectiveness. Funding is from the State appropriation authorized by Section 29-13-3f, NMSA.

## NONMAJOR SPECIAL REVENUE FUNDS

### US COPS

To account for grant funds provided by the U.S. Department of Justice to hire two new additional full-time officers. Authority is Public Safety Partnership and Community Policy Act of 1994.

### DISASTER PROJECT

To account for assistance and expenditure of disaster funds provided by the New Mexico Department of Safety and a proclamation by the Governor.

### WILDLAND FIRE, MORA VFD NMEMNRD GRANT, CHET VFD NMEMRD GRANT AND RAINSVILLE VFD NMEMRD GRANT

To account for revenues and expenditures for grant funds to fight wild fires within the county. Funding is provided by allotments from the New Mexico State Fire Marshall's Office. The funds were created under the authority of State Statute (section 59A-53-5, NMSA 1978 compilation).

### SEVERANCE BONDS SAP

To account for grant funds provided by the State of New Mexico out of severance tax bonds. The funds are to be used for repairs to the courthouse.

### USDA GRANTS

To account for funds received under a grant from the U.S. Department of Agriculture to undertake the acquisition, construction, enlargement, capital improvement, or purchase of equipment for the community of Golondrinas. Authority is 197 C.F.R. Part 3570.

### FARM AND RANGE

To account for the operations and maintenance of county roads and predatory animal control. Financing is provided by the county's share of grazing fees. Such fees provide for payment of all current operating costs and may be used only for that purpose. Authority is NMSA 6-11-6 and funding is provided by the Taylor Grazing Act.

### RECREATION

To account for revenues and expenditures related to the County's Youth recreational activities. Funds are provided by the state shared cigarette tax. The fund was created by authority of state statute (see Section 7-12-15, NMSA 1978 Compilation).

### INDIGENT

To account for revenues received from state shared gross receipts taxes for hospital service for indigent citizens of the County. The fund was created by authority of state statute (see Section 24-10A-1, NMSA 1978 Compilation).



## NONMAJOR SPECIAL REVENUE FUNDS

### PROPERTY VALUATION

To account for funds used to provide valuation services to the County and other local entities. This fund was created by authority of state statute (see Section 7-38-38.1, NMSA 1978 Compilation).

### EMERGENCY MEDICAL SERVICES

The fund is to account for a grant from the State of New Mexico Health and Environment Department to be utilized for capital outlay for fire personnel as paramedics. The fund was created by the authority of State statute Section 24-10A-6, NMSA, 1978 Compilation.

### COUNTY FIRE EXCISE TAX

The fund is used to account for the fire excise tax set aside for the purpose of financial operational expenses in providing ambulances for the County. The taxes are held in the share account until allocated and expended for the various emergency services. The fund was created by authority of the County Electorate Election held November 9, 1998. The financing is provided by an excise tax equal to  $\frac{1}{4}$  of 1 percent of the gross receipts. The funds are provided by the New Mexico Department of Safety and a proclamation by the Governor.

### DAVID CARGO LIBRARY

To account for collection of fees and fines and expenditures in relation to this County facility. Authority is County Commission resolution.

### CORRECTIONS

To account for correction fees authorized by Section 66-8-116, NMSA, 1978. Such revenues are used to supplement general funds for the care of prisoners.

### CHET VFD RESCUE

To account for grant funds for the purchase of supplies and equipment

### CDWI, DWI – D, DWI-ST, AND DWI – G

To account for grant funds from the Department of Finance and Administration to provide quality substance abuse treatment, community education, outreach and primary prevention services to citizens of Mora County. This fund was created by authority of state statute (see Section 66-7-501 to 66-7-511 of NMSA)

### DOH/CHIC

To account for grant funds from the Department of Health to provide support for positive health outcomes in New Mexico through the community health improvement process implemented by a Community Health Council

### LAW ENFORCEMENT USDA GRANT

To account for grant funds from the USDA for purchase of equipment

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STATE OF NEW MEXICO  
MORA COUNTY

CORRECTIONS SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 176,731	\$ 76,731
Expenditures:				
Current:				
Public safety	<u>100,000</u>	<u>100,000</u>	<u>136,607</u>	<u>(36,607)</u>
Excess of revenues over expenditures	-	-	40,124	40,124
Fund balance (deficit) at beginning of the year	<u>-</u>	<u>-</u>	<u>(260,138)</u>	<u>(260,138)</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(220,014)	<u>\$ (220,014)</u>
RECONCILIATION TO GAAP BASIS:				
Change in receivables			1,564	
Change in payables			<u>1,745</u>	
			<u>\$ (216,705)</u>	

STATE OF NEW MEXICO  
MORA COUNTY

PROPERTY VALUATION SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 19,000	\$ 19,000	\$ 19,393	\$ 393
 Expenditures:				
Current:				
General government	<u>26,084</u>	<u>26,084</u>	<u>15,499</u>	<u>10,585</u>
Excess (deficiency) of revenues over expenditures	(7,084)	(7,084)	3,894	10,978
Beginning cash balance budgeted	7,084	7,084	-	(7,084)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>24,177</u>	<u>24,177</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	28,071	<u>\$ 28,071</u>
 RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>(159)</u>	
			<u>\$ 27,912</u>	

STATE OF NEW MEXICO  
MORA COUNTY

EMERGENCY MEDICAL SERVICES SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 16,185	\$ 27,838	\$ 16,050	\$ (11,788)
Expenditures:				
Current:				
Public safety	30,966	30,966	13,947	17,019
Capital outlay:				
Equipment	<u>21,000</u>	<u>32,653</u>	<u>-</u>	<u>32,653</u>
Total expenditures	<u>51,966</u>	<u>63,619</u>	<u>13,947</u>	<u>49,672</u>
Excess (deficiency) of revenues over expenditures	(35,781)	(35,781)	2,103	37,884
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>6,000</u>	<u>6,000</u>
Net change in fund balance	(35,781)	(35,781)	8,103	43,884
Beginning cash balance budgeted	35,781	35,781	-	(35,781)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>34,141</u>	<u>34,141</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	42,244	<u>\$ 42,244</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>624</u>	
			<u>\$ 42,868</u>	

STATE OF NEW MEXICO  
MORA COUNTY

FARM AND RANGE SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Miscellaneous	\$ 500	\$ 500	\$ 648	\$ 148
Expenditures:				
Current:				
Public works	<u>1,500</u>	<u>1,500</u>	<u>1,200</u>	<u>300</u>
Excess (deficiency) of revenues over expenditures	(1,000)	(1,000)	(552)	448
Beginning cash balance budgeted	1,000	1,000	-	(1,000)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>2,267</u>	<u>2,267</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	1,715	<u>\$ 1,715</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>-</u>	
			<u>\$ 1,715</u>	

STATE OF NEW MEXICO  
MORA COUNTY

LAW PROTECTION SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive <u>(Negative)</u>
Revenues:				
Intergovernmental	\$ 21,800	\$ 21,800	\$ 51,960	\$ 30,160
Expenditures:				
Current:				
Public safety	14,532	14,532	11,278	3,254
Capital outlay:				
Equipment	<u>7,268</u>	<u>7,268</u>	<u>40,161</u>	<u>(32,893)</u>
Total expenditures	<u>21,800</u>	<u>21,800</u>	<u>51,439</u>	<u>(29,639)</u>
Excess of revenues over expenditures	-	-	521	521
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>18,856</u>	<u>18,856</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	19,377	<u>\$ 19,377</u>
RECONCILIATION TO GAAP BASIS:				
Change in receivables			(21,200)	
Change in payables			<u>2,344</u>	
			<u>\$ 521</u>	

STATE OF NEW MEXICO  
MORA COUNTY

RECREATION SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Taxes:				
Cigarette	\$ 1,000	\$ 1,000	\$ 1,354	\$ 354
 Expenditures:				
Current:				
Culture and recreation	<u>1,862</u>	<u>1,862</u>	<u>1,800</u>	<u>62</u>
Excess (deficiency) of revenues over expenditures	(862)	(862)	(446)	416
Beginning cash balance budgeted	862	862	-	(862)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>1,008</u>	<u>1,008</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	562	<u>\$ 562</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>-</u>	
			<u>\$ 562</u>	



STATE OF NEW MEXICO  
MORA COUNTY

MORA COUNTY SENIOR CENTERS SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Public works	-	-	-	-
Excess of revenues over expenditures	-	-	-	-
Other financing sources:				
Transfers in	-	-	17,040	17,040
Net change in fund balance	-	-	17,040	17,040
Fund balance (deficit) at beginning of the year	-	-	(17,040)	(17,040)
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			-	
			<u>\$ -</u>	

STATE OF NEW MEXICO  
MORA COUNTY

INDIGENT SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive (Negative)
Revenues:				
Taxes:				
Cigarette	\$ 30,000	\$ 30,000	\$ 44,382	\$ 14,382
 Expenditures:				
Current:				
Public works	<u>34,400</u>	<u>34,400</u>	<u>19,593</u>	<u>14,807</u>
Excess (deficiency) of revenues over expenditures	(4,400)	(4,400)	24,789	29,189
Beginning cash balance budgeted	4,400	4,400	-	(4,400)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>25,600</u>	<u>25,600</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	50,389	<u>\$ 50,389</u>
 RECONCILIATION TO GAAP BASIS:				
Change in receivables			<u>1,804</u>	
			<u>\$ 52,193</u>	

STATE OF NEW MEXICO  
MORA COUNTY

COUNTY FIRE EXCISE TAX SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive <u>(Negative)</u>
Revenues:				
Taxes:				
Gross receipts	\$ 50,000	\$ 22,000	\$ 69,469	\$ 47,469
 Expenditures:				
Current:				
Public safety	<u>60,000</u>	<u>12,000</u>	<u>-</u>	<u>12,000</u>
Excess (deficiency) of revenues over expenditures	(10,000)	10,000	69,469	59,469
 Other uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>(72,000)</u>	<u>(72,000)</u>
Net change in fund balance	(10,000)	10,000	(2,531)	(12,531)
Beginning cash balance budgeted	10,000	(10,000)	-	10,000
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>18,684</u>	<u>18,684</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	16,153	<u>\$ 16,153</u>
 RECONCILIATION TO GAAP BASIS:				
Change in receivables			<u>8,086</u>	
			<u>\$ 24,239</u>	

STATE OF NEW MEXICO  
MORA COUNTY

DEVELOPMENT LOAN SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Earnings from investments	\$ 6,000	\$ 6,000	\$ 3,550	\$ (2,450)
Expenditures:				
Current:				
General government	<u>6,000</u>	<u>6,000</u>	<u>-</u>	<u>6,000</u>
Excess of revenues over expenditures	-	-	3,550	3,550
Other uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>(1,638)</u>	<u>(1,638)</u>
Net change in fund balance	-	-	1,912	1,912
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>13,825</u>	<u>13,825</u>
Fund balance at end of the year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	15,737	<u><u>\$ 15,737</u></u>
RECONCILIATION TO GAAP BASIS:				
Change in receivables			<u>(2,002)</u>	
			<u><u>\$ 13,735</u></u>	

STATE OF NEW MEXICO  
MORA COUNTY

CLERK'S FILING FEES SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Charges for services	\$ 5,000	\$ 5,000	\$ 5,719	\$ 719
Expenditures:				
Capital outlay:				
Equipment	<u>30,317</u>	<u>30,317</u>	<u>9,126</u>	<u>21,191</u>
Excess (deficiency) of revenues over expenditures	(25,317)	(25,317)	(3,407)	21,910
Beginning cash balance budgeted	25,317	25,317	-	(25,317)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>25,317</u>	<u>25,317</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	21,910	<u>\$ 21,910</u>
RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>-</u>	
			<u>\$ 21,910</u>	

STATE OF NEW MEXICO  
MORA COUNTY

CHACON VFD SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 52,058	\$ 52,058	\$ 43,850	\$ (8,208)
Expenditures:				
Current:				
Public safety	18,500	18,500	10,924	7,576
Capital outlay:				
Equipment	<u>33,558</u>	<u>33,558</u>	-	<u>33,558</u>
Total expenditures	<u>52,058</u>	<u>52,058</u>	<u>10,924</u>	<u>41,134</u>
Excess of revenues over expenditures	-	-	32,926	32,926
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>37</u>	<u>37</u>
Net change in fund balance	-	-	32,963	32,963
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>9,904</u>	<u>9,904</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	42,867	<u>\$ 42,867</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>3,240</u>	
			<u>\$ 46,107</u>	

STATE OF NEW MEXICO  
MORA COUNTY

MORA VFD SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 56,661	\$ 80,334	\$ 66,893	\$ (13,441)
Expenditures:				
Current:				
Public safety	24,000	24,000	30,763	(6,763)
Capital outlay:				
Equipment	<u>32,661</u>	<u>56,334</u>	<u>19,552</u>	<u>36,782</u>
Total expenditures	<u>56,661</u>	<u>80,334</u>	<u>50,315</u>	<u>30,019</u>
Excess of revenues over expenditures	-	-	16,578	16,578
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>693</u>	<u>693</u>
Net change in fund balance	-	-	17,271	17,271
Fund balance (deficit) at beginning of the year	<u>-</u>	<u>-</u>	<u>(4,795)</u>	<u>(4,795)</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	12,476	<u>\$ 12,476</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			(7,650)	
Change in payables			<u>1,661</u>	
			<u>\$ 6,487</u>	

STATE OF NEW MEXICO  
MORA COUNTY

GUADALUPITA VFD SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 89,457	\$ 108,899	\$ 61,422	\$ (47,477)
Expenditures:				
Current:				
Public safety	28,800	28,800	12,516	16,284
Capital outlay:				
Equipment	<u>60,657</u>	<u>80,099</u>	<u>11,779</u>	<u>68,320</u>
Total expenditures	<u>89,457</u>	<u>108,899</u>	<u>24,295</u>	<u>84,604</u>
Excess of revenues over expenditures	-	-	37,127	37,127
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>19,442</u>	<u>19,442</u>
Net change in fund balance	-	-	56,569	56,569
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>36,911</u>	<u>36,911</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	93,480	<u>\$ 93,480</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			26	
Change in payables			<u>(5,322)</u>	
			<u>\$ 88,184</u>	



STATE OF NEW MEXICO  
MORA COUNTY

GOLONDRINAS VFD SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 30,247	\$ 35,661	\$ 35,612	\$ (49)
Expenditures:				
Current:				
Public safety	15,100	20,514	20,696	(182)
Capital outlay:				
Equipment	<u>15,147</u>	<u>15,147</u>	<u>8,578</u>	<u>6,569</u>
Total expenditures	<u>30,247</u>	<u>35,661</u>	<u>29,274</u>	<u>6,387</u>
Excess of revenues over expenditures	-	-	6,338	6,338
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>7,031</u>	<u>7,031</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	13,369	<u>\$ 13,369</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			2,061	
Cash with fiscal agent			<u>14</u>	
			<u>\$ 15,444</u>	

STATE OF NEW MEXICO  
MORA COUNTY

OCATE VFD SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 78,031	\$ 85,140	\$ 48,550	\$ (36,590)
Expenditures:				
Current:				
Public safety	24,102	24,102	32,412	(8,310)
Capital outlay:				
Equipment	<u>53,929</u>	<u>61,038</u>	<u>14,349</u>	<u>46,689</u>
Total expenditures	<u>78,031</u>	<u>85,140</u>	<u>46,761</u>	<u>38,379</u>
Excess of revenues over expenditures	-	-	1,789	1,789
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>5,238</u>	<u>5,238</u>
Net change in fund balance	-	-	7,027	7,027
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>32,773</u>	<u>32,773</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	39,800	<u>\$ 39,800</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			8,599	
Cash with fiscal agent			<u>(1,219)</u>	
			<u>\$ 47,180</u>	

STATE OF NEW MEXICO  
MORA COUNTY

RAINSVILLE VFD SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 142,058	\$ 142,058	\$ 43,934	\$ (98,124)
Expenditures:				
Current:				
Public safety	25,000	25,000	12,469	12,531
Capital outlay:				
Buildings and improvements	<u>117,058</u>	<u>117,058</u>	-	<u>117,058</u>
Total expenditures	<u>142,058</u>	<u>142,058</u>	<u>12,469</u>	<u>129,589</u>
Excess of revenues over expenditures	-	-	31,465	31,465
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>65,296</u>	<u>65,296</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	96,761	<u>\$ 96,761</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>3,281</u>	
			<u>\$ 100,042</u>	

STATE OF NEW MEXICO  
MORA COUNTY

WATROUS VFD SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 126,483	\$ 134,447	\$ 61,062	\$ (73,385)
Expenditures:				
Current:				
Public safety	23,000	30,964	24,020	6,944
Capital outlay:				
Buildings and improvements	<u>103,483</u>	<u>103,483</u>	<u>106,086</u>	<u>(2,603)</u>
Total expenditures	<u>126,483</u>	<u>134,447</u>	<u>130,106</u>	<u>4,341</u>
Excess (deficiency) of revenues over expenditures	-	-	(69,044)	(69,044)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>70,037</u>	<u>70,037</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	993	<u>\$ 993</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>3,223</u>	
			<u>\$ 4,216</u>	

STATE OF NEW MEXICO  
MORA COUNTY

CHET VFD SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental	\$ 109,116	\$ 111,294	\$ 76,180	\$ (35,114)
 <b>Expenditures:</b>				
Current:				
Public safety	43,116	45,294	43,290	2,004
Capital outlay:				
Equipment	66,000	66,000	5,745	60,255
Total expenditures	109,116	111,294	49,035	62,259
Excess of revenues over expenditures	-	-	27,145	27,145
 <b>Other financing sources:</b>				
Transfers in	-	-	2,178	2,178
Net change in fund balance	-	-	29,323	29,323
Fund balance at beginning of the year	-	-	45,751	45,751
Fund balance at end of the year	\$ -	\$ -	75,074	\$ 75,074
 <b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			3,540	
Cash with fiscal agent			(981)	
			\$ 77,633	

STATE OF NEW MEXICO  
MORA COUNTY

VFD FIRE EXCISE SHARE SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Gross receipts	\$ 234,899	\$ 462,661	\$ 87,303	\$ (375,358)
 Expenditures:				
Capital outlay:				
Equipment	<u>234,899</u>	<u>462,661</u>	<u>226,840</u>	<u>235,821</u>
 Excess (deficiency) of revenues over expenditures	-	-	(139,537)	(139,537)
 Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>136,642</u>	<u>136,642</u>
 Net change in fund balance	-	-	(2,895)	(2,895)
 Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>239,428</u>	<u>239,428</u>
 Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	236,533	<u>\$ 236,533</u>
 RECONCILIATION TO GAAP BASIS:				
Change in receivables			190	
Change in payables			<u>19</u>	
			<u>\$ 236,742</u>	

STATE OF NEW MEXICO  
MORA COUNTY

LMC VFD SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
<b>Revenues:</b>				
Intergovernmental	\$ 75,501	\$ 75,501	\$ 62,181	\$ (13,320)
 <b>Expenditures:</b>				
Current:				
Public safety	21,000	21,000	21,108	(108)
Capital outlay:				
Equipment	54,501	54,501	16,546	37,955
Total expenditures	75,501	75,501	37,654	37,847
Excess of revenues over expenditures	-	-	24,527	24,527
 <b>Other uses:</b>				
Transfers out	-	-	(37)	(37)
Net change in fund balance	-	-	24,490	24,490
Fund balance at beginning of the year	-	-	17,679	17,679
Fund balance at end of the year	\$ -	\$ -	42,169	\$ 42,169
 <b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			3,209	
			\$ 45,378	

STATE OF NEW MEXICO  
MORA COUNTY

BUENA VISTA VFD SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 64,401	\$ 64,401	\$ 57,402	\$ (6,999)
Expenditures:				
Current:				
Public safety	24,000	24,000	18,762	5,238
Capital outlay:				
Equipment	<u>40,401</u>	<u>40,401</u>	<u>24,006</u>	<u>16,395</u>
Total expenditures	<u>64,401</u>	<u>64,401</u>	<u>42,768</u>	<u>21,633</u>
Excess of revenues over expenditures	-	-	14,634	14,634
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>10,693</u>	<u>10,693</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	25,327	<u>\$ 25,327</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			1,367	
Cash with fiscal agent			<u>(186)</u>	
			<u>\$ 26,508</u>	



STATE OF NEW MEXICO  
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DISASTER PROJECT SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Public works	<u>150,000</u>	<u>10,815</u>	<u>-</u>	<u>10,815</u>
Excess (deficiency) of revenues over expenditures	(150,000)	(10,815)	-	10,815
Other uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>(275,583)</u>	<u>(275,583)</u>
Net change in fund balance	(150,000)	(10,815)	(275,583)	(264,768)
Beginning cash balance budgeted	150,000	10,815	-	(10,815)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>280,367</u>	<u>280,367</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	4,784	<u>\$ 4,784</u>
RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>-</u>	
			<u>\$ 4,784</u>	

STATE OF NEW MEXICO  
MORA COUNTY

WILDLAND FIRE GRANT SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget
				Positive
				(Negative)
<b>Revenues:</b>				
Intergovernmental	\$ 20,750	\$ 68,750	\$ 17,126	\$ (51,624)
 <b>Expenditures:</b>				
<b>Current:</b>				
Public safety	20,750	68,750	23,237	45,513
Excess (deficiency) of revenues over expenditures	-	-	(6,111)	(6,111)
Fund balance at beginning of the year	-	-	1,841	1,841
Fund balance at end of the year	\$ -	\$ -	(4,270)	\$ (4,270)
 <b>RECONCILIATION TO GAAP BASIS:</b>				
Change in receivables			2,066	
Change in payables			1,747	
			\$ (457)	

STATE OF NEW MEXICO  
MORA COUNTY

MORA VFD NMEMNRD GRANT SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
<b>Expenditures:</b>				
<b>Current:</b>				
Public safety	-	-	1	(1)
Excess (deficiency) of revenues over expenditures	-	-	(1)	(1)
Fund balance at beginning of the year	-	-	1	1
Fund balance at end of the year	\$ -	\$ -	-	\$ -
<b>RECONCILIATION TO GAAP BASIS:</b>				
Change in grant receivable			-	
			\$ -	

STATE OF NEW MEXICO  
MORA COUNTY

GOLONDRINAS VFD USDA SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final	(Budgetary Basis)	Positive (Negative)
<b>Revenues:</b>				
Federal grant	\$ 359	\$ 359	\$ 359	\$ -
 <b>Expenditures:</b>				
Current:				
Public safety	359	359	359	-
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	-	\$ -
 <b>RECONCILIATION TO GAAP BASIS:</b>				
Change in deferred revenue			-	
			\$ -	

STATE OF NEW MEXICO  
MORA COUNTY

DAVID CARGO LIBRARY SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget
				Positive
				(Negative)
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ 10,740	\$ 72,412	\$ 61,672
 <b>Expenditures:</b>				
<b>Current:</b>				
Public works	-	10,740	6,337	4,403
Excess of revenues over expenditures	-	-	66,075	66,075
 <b>Other uses:</b>				
Transfers out	-	-	(61,428)	(61,428)
Net change in fund balance	-	-	4,647	4,647
Fund balance (deficit) at beginning of the year	-	-	(3,896)	(3,896)
Fund balance at end of the year	\$ -	\$ -	751	\$ 751
 <b>RECONCILIATION TO GAAP BASIS:</b>				
Change in payables			198	
			\$ 949	

STATE OF NEW MEXICO  
MORA COUNTY

CHET VFD RESCUE SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Public safety	-	609	609	-
Excess (deficiency) of revenues over expenditures	-	(609)	(609)	-
Fund balance at beginning of the year	-	609	609	-
Fund balance at end of the year	\$ -	\$ -	-	\$ -
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			-	
			\$ -	

STATE OF NEW MEXICO  
MORA COUNTY

LAW ENFORCEMENT USDA GRANT SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal grant	\$ -	\$ -	\$ 9,998	\$ 9,998
Expenditures:				
Current:				
Public safety	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	-	-	9,998	9,998
Other uses:				
Transfers out	-	-	(5,992)	(5,992)
Net change in fund balance	-	-	4,006	4,006
Fund balance (deficit) at beginning of the year	<u>-</u>	<u>-</u>	<u>(5,870)</u>	<u>(5,870)</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(1,864)	<u>\$ (1,864)</u>
RECONCILIATION TO GAAP BASIS:				
Change in transfers			<u>-</u>	
			<u>\$ (1,864)</u>	

STATE OF NEW MEXICO  
MORA COUNTY

CHET VFD NMEMNRD SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay:				
Buildings and improvements	-	97,009	97,009	-
Excess (deficiency) of revenues over expenditures	-	(97,009)	(97,009)	-
Beginning cash balance budgeted	-	97,009	-	(97,009)
Fund balance at beginning of the year	-	-	91,004	91,004
Fund balance at end of the year	\$ -	\$ -	(6,005)	\$ (6,005)
RECONCILIATION TO GAAP BASIS:				
Change in payables			6,005	
			\$ -	



STATE OF NEW MEXICO  
MORA COUNTY

RAINSVILLE NMEMNRD SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Capital outlay:				
Buildings and improvements	<u>-</u>	<u>100,000</u>	<u>96,291</u>	<u>3,709</u>
Excess (deficiency) of revenues over expenditures	-	(100,000)	(96,291)	3,709
Beginning cash balance budgeted	-	100,000	-	(100,000)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	3,709	<u>\$ 3,709</u>
RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>-</u>	
			<u>\$ 3,709</u>	

STATE OF NEW MEXICO  
MORA COUNTY

CDWI SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ 2,381	\$ -	\$ (2,381)
Expenditures:				
Current:				
Public safety	<u>-</u>	<u>2,381</u>	<u>2,597</u>	<u>(216)</u>
Excess (deficiency) of revenues over expenditures	-	-	(2,597)	(2,597)
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>180</u>	<u>180</u>
Net change in fund balance	-	-	(2,417)	(2,417)
Fund balance (deficit) at beginning of the year	<u>-</u>	<u>-</u>	<u>(638)</u>	<u>(638)</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>(3,055)</u>	<u>\$ (3,055)</u>
RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			<u>-</u>	
			<u>\$ (3,055)</u>	

STATE OF NEW MEXICO  
MORA COUNTY

DWI-D SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 68,803	\$ 68,803	\$ 57,554	\$ (11,249)
Expenditures:				
Current:				
Public safety	<u>68,803</u>	<u>68,803</u>	<u>62,686</u>	<u>6,117</u>
Excess (deficiency) of revenues over expenditures	-	-	(5,132)	(5,132)
Other uses:				
Transfers out	<u>-</u>	<u>-</u>	<u>(180)</u>	<u>(180)</u>
Net change in fund balance	-	-	(5,312)	(5,312)
Fund balance (deficit) at beginning of the year	<u>-</u>	<u>-</u>	<u>(4,780)</u>	<u>(4,780)</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	(10,092)	<u>\$ (10,092)</u>
RECONCILIATION TO GAAP BASIS:				
Change in payables			<u>(87)</u>	
			<u>\$ (10,179)</u>	

STATE OF NEW MEXICO  
MORA COUNTY

DWI-ST SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 1,128	\$ 948	\$ 1,249	\$ 301
Expenditures:				
Current:				
Public safety	<u>1,128</u>	<u>948</u>	<u>1,154</u>	<u>(206)</u>
Excess of revenues over expenditures	-	-	95	95
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>44</u>	<u>44</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	139	<u>\$ 139</u>
RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>-</u>	
			<u>\$ 139</u>	

STATE OF NEW MEXICO  
MORA COUNTY

DWI-ST SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ 500	\$ 500	\$ -
 Expenditures:				
Current:				
Public safety	-	500	463	37
Excess of revenues over expenditures	-	-	37	37
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	37	\$ 37
 RECONCILIATION TO GAAP BASIS:				
Change in property tax receivable			-	
			\$ 37	

STATE OF NEW MEXICO  
MORA COUNTY

DWI-G SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 20,000	\$ 20,000	\$ 33,219	\$ 13,219
Expenditures:				
Current:				
Public safety	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
Excess of revenues over expenditures	-	-	13,219	13,219
Fund balance (deficit) at beginning of the year	<u>-</u>	<u>-</u>	<u>(11,757)</u>	<u>(11,757)</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	1,462	<u>\$ 1,462</u>
RECONCILIATION TO GAAP BASIS:				
Change in receivables			<u>(13,369)</u>	
			<u>\$ (11,907)</u>	

STATE OF NEW MEXICO  
MORA COUNTY

DOH/CHIC SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>(Budgetary Basis)</u>	Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ 72,510	\$ 76,844	\$ 4,334
 Expenditures:				
Current:				
Public safety	<u>-</u>	<u>72,510</u>	<u>62,772</u>	<u>9,738</u>
Excess of revenues over expenditures	-	-	14,072	14,072
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>31,262</u>	<u>31,262</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	45,334	<u>\$ 45,334</u>
 RECONCILIATION TO GAAP BASIS:				
Change in receivables			(12,333)	
Change in payables			<u>380</u>	
			<u>\$ 33,381</u>	

STATE OF NEW MEXICO  
MORA COUNTY

US COPS GRANT SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Public safety	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	-	-	-	-
Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>27,191</u>	<u>27,191</u>
Net change in fund balance	-	-	27,191	27,191
Fund balance (deficit) at beginning of the year	<u>-</u>	<u>-</u>	<u>(27,124)</u>	<u>(27,124)</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	67	<u>\$ 67</u>
RECONCILIATION TO GAAP BASIS:				
Change in receivables			<u>-</u>	
			<u>\$ 67</u>	



STATE OF NEW MEXICO  
MORA COUNTY

HOUSING AUTHORITY SECTION EIGHT SPECIAL REVENUE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budgetary Basis)	Final Budget Positive (Negative)
Revenues:				
Federal grant	\$ 230,000	\$ 230,000	\$ 138,152	\$ (91,848)
 Expenditures:				
Current:				
Public works	230,000	230,000	138,152	91,848
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	-	-	-	-
Fund balance at end of the year	\$ -	\$ -	-	\$ -
 RECONCILIATION TO GAAP BASIS:				
Change in receivables			-	
			\$ -	

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## CAPTIAL OUTLAY FUNDS

### CAPITAL OUTLAY FUND

#### CDBG

To account for development of viable urban communities and to construct a solid waste convenience center. Funding is from a Community Development Block Grant from the Department of HUD through the State Department of Finance and Administration under Grant 88-C-RS-1-2-G36 ABD 89-C-RS-11-G20.

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STATE OF NEW MEXICO  
MORA COUNTY

CDBG CAPITAL PROJECTS FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal grant	\$ 500,000	\$ 500,000	\$ 32,918	\$ (467,082)
Expenditures:				
Capital outlay:				
Buildings and improvements	<u>500,000</u>	<u>500,000</u>	<u>32,918</u>	<u>467,082</u>
Excess of revenues over expenditures	-	-	-	-
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
RECONCILIATION TO GAAP BASIS:				
Change in deferred revenue			<u>-</u>	
			<u>\$ -</u>	

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## DEBT SERVICE FUNDS

### DEBT SERVICE FUND

The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

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STATE OF NEW MEXICO  
MORA COUNTY

DEBT SERVICE FUND  
Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual (Non-GAAP Budgetary Basis)  
Year Ended June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Property	\$ 180,000	\$ 280,000	\$ 449,057	\$ 169,057
Penalties and interest	<u>38,000</u>	<u>38,000</u>	<u>-</u>	<u>(38,000)</u>
Total revenues	<u>218,000</u>	<u>318,000</u>	<u>449,057</u>	<u>131,057</u>
 Expenditures:				
Capital outlay:				
Buildings and improvements	<u>353,302</u>	<u>453,302</u>	<u>552,789</u>	<u>(99,487)</u>
Excess (deficiency) of revenues over expenditures	(135,302)	(135,302)	(103,732)	31,570
 Other financing sources:				
Transfers in	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>100,000</u>
Net change in fund balance	(135,302)	(135,302)	(3,732)	131,570
Beginning cash balance budgeted	135,302	135,302	-	(135,302)
Fund balance at beginning of the year	<u>-</u>	<u>-</u>	<u>2,867,221</u>	<u>2,867,221</u>
Fund balance at end of the year	<u>\$ -</u>	<u>\$ -</u>	2,863,489	<u>\$ 2,863,489</u>
 RECONCILIATION TO GAAP BASIS:				
Change in grant receivable			3,326	
Change in property tax receivable			(1,895)	
Cash with fiscal agent			<u>(171,810)</u>	
			<u>\$ 2,693,110</u>	

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## **ENTERPRISE FUNDS**

### **SANITARY LANDFILL FUND**

The following fund accounts for the activities of the County's landfill operations

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STATE OF NEW MEXICO  
MORA COUNTY

SANITARY LANDFILL  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
June 30, 2008

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u> <u>(Budgetary Basis)</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive <u>(Negative)</u>
Operating revenues:				
Charges for sales and services:				
Solid waste charges	\$ 415,736	\$ 415,736	\$ 133,437	\$ (282,299)
Operating expenses:				
Personal services	74,595	74,595	75,193	(598)
Operating expenses	<u>102,736</u>	<u>102,736</u>	<u>110,479</u>	<u>(7,743)</u>
Total operating expenses	<u>177,331</u>	<u>177,331</u>	<u>185,672</u>	<u>(8,341)</u>
Operating income	238,405	238,405	(52,235)	(290,640)
Nonoperating revenues:				
Intergovernmental	-	-	4,370	4,370
Gross receipts tax	<u>-</u>	<u>-</u>	<u>35,009</u>	<u>35,009</u>
Total nonoperating revenues:	<u>-</u>	<u>-</u>	<u>39,379</u>	<u>39,379</u>
Income before contributions and transfers	238,405	238,405	(12,856)	(251,261)
Transfers in	<u>112,123</u>	<u>112,123</u>	<u>112,123</u>	<u>-</u>
Change in net assets	350,528	350,528	99,267	(251,261)
Net assets (deficit) - beginning of year	<u>(350,528)</u>	<u>(350,528)</u>	<u>(104,787)</u>	<u>245,741</u>
Net assets (deficit) - ending of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,520)</u>	<u>\$ (5,520)</u>

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**SUPPLEMENTAL INFORMATION**

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF CAPITAL ASSETS - BY SOURCE

June 30, 2008

Capital assets:

Land and improvements	\$ 1,133,712
Buildings and improvements	3,943,628
Equipment (software)	4,920,092
Infrastructure	35,775
Construction in progress	<u>489,750</u>
 Total Capital assets	 <u>\$ 10,522,957</u>

Investment in Capital assets from:

General Fund	\$ 4,112,347
Special revenue funds	<u>6,410,610</u>
 Total investment in Capital assets	 <u>\$ 10,522,957</u>



**STATE OF NEW MEXICO  
MORA COUNTY**

**FIDUCIARY FUNDS  
Schedule of Changes in Assets and Liabilities - All Agency Funds  
Year Ended June 30, 2008**

<u>ASSETS</u>	<u>Balance June 30, 2007</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance June 30, 2008</u>
Cash	\$ 18,523	\$ 2,202,078	\$ 2,183,068	\$ 37,533
Taxes receivable	<u>141,503</u>	<u>1,922,472</u>	<u>1,756,082</u>	<u>307,893</u>
Pooled cash and investments	<u>\$ 160,026</u>	<u>\$ 4,124,550</u>	<u>\$ 3,939,150</u>	<u>\$ 345,426</u>
 <u>LIABILITIES</u>				
Taxes due from others	\$ 141,503	\$ 1,922,472	\$ 1,756,082	\$ 307,893
Due to others	2,017	72,726	73,881	862
Undistributed taxes	15,163	2,113,547	2,099,209	29,501
Taxes paid in advance	<u>1,343</u>	<u>15,805</u>	<u>9,978</u>	<u>7,170</u>
Deposits held for others	<u>\$ 160,026</u>	<u>\$ 4,124,550</u>	<u>\$ 3,939,150</u>	<u>\$ 345,426</u>

**STATE OF NEW MEXICO  
MORA COUNTY**

**SCHEDULE OF PLEDGED COLLATERAL  
June 30, 2008**

	<u>First Community Bank</u>	<u>Bank of Las Vegas</u>	<u>Bank of Albuquerque</u>	<u>State of New Mexico</u>	<u>Total</u>
Cash on deposit at June 30, 2008	\$ 4,608	\$ 1,514,807	\$ 2,500,573	\$ 2,195	\$ 4,022,183
Less FDIC coverage	<u>4,608</u>	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>204,608</u>
Uninsured funds	<u>\$ -</u>	<u>\$ 1,314,807</u>	<u>\$ 2,500,573</u>	<u>\$ 2,195</u>	<u>\$ 3,817,575</u>
50% collateral requirement	<u>-</u>	<u>657,404</u>	<u>1,250,287</u>	<u>1,098</u>	<u>1,908,788</u>
Amount requiring pledged collateral	-	657,403	1,250,286	1,097	1,908,787
Pledged collateral	<u>-</u>	<u>-</u>	<u>2,500,573</u>	<u>2,195</u>	<u>-</u>
Excess of pledged collateral	<u>\$ -</u>	<u>\$ (657,404)</u>	<u>\$ 1,250,286</u>	<u>\$ 1,097</u>	<u>\$ (1,908,788)</u>

Pledged collateral of financial institutions consists of the following at June 30, 2008

Bank of Albuquerque Government Securities \$ 2,500,573

State of New Mexico

Detail of pledged collateral specific to the County is unavailable because the bank commingles pledged collateral for all state funds it hold  
However, the State Treasurer's Office Collateral Bureau monitors pledged collateral for all state funds.

Reconciliation to Financial Statements

Bank Balances	\$ 4,608	\$ 1,514,807	\$ 2,500,573	\$ 2,195	\$ 4,022,183
Reconciling items:					
Deposits in transit	-	3,306	-	-	3,306
Outstanding checks	<u>-</u>	<u>(103,966)</u>	<u>-</u>	<u>-</u>	<u>(103,966)</u>
Total per books	<u>\$ 4,608</u>	<u>\$ 1,414,147</u>	<u>\$ 2,500,573</u>	<u>\$ 2,195</u>	<u>\$ 3,921,523</u>
Cash on hand					<u>300</u>
Total per financial statements					<u>\$ 3,921,823</u>

(continued)

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF PLEDGED COLLATERAL  
June 30, 2008

Financial Statements:	
Cash and cash equivalents	
Governmental activities	\$ 3,890,222
Cash in agency funds	37,533
Business-type activities	<u>(5,932)</u>
 Total per financial statements	 <u>\$ 3,921,823</u>

	<u>Bank Balance</u>	<u>Outstanding Deposits</u>	<u>Outstanding Checks</u>	<u>Book Balance</u>
Bank of Las Vegas				
General Operating	\$ 1,348,628	\$ 3,306	\$ (103,966)	\$ 1,247,968
Certificate of deposit	70,944	-	-	70,944
Certificate of deposit	7,342	-	-	7,342
Certificate of deposit	7,657	-	-	7,657
Certificate of deposit	26,639	-	-	26,639
Certificate of deposit	26,639	-	-	26,639
Certificate of deposit	10,527	-	-	10,527
Motor Vehicle	11,154	-	-	11,154
Taxes in protest	3,595	-	-	3,595
Sheriff Account	1,682	-	-	1,682
First Community Bank				
Checking	4,608	-	-	4,608
Bank of Albuquerque				
Checking	2,405,105	-	-	2,405,105
Checking	80,000	-	-	80,000
Checking	10,143	-	-	10,143
Checking	4,944	-	-	4,944
Checking	300	-	-	300
Checking	81	-	-	81
New Mexico Finance Authority				
Account	192	-	-	192
Account	231	-	-	231
Account	551	-	-	551
Account	615	-	-	615
Account	334	-	-	334
Account	<u>272</u>	<u>-</u>	<u>-</u>	<u>272</u>
	4,022,183	3,306	(103,966)	3,921,523
Petty cash	<u>-</u>	<u>-</u>	<u>-</u>	<u>300</u>
	<u>\$ 4,022,183</u>	<u>\$ 3,306</u>	<u>\$ (103,966)</u>	<u>\$ 3,921,823</u>

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF DELINQUENT PROPERTY TAXES  
June 30, 2007

Tax year	Taxes Billed	Adjustments to Taxes	Taxes Charged by Treasurer	Taxes Collected	Delinquent Taxes
2008	\$ 1,922,243	\$ 229	\$ 1,922,472	\$ 1,918,431	\$ 4,041
2007	1,760,857	177	1,761,034	1,582,017	179,017
2006	1,790,364	32,619	1,822,983	1,776,179	46,804
2005	1,458,254	17,110	1,475,364	1,454,989	20,375
2004	1,433,130	4,189	1,437,319	1,430,345	6,974
2003	1,389,951	(2,274)	1,387,677	1,381,023	6,654
2002	1,396,818	(724)	1,396,094	1,387,733	8,361
2001	1,318,868	8,634	1,327,502	1,323,182	4,320
2000	1,239,207	(9,470)	1,229,737	1,220,270	9,467
1999	1,017,195	6,043	1,023,238	1,013,458	9,780
1998	-	3,032	3,032	-	3,032
Thereafter	-	-	9,068	-	9,068
<b>Total</b>	<b>\$ 14,726,887</b>	<b>\$ 59,565</b>	<b>\$ 14,795,520</b>	<b>\$ 14,487,627</b>	<b>\$ 307,893</b>
District #001					\$ 252,225
District #2SM					12,271
District #12I					10,158
District #12O					24,346
District #10A					8,893
<b>Total</b>					<b>\$ 307,893</b>

**SINGLE AUDIT SECTION**

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**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**

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# KEYSTONE ACCOUNTING, LLC

CERTIFIED PUBLIC ACCOUNTANTS

4801 N Butler, Ste. 8101  
Farmington, NM 87401

keystone@keystoneacct.com

Telephone (505) 566-1900

Fax (505) 566-1911

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## 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

Hector H. Balderas, State Auditor  
Members of the Mora County Commissioners

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mora County, as of and for the year ended June 30, 2008, which collectively comprise the county's basic financial statements as listed in the table of contents, and have issued our report thereon dated October 27, 2009. We have also audited the financial statements of each of the County's nonmajor governmental funds, and fiduciary fund presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2008 as listed in the table of contents. 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

In planning and performing our audit, we considered Mora County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Mora County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Mora County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below we noted certain matters involving the internal control over financial reporting and its operation that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management of employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting 2008 - 2, 2008 - 3, 2008 - 4, 2008 - 5, 2008 - 6, 2008 - 7, and 2008 - 9

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[keystone@keystoneacct.com](mailto:keystone@keystoneacct.com)

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Fax (505) 566-1911

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Hector H. Balderas, State Auditor  
Members of the Mora County Commissioners

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Mora County's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider findings 2008 – 3 and 2008 – 5 to be material weaknesses.

#### Compliance and other matters

As part of obtaining reasonable assurance about whether Mora County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, 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 seven instances of noncompliance or other matters that are required to be reported under Government Auditing Standards which are described in the accompanying schedule of findings and questioned costs as findings 2008 – 1, 2008 – 2, 2008 – 3, 2008 – 5, 2008 – 8, 2008 – 9, and 2008 – 10.

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the New Mexico State Auditor, New Mexico State Department of Finance and Administration – Local Government, New Mexico State Legislature, Management, others within the organization and 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.

*Keystone Accounting, LLC*  
October 27, 2009

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH  
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133**

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Fax (505) 566-1911

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## REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Hector H. Balderas, State Auditor  
Members of the Mora County Commissioners

### Compliance

We have audited the compliance of Mora County with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2008. Mora County'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 Mora County's management. Our responsibility is to express an opinion on Mora 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; 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 Mora 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 of Mora County's compliance with those requirements.

In our opinion, Mora County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008. However, the results of our auditing procedures disclosed one instance of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2008 - 10.

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Hector H. Balderas, State Auditor  
Members of the Mora County Commissioners

## Internal Control Over Compliance

The management of Mora County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Mora County's internal control over compliance with the 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 an opinion on compliance and not for the purpose of expressing an opinion on the effectiveness of Mora County's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Mora County's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be 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.

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the New Mexico State Auditor, New Mexico State Department of Finance and Administration – Local Government, New Mexico State Legislature, Management, others within the organization and 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.

*Keystone Accounting, LLC*

October 27, 2009

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
Year Ended June 30, 2008

A. PRIOR YEAR AUDIT FINDINGS

2007 – 1 LATE AUDIT REPORT (Original Number 2005-1 Repeated since 2004)

*Condition:* The New Mexico State Auditor required the audit to be completed and submitted to his office by November 15, 2007. The filing date of the completed annual audit is subsequent to the required due date.

*Recommendation:* The contracting for audit services should be initiated and completed in a time that allows for the audit to be completed by the required due date.

**Current year status: Repeated, Not resolved in the current year.**

2007 – 2 PROPERTY TAX MAINTENACE SCHEDULE (Original Number 2005-2 Repeated since 1998)

*Condition:* In attempting to perform the property tax roll reconciliation for the 2004-2005 year, we noted the following:

1. The County is not reconciling the beginning balances, charges, receipts, adjustments and ending balances of property tax receivables.
2. The County does not reconcile the detail taxes receivable by year to any control or tax maintenance schedule.

*Recommendation:* We recommend that adequate internal control procedures be implemented to insure control over taxes receivable for the current year. We further recommend that steps be taken, as time allows, correcting each year's taxes receivable on the tax maintenance schedule until all ten years are accurately reflected.

**Current year status: Not repeated, resolved in the current year.**

2007 – 3 FAILURE TO FILE THE BUDGET

*Condition:* The County did not have an approved budget in a timely manner.

*Recommendation:* The budget should be submitted in a timely manner every year.

**Current year status: Not repeated, resolved in the current year.**

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
Year Ended June 30, 2008

A. PRIOR YEAR AUDIT FINDINGS (continued)

2007 – 4 CASH RECONCILIATION (Original Number 2005 – 4)

*Condition:* Nine of the thirteen accounts were completely missing from the reconciliation. – Five Bank of Albuquerque accounts, the Sheriffs checking account, and the three bond escrow accounts. The known and recorded bank accounts were not being reconciled to the general ledger.

*Recommendation:* The County needs to maintain awareness of cash accounts associated with debt and bond issues. The County should ascertain that the bank accounts ordered to be closed are in fact closed by confirmation from the bank or receipt of a closing statement. All cash accounts need to be reconciled to the general ledger within five days of receipt of the bank or escrow statement.

**Current year status: Repeated, Not resolved in the current year.**

2007 – 5 THE REVENUE BOND AND THE RESERVE WITH USDA IS DELENQUENT (Original Number 2006-5)

*Condition:* The County has a revenue bond agreement which was signed in 2005, but the principal was not disbursed until 2006 and 2008. USDA did not send notification for the bond payment, but did note that the bond was delinquent. Also the same bonds require a reserve funding which has not been funded as of June 30, 2006

*Recommendation:* Either the bond agreements need to be updated, or the County needs to make the bond payments on schedule.

**Current year status: Repeated, Not resolved in the current year.**

2007 – 6 DEVELOPMENT LOAN COLLECTION

*Condition:* Our review of the notes receivable in the development loan fund revealed that no one person has been assigned the responsibility for the collection of past-due accounts.

*Recommendation:* We recommend that the County Commission appoint someone responsibility for the follow-up and collection of delinquent accounts. The responsible person would have authority to set-up payment plans, foreclose or whatever steps necessary to collect the notes.

**Current year status: Repeated, Not resolved in the current year.**



STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
Year Ended June 30, 2008

A. PRIOR YEAR AUDIT FINDINGS (continued)

2007 – 7 BUDGET OVER EXPENDITURES

*Condition:* The County incurred expenditures in excess of the approved budget in the following funds.

<u>Fund</u>	<u>Approved Budget</u>	<u>Actual Expenditures</u>	<u>Amount over expended</u>
General Fund	\$ 1,188,818	\$ 1,224,563	\$ (35,745)
Mora Fire Department	40,545	49,928	(9,383)
Golondrinas Fire Department	24,052	33,103	(9,051)
Cops Grant	28,802	42,005	(13,203)
Corrections	40,808	107,338	(66,530)
Law Enforcement USDA	-	50,890	(50,890)
CHET VFD NMEMNRD	-	2,991	(2,991)
DWI-ST	-	1,158	(1,158)
DWI-G	25,000	26,670	(1,670)
Debt Service	<u>353,302</u>	<u>386,874</u>	<u>(33,572)</u>
Total	<u>\$ 1,701,327</u>	<u>\$ 1,925,520</u>	<u>\$ (224,193)</u>

*Recommendation:* We recommend that purchases not be approved which would cause the budget to be exceeded. We also recommend that timely budget adjustments be prepared when necessary.

**Current year status: Repeated, Not resolved in the current year.**

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
Year Ended June 30, 2008

A. PRIOR YEAR AUDIT FINDINGS (continued)

2007 – 8 LACK OF TIMELY MONITORING OF BUDGET LINE ITEMS

*Condition:* There were unfavorable variances between actual and budgeted line item expenditures. The following funds had unfavorable variances between budgeted amounts at fiscal year end:

General Fund	General Government	\$ 7,019
General Fund	Public Safety	38,914
Road	Public Works	94,507
Law Protection	Capital Outlay	10,063
Watrous VFD	Public Safety	3,118
Corrections	Public Safety	66,530
Mora VFD	Capital Outlay	10,489
Golondrinas VFD	Public Safety	7,485
Golondrinas VFD	Capital Outlay	1,566
Ocate VFD	Public Safety	2,153
U/S Cops Grant	Public Safety	13,203
Buena Vista VFD	Debt Service Pricipal	13,300
CHET VFD NMEMNRD	Public Safety	2,991
Law Enforcement USDA	Capital Outlay	50,890
DWI-ST	Public Safety	1,158
DWI-G	Public Safety	1,670
Debt Service	General Government	33,572
Sanitary Landfill Enterprise	Operating Expense	10,748

*Recommendation:* Management should implement immediate steps to provide adequate financial reports to allow for proper and timely monitoring of line item expenditures. Budget adjustment requests should be approved by the Department of Finance and Administration – Local Government Division (when required) to receive approval to make necessary changes to the records prior to being presented for audit.

**Current year status:** Repeated, Not resolved in the current year.

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
Year Ended June 30, 2008

A. PRIOR YEAR AUDIT FINDINGS (continued)

2007 – 9 INADEQUATE ACCOUNTING SYSTEM (Original Number 2005 – 8)

*Condition:* The County is required to report and keep an accrual accounting System. The System is DOS based from 1988, and they are also using a card system. The system cannot produce reports that facilitate the efficient management of the County.

*Recommendation:* The County should update the Accounting System to facilitate the recording of capital assets and depreciation, property tax billing and tracking, cohesive recording between the departments, and the efficient monitoring of county activities.

**Current year status: Resolved, Not repeated in the current year.**

2007 – 10 CONFLICT OF INTEREST STATEMENTS (Original number 2005 – 10)

*Condition:* The Commissioners and employees of the County need to sign Conflict of Interest Statements, and recuse themselves from involvement in any circumstance that would create a conflict of interest.

*Recommendation:* The County Commissioners and employees need to become aware of the need to sign Conflict of Interest Statements, and adhere to the appearance of arms length transactions.

**Current year status: Resolved, Not repeated in the current year.**

2007 – 11 FAILURE TO FOLLOW CHART OF ACCOUNTS (Original Number 2005 – 12)

*Condition:* The County has established a chart of accounts that includes codes for regular expenditures and then codes for expenditures that are considered capital outlays. The distinction between the different types of expenditures are not being recognized and recorded in the appropriate account codes.

*Recommendation:* The County needs to understand the distinction of capital expenditures and record them separate in order to allow for the verification of additions to the inventory of land, buildings, and equipment costing more than \$5,000.

**Current year status: Repeated, Not resolved in the current year.**

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS  
Year Ended June 30, 2008

A. PRIOR YEAR AUDIT FINDINGS (continued)

2007 – 12      PREPARATION OF FINANCIAL STATEMENTS

*Condition:* The financial statements were prepared by the auditor.

*Recommendation:* Management should develop a plan and system of controls that enable them to review the accuracy and completeness of the financial statements.

**Current year status: Repeated, Not resolved in the current year.**

2007 – 13      LATE FILING OF FEDERAL CLEARING HOUSE REPORTING

*Condition:* The June 30, 2005 audit report and data collection form were sent to the Federal Clearing House after the due date of either 30 days after the date of the audit report or nine months after the year end.

*Recommendation:* We recommend that all information be made available to the auditor on a timely basis.

**Current year status: Repeated, Not resolved in the current year.**

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2008

SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of Mora County
2. Ten significant deficiencies disclosed during the audit of the financial statements are reported in the 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.
3. Two instances of noncompliance material to the financial statements of Mora County were disclosed during the audit.
4. One reportable condition disclosed during the audit of the major federal award programs is reported in the Report on Compliance with Requirements Applicable to Each Major Program on Internal Control Over Compliance in Accordance with OMB Circular A-133.
5. The auditors' report on compliance for the major federal award programs for Mora County expresses an unqualified opinion.
6. There are no audit findings that are required to be reported in accordance with section 510 (a) of OMB Circular A-133.
7. The programs tested as major programs were Community Facilities Loans and Grants CFDA# 10.766, and Disaster Grants Public Assistance Grant CFDA # 97.036.
8. The threshold for distinguishing between Types A and B programs was \$300,000.
9. Mora County was determined not to be a low-risk auditee.

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2008

B. FINDINGS—FINANCIAL STATEMENTS AUDIT

2008 – 1 LATE AUDIT REPORT (Original Number 2005 – 1 Repeated since 2004)

*Condition:* The New Mexico State Auditor required the audit to be completed and submitted to his office by November 15, 2008. The filing date of the completed annual audit is subsequent to the required due date.

*Criteria:* According to the State of New Mexico, Office of the State Auditor publication 2 NMAC 2.2 Requirements for Contracting and Conducting Audits of Agencies, Section 9.1, the filing date for audit reports for County is November 15th following the end of the fiscal year.

*Effect of condition:* The County is not in compliance with NMAC 2.2.2.9A(1), the effect is that the State is not getting timely information for budgeting.

*Cause:* The County began contracting for the Audit of the fiscal year ended June 30, 2008 in March of 2009, and the contracting was finalized the end of July of 2009.

*Recommendation:* The contracting for audit services should be initiated and completed in a time that allows for the audit to be completed by the required due date.

*Response:* Mora County is currently under agreement for a three (3) year period to have the audits performed.

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2008

B. FINDINGS—FINANCIAL STATEMENTS AUDIT (continued)

2008 – 2 CASH RECONCILIATION (Original Number 2005 – 4)

*Condition:* Nine of the thirteen accounts were completely missing from the reconciliation. – five Bank of Albuquerque accounts, the Sheriff's checking account, and the three bond escrow accounts. The known and recorded bank accounts were not being reconciled to the general ledger. The general ledger was out of balance by \$30,506 which was adjusted into the general fund.

*Criteria:* As per 6.10.2 NMAC, it is the duty of every County that receives or disburses public money to maintain a cash record in which is entered daily, in detail, all items of receipts and disbursements of public money. The cash record shall be balanced daily so as to show the balance of public money on hand at the close of each day's business.

*Effect of condition:* The County cannot effectively manage money or budget if they are unaware of available funds.

*Cause:* The accounting system did not have a record of all cash accounts. As a result, the County did not have all public monies accounted for and reconciled in accordance with 6.10.2 NMAC. Current administration was not aware of the existence of the bond escrow accounts. Additionally, a bank account previously thought to have been closed was still being used by the sheriff's office.

*Recommendation:* The County needs to maintain awareness of cash accounts associated with debt and bond issues. The County should ascertain that the bank accounts ordered to be closed are in fact closed by confirmation from the bank or receipt of a closing statement. All cash accounts need to be reconciled to the general ledger within five days of receipt of the bank or escrow statement.

*Response:* The County will confirm the Sheriff's Checking Account is closed; also the County has purchased a new accounting system which will assist with cash reconciliations.

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2008

B. FINDINGS—FINANCIAL STATEMENTS AUDIT (continued)

2008 – 3 THE RESERVE WITH USDA IS DELENQUENT (Original Number 2006-5)

*Condition:* The County has a revenue bond agreement which was signed in 2005, but the principal was not disbursed until 2006 and 2008. Also the same bonds require a reserve funding which has not been funded as of June 30, 2006

*Criteria:* The County is subject to the grant and bond agreements to say in compliance.

*Effect of condition:* The County has violated the bond agreement.

*Cause:* The principal was not issued to purchase the assets so the principal was not paid according to the agreement.

*Recommendation:* Either the bond agreements need to be updated, or the County needs to make the bond payments on schedule.

*Response:* The reason that the bond has not been paid is because the principal has not been issued. The USDA has not billed Mora County for the bond according to the amortization.



STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2008

B. FINDINGS—FINANCIAL STATEMENTS AUDIT (continued)

2008 – 4 DEVELOPMENT LOAN COLLECTION (Original Number 2005-6)

*Condition:* Our review of the notes receivable in the development loan fund revealed that no one person has been assigned the responsibility for the collection of past-due accounts.

*Criteria:* Standard business practice requires that loans made be collected. If an account becomes delinquent, it is management's responsibility to attempt collection, apply accrued interest, and treat it like a normal business loan.

*Effect of condition:* The County procedures do not assign responsibility for collection of past due notes. The County is at risk of not collecting the notes.

*Cause:* The County did not assign anyone to track the development loan collections.

*Recommendation:* We recommend that the County Commission appoint someone responsibility for the follow-up and collection of delinquent accounts. The responsible person would have authority to set-up payment plans, foreclose or whatever steps necessary to collect the notes.

*Response:* Mora County has recently received funding for Legal Assistance; with the attorney's help the County will be exploring the options so that we may collect from these loans.

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2008

B. FINDINGS—FINANCIAL STATEMENTS AUDIT (continued)

2008 – 5 BUDGET OVER EXPENDITURES (Original Number 2005 – 7)

*Condition:* The County incurred expenditures in excess of the approved budget in the following funds.

<u>Fund</u>	<u>Approved Budget</u>	<u>Actual Expenditures</u>	<u>Amount over expended</u>
General Fund	\$ 1,398,655	\$ 1,510,176	\$ (111,521)
Corrections	100,000	136,607	(36,607)
Law Protection	21,800	51,439	(29,639)
Mora VFD NMEMNRD	-	1	(1)
CDWI	2,381	2,597	(216)
DWI-ST	948	1,154	(206)
Sanitary Landfill	177,331	185,672	(8,341)
Debt Service	<u>453,302</u>	<u>552,789</u>	<u>(99,487)</u>
Total	<u>2,154,417</u>	<u>2,440,435</u>	<u>(286,018)</u>

*Criteria:* According to NMSA 1978 Section 22-8-11 B all fiscal agents of public monies have a responsibility to monitor spending to comply with established budget guidelines. A budget is a proposed plan of financial operations for a given period of time. The annual budget authorizes and provides the basis for control of financial operations during the fiscal year. The budget should be analyzed monthly to insure expenditures remain within the legally adopted budget and revisions should be made whenever necessary.

*Effect of condition:* State statute may have been violated subjecting those responsible to the penalty provisions of the statute.

*Cause:* Purchases were approved in excess of available budget or budget adjustments were not approved to cover the expenditures approved.

*Recommendation:* We recommend that purchases not be approved which would cause the budget to be exceeded. We also recommend that timely budget adjustments be prepared when necessary.

*Response:* The County is currently reviewing the budget more frequently so that we can keep a tighter grasp on expenditures. At this time the Department of Finance and Administration was in control of the financial information.

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2008

B. FINDINGS—FINANCIAL STATEMENTS AUDIT (continued)

2008 – 6 LACK OF TIMELY MONITORING OF BUDGET LINE ITEMS (Original Number 2006 – 8)

*Condition:* There were unfavorable variances between actual and budgeted line item expenditures. The following funds had unfavorable variances between budgeted amounts at fiscal year end:

General Fund	General Government	\$ 29,362
General Fund	Public Safety	57,725
General Fund	Public Works	26,721
Road	Public Works	119,168
Severance Bond SAP	Public Safety	220,654
Corrections	Public Safety	36,607
Law Protection	Capital Outlay	32,893
Mora VFD	Public Safety	6,763
Golondrinas VFD	Public Safety	182
Ocate VFD	Public Safety	8,310
Watrous VFD	Capital Outlay	2,603
LMC VFD	Public Safety	108
Mora VFD NMEMNRD	Public Safety	1
CDWI	Public Safety	216
Sanitary Landfill	Personnal services	598
Sanitary Landfill	Operating expenes	7,743
DWI-ST	Public Safety	206
Debt Service	Capital Outlay	99,487

*Criteria:* According to NMSA 1978 Section 22-8-11 B all fiscal agents of public monies have a responsibility to monitor spending to comply with established budget guidelines.

*Effect of Condition:* Violation of NMSA 1978 Section 22-8-11 B, over spending of public monies. Improper monitoring could lead to expenditures being paid in excess of total budgeted amounts.

*Cause:* Improper monitoring of line item expenditures by comparing budgeted amounts and actual amounts spent allowed unfavorable (negative) variances, overspending of line item budgets, to occur.

*Recommendation:* Management should implement immediate steps to provide adequate financial reports to allow for proper and timely monitoring of line item expenditures. Budget adjustment requests should be approved by the Department of Finance and Administration – Local Government Division (when required) to receive approval to make necessary changes to the records prior to being presented for audit.

*Management Response:* All expenditure balances will be reviewed and monitored by line item to maintain a current analysis of actual versus approved budgeted amounts.

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2008

B. FINDINGS—FINANCIAL STATEMENTS AUDIT (continued)

2008 – 7 FAILURE TO FOLLOW CHART OF ACCOUNTS (Original Number 2005 – 12)

*Condition:* The County has established a chart of accounts that includes codes for regular expenditures and then codes for expenditures that are considered capital outlays. The distinction between the different types of expenditures are not being recognized and recorded in the appropriate account codes.

*Criteria:* The County needs to follow the chart of accounts that have been established and the standards of recognizing capital expenditures as set forth in 12.6.10 NMAC.

*Effect of condition:* The County is not able to reconcile the amounts recorded in the account codes reserved for capital expenditures of more than \$5,000 to the additions to the inventory of land, buildings, and equipment costing more than \$5,000.

*Cause:* Capital expenditures are not being recognized as being different from other expenditures for supplies and repairs and therefore capital expenditures and other expenditures are being intermixed instead of being recorded in the account codes designated for such expenditures.

*Recommendation:* The County needs to understand the distinction of capital expenditures and record them separate in order to allow for the verification of additions to the inventory of land, buildings, and equipment costing more than \$5,000.

*Response:* The County has become aware of the differences and will begin recording in the expenditures in the appropriate area.

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2008

B. FINDINGS—FINANCIAL STATEMENTS AUDIT (continued)

2008 – 8 PREPARATION OF FINANCIAL STATEMENTS (original finding 2006 – 12)

*Condition:* The financial statements were prepared by the auditor.

*Criteria:* As per SAS 112, management is required to have an internal control system of financial reporting including the preparation of the financial statements.

*Effect of condition:* Management's ability to ascertain the accuracy and completeness of the financial statements has been diminished.

*Cause:* Management does not have internal controls in place that are necessary for the preparation of the financial statements.

*Recommendation:* Management should develop a plan and system of controls that enable them to review the accuracy and completeness of the financial statements.

*Response:* A system of controls will be developed and implemented that will allow management to determine the accuracy and fair presentation of the financial statements.

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2008

B. FINDINGS—FINANCIAL STATEMENTS AUDIT (continued)

2008 – 9 LACK OF ADEQUATE COLLATERALIZATION OF CASH BALANCES

*Condition:* The funds held in bank accounts in excess of \$250,000 were not adequately protected from loss through collateralization in case of a bank failure.

*Criteria:* According to New Mexico State Statute (NMSA 1978) 6-10-16, “Deposits of public money shall be secured by (1) securities of the United States...(2) securities of the state of New Mexico...(3) securities. that are guaranteed by the United States or the State of New Mexico, (4) revenue bonds that are underwritten by a member of the national association of securities dealers (NASD) and are rated “BAA”, (5) letters of credit issued by a federal home loan bank.”

*Effect of condition:* Without adequate protection of the County’s cash, the risk of loss through bank failure is increased. Lack of adequate protection is a violation of the County’s requirements to maintain and protect assets.

*Cause:* Management did not ensure that the financial institutions maintained proper pledged collateral in order to keep the county in compliance with state law.

*Recommendation:* Funds in excess of \$250,000 should be deposited into a depository that meets the federal requirements to ensure adequate protection.

*Management’s response:* Procedures will be established to insure that the cash is properly collateralized

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2008

B. FINDINGS—FINANCIAL STATEMENTS AUDIT (continued)

2008 – 10 LATE FILING OF FEDERAL CLEARING HOUSE REPORTING (original finding 2006 – 13)

*Condition:* The June 30, 2006 audit report and data collection form were sent to the Federal Clearing House after the due date of either 30 days after the date of the audit report or nine months after the year end.

*Criteria:* The Federal Clearing House requires that the audit report be filed either one month after the date of the audit report release, or nine months after the year end as set forth in OMB A-133 C.320.

*Effect of condition:* The report was not available for the filing of the Federal Clearing House report on a timely basis.

*Cause:* Information required to complete the audit was not available from the county.

*Recommendation:* We recommend that all information be made available to the auditor on a timely basis.

*Response:* All information requested by the auditor will be submitted in a timely fashion. The request for bids for an auditor will be conducted in a timely manner

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2008

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAM AUDIT

2008 – 10 LATE FILING OF FEDERAL CLEARING HOUSE REPORTING

*Condition:* The June 30, 2008 audit report and data collection form were sent to the Federal Clearing House after the due date of either 30 days after the date of the audit report or nine months after the year end.

*Criteria:* The Federal Clearing House requires that the audit report be filed either one month after the date of the audit report release, or nine months after the year end.

*Effect of condition:* The report was not available for the filing of the Federal Clearing House report on a timely basis.

*Cause:* Information required to complete the audit was not available from the county.

*Recommendation:* We recommend that all information be made available to the auditor on a timely basis.

*Response:* All information requested by the auditor will be submitted in a timely fashion. The request for bids for an auditor will be conducted in a timely manner



**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

STATE OF NEW MEXICO  
MORA COUNTY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2008

<u>Federal Grantor/Pass - Through Grantor/Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Agriculture</u>			
Community Facilities Loans and Grants	10.766	N/A	\$ 394,809
Forest Reserve	10.670	N/A	<u>17,162</u>
Total U.S. Department of Agriculture			<u>411,971</u>
<u>U.S. Department of Housing and Urban Development</u>			
Housing Authority	14.228	N/A	138,152
Community Development Block Grant	14.228	N/A	<u>32,918</u>
Total U.S. Department of Housing and Urban Development			<u>171,070</u>
<u>U.S. Department of Homeland Security</u>			
Disaster Grants - Public Assistance	97.036	N/A	<u>295,980</u>
Total Expenditures of Federal Awards			<u>\$ 879,021</u>

See accompanying notes to the  
Schedule of Expenditures of Federal Awards.

STATE OF NEW MEXICO  
MORA COUNTY

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2008

All federal grant operations of Mora County (the “County”) are included in the scope of the Office of management and Budget (“OMB”) Circular A-133 audit (the “Single Audit”). The Single Audit was performed in accordance with the provisions of the OMB Circular Compliance Supplement (Revised March, 2008), the “Compliance Supplement”). Compliance testing of all requirements, as described in the Compliance Supplement, was performed for all the grants programs noted below. These programs represent all federal award programs and other grants with fiscal 2008 cash and noncash expenditures to ensure coverage of at least 50% (high-risk auditee) of federally granted funds. Actual coverage is approximately seventy-nine percent (79%) of total cash and noncash federal award program expenditures. There were not any noncash expenditures the County received.

<u>Major Federal Award Program Description</u>	<u>Fiscal 2008 Expenditures</u>
Cash assistance:	
Rural Community Facilities Loans and Grants	\$ 394,809
Disaster Grants - Public Assistance	295,980
Total	\$ 690,789

The Rural Community Facilities Loans and Grants CFDA # 10.766 and the Disaster Grants – Public Assistance CFDA # 97.036 were determined to be high-risk type A programs for the 2008 audit. The U.S. Department of Agriculture is the County’s oversight agency for the Single Audit.

1. Summary of significant policies

Basis of presentation

The accompanying Schedule of Expenditures of Federal Awards includes all federal grants to the County that had activity during the fiscal year ended June 30, 2008. This schedule has been prepared on the accrual basis except depreciation costs have been deducted and any costs incurred to purchase fixed assets have been added to the balances. Grant revenues are recorded for financial reporting when the County has met the qualifications for the respective grant.

2. Audits performed by other entities

There were no audits performed by other organizations of the County federal grant programs for the year ended June 30, 2008.

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## REQUIRED DISCLOSURES

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STATE OF NEW MEXICO  
MORA COUNTY

REQUIRED DISCLOSURES  
Year Ended June 30, 2008

The financial statements were prepared by the independent public accountant.

An exit conference was held October 27, 2009 during which the audit findings were discussed. The exit conference was attended by the following individuals:

Mora County

Peter Martinez	Board Commissioner
Doris Casados	Bookkeeper

Keystone Accounting, LLC

Terry Ogle, C.P.A.	Partner
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