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M **CHESTER W. MATTOCKS**
CERTIFIED PUBLIC ACCOUNTANT

STATE OF NEW MEXICO
COUNTY OF QUAY

ANNUAL FINANCIAL REPORT AND INDEPENDENT
AUDITOR'S REPORT FOR THE YEAR ENDED
JUNE 30, 2009

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2009**

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STATE OF NEW MEXICO
COUNTY OF QUAY

OFFICIAL ROSTER
As Of
June 30, 2009

COUNTY COMMISSION

Franklin D. McCasland
Bill Curry
Robert Lopez

Chairman
Commissioner
Commissioner

ELECTED OFFICIALS

Donna Dominquez
Ellen White
Janie Murray
Sue Moore
Joe Shallert

Treasurer
Clerk
Assessor
Probate
Sheriff

ADMINISTRATIVE OFFICIAL

Richard Primrose

County Manager

C
W
M **Chester W. Mattocks**
Certified Public Accountant

P.O. Box 25941
Albuquerque, New Mexico 87125
(505) 299-5233

INDEPENDENT AUDITOR'S REPORT

Members of the Board of County Commissioners
County of Quay
Tucumcari, New Mexico
and
Mr. Hector H. Balderas
State Auditor
Santa Fe, New Mexico

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information and the budgetary comparisons of the General Fund and the Road, Detention Center and Hospital Special Revenue Funds of the State of New Mexico, County of Quay (County) as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements as listed in the Table of Contents. I also have audited the financial statements of each of the County's nonmajor governmental and fiduciary funds, including budgetary comparisons, presented as supplemental information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2009, as listed in the Table of Contents. These financial statements are the responsibility of the County's management. My responsibility is to express opinions on these financial statements based on my audit.

Except as discussed in the following paragraphs, I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements and the combining and individual fund 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

The County does not have detailed records to support the recorded amounts of capital assets. As a result, I was not able to audit the actual additions and deletions to capital assets occurring during the fiscal year ended June 30, 2009, and I was not able to audit the recorded amounts for capital assets as of June 30, 2009 in the basic financial statements.

Because of the effects of the matter discussed above, I am not able to express an opinion on the statement of net assets or the statement of activities, which are a necessary part of the basic financial statements referred to above.

In addition, the prior auditor disclaimed opinion on all of the financial statements for the year ended June 30, 2008. Also, in accordance with the terms of my engagement, I have not applied the audit necessary to satisfy myself about amounts comprising the County's statement of net assets and the County's balance sheet at June 30, 2008.

Because of the effects of matter discussed in the preceding paragraph, the scope of my work was not sufficient to enable me to express, and I do not express, an opinion on the change in net assets for the year ended June 30, 2009 and on the respective changes in financial position of each major fund and the respective budgetary comparisons for the General Fund and the Road, Detention Center and Hospital Special Revenue Funds for the year ended June 30, 2009. In addition, because of the matter discussed in the preceding paragraph, the scope of my work was not sufficient to enable me to express, and I do not express, an opinion on the respective changes in financial position of each nonmajor fund of the County and the respective budgetary comparison of each nonmajor governmental fund. Also in addition, because of the matters discussed in the preceding paragraph, I do not express on the consistency of application of accounting principles with the preceding year.

In my opinion, the governmental funds financial statements referred to above present fairly, in all material respects the respective financial position of each major fund and the aggregate remaining fund information of the County as of June 30, 2009, in conformity with accounting principles generally accepted in the United States of America. In addition, in my opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of each nonmajor governmental and fiduciary fund of the County as of June 30, 2009, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued a report dated November 6, 2009 on my consideration of the County's internal control over financial reporting and on my tests of its compliance with certain provisions of laws and regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of my audit.

The County has not presented the Management's Discussion and Analysis for the year ended June 30, 2009, which is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board.

My audit was made for the purpose of forming opinions on the basic financial statements and the combining and individual fund financial statements. The accompanying financial information listed as Supplementary Information - Supporting Schedules in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements and the combining and individual fund financial statements of the County. Because of the effects of the matter in the fifth paragraph of this report, the scope of my work was not sufficient to enable me to express, and I do not express, an opinion on the Supplementary Information-Supporting in the Table of Contents.

Chester M. Matthews, CPA

November 6, 2009

STATE OF NEW MEXICO
COUNTY OF QUAY

STATEMENT OF NET ASSETS
AS OF JUNE 30, 2009

	<u>Governmental Activities</u>
<u>ASSETS</u>	
Current assets:	
Cash and investments	\$ 5,035,142
Accounts receivable	9,995
Due from other governmental units	459,574
Property taxes receivable	516,884
Total current assets	<u>6,021,595</u>
Noncurrent assets:	
Capital assets	30,010,849
Less: Accumulated depreciation	<u>(18,655,062)</u>
Total noncurrent assets	<u>11,355,787</u>
Total assets	<u>17,377,382</u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	217,169
Accrued salaries and benefits	56,320
Due to other governmental units	352,173
Deferred revenue - grants	2,588
Current portion of long-term obligations	303,006
Total current liabilities	<u>931,256</u>
Noncurrent liabilities:	
Noncurrent portion of long-term obligations	<u>1,176,146</u>
Total noncurrent liabilities	<u>1,176,146</u>
Total liabilities	<u>2,107,402</u>
<u>NET ASSETS</u>	
Invested in capital assets, net of related debt	9,996,840
Restricted for:	
Debt service	-0-
Special Projects	4,188,030
Unrestricted	<u>1,085,110</u>
Total net assets	<u>\$ 15,269,980</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
EXPENSES:					
Governmental activities:					
General government	\$ (1,611,196)	\$ 98,677	\$ 354,741	\$ 350,758	\$ (807,020)
Public safety	(2,100,337)	258,714	1,147,850		(693,773)
Highways and streets	(531,934)	1,150	8,445	1,884,834	1,362,495
Health and welfare	(1,506,438)	206,907	487,553	300,000	(511,978)
Culture and Recreation	(1,128)				(1,128)
Depreciation - unallocated	(669,094)				(669,094)
Interest on long-term obligations	(17,423)				(17,423)
Total governmental activities	(6,437,550)	565,448	1,998,589	2,535,592	(1,337,921)
General revenues:					
Taxes:					
Property taxes, levied for general purposes					1,285,292
Gross receipts and state-shared taxes (all types)					3,129,599
Local source revenue not restricted to specific purposes					1,280,019
Interest and investment earnings					120,339
Subtotal, general revenues					5,815,249
Change in net assets					4,477,328
Net assets - beginning of year as originally presented					11,122,767
Restatement					(330,115)
Net Assets-beginning of year as restated					10,792,652
Net assets - end of year					\$ 15,269,980

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**BALANCE SHEET - GOVERNMENTAL FUNDS
AS OF JUNE 30, 2009**

	<u>General Fund</u>	<u>Road</u>	<u>Detention Center</u>
<u>ASSETS</u>			
Cash and investments	\$ 5,035,142		
Due from other funds		\$ 455,424	\$ 61,156
Interfund receivable	65,246		
Receivables:			
Accounts			875
Intergovernmental	83,833	54,285	36,609
Property taxes	512,039		
	<u>512,039</u>	<u>54,285</u>	<u>36,609</u>
Total assets	<u>\$ 5,696,260</u>	<u>\$ 509,709</u>	<u>\$ 98,640</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Due to other funds	\$ 3,920,058		
Accounts payable	162,394		
Accrued salaries and benefits	56,320		
Interfund payable			
Due to other governmental units	352,173		
Deferred revenues - grants			
Deferred revenues - property taxes	139,237		
	<u>139,237</u>		
Total liabilities	<u>4,630,182</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Fund balances:			
Reserved for:			
Petty cash	591		
Debt service			
Unreserved, reported in:			
General Fund	1,065,487		
Special Revenue Funds		509,709	98,640
Capital Projects Funds			
	<u>1,065,487</u>	<u>509,709</u>	<u>98,640</u>
Total fund balances	<u>1,066,078</u>	<u>509,709</u>	<u>98,640</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 5,696,260</u>	<u>\$ 509,709</u>	<u>\$ 98,640</u>

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

<u>Hospital</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
		\$ 5,035,142
\$ 1,165,430	\$ 2,238,048	3,920,058
		65,246
	9,120	9,995
182,812	102,035	459,574
4,845	-0-	516,884
<u>\$ 1,353,087</u>	<u>\$ 2,349,203</u>	<u>\$ 10,006,899</u>
		\$ 3,920,058
	\$ 54,775	217,169
		56,320
	65,246	65,246
		352,173
	2,588	2,588
		<u>139,237</u>
<u>\$ -0-</u>	<u>122,609</u>	<u>4,752,791</u>
		591
		1,065,487
1,353,087	2,226,594	4,188,030
<u>1,353,087</u>	<u>2,226,594</u>	<u>5,254,108</u>
<u>\$ 1,353,087</u>	<u>\$ 2,349,203</u>	<u>\$ 10,006,899</u>

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
AS OF JUNE 30, 2009**

Total fund balances - governmental funds \$ 5,254,108

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

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

The cost of capital assets is:	\$ 30,010,849	
Accumulated depreciation is:	<u>(18,655,062)</u>	11,355,787

Delinquent property taxes not collected within sixty days after year end
are not considered available revenues and are considered to be deferred
revenue in the fund financial statements, but are considered revenue
in the Statement of Activities. 139,237

Long-term and certain other liabilities, including bonds payable, are not
due and payable in the current period and therefore are not reported as
liabilities in the funds. Long-term and other liabilities at year end consist
of:

Notes payable	\$ (1,333,372)	
Lease purchases payable	(25,575)	
Compensated absences payable	<u>(120,205)</u>	<u>(1,479,152)</u>

Total net assets-governmental activities \$ 15,269,980

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

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**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2009**

	General Fund	Road	Detention Center
Revenues:			
Property taxes	\$ 1,146,055		
Local sources	387,149	\$ 5,954	\$ 144,407
Local and state-shared taxes	737,977	518,824	225,138
State sources	699,758	1,893,279	
Federal sources	5,741		
Charges for services	71,394	1,150	258,714
Interest	86,166	3,023	
Total revenues	3,134,240	2,422,230	628,259
Expenditures:			
Current:			
General government	1,527,535		
Public safety	498,239		1,176,183
Highways and streets		951,954	
Health and welfare			
Culture and recreation			
Capital Outlay	149,619	1,432,914	
Debt Service		35,700	25,933
Total expenditures	2,175,393	2,420,568	1,202,116
Excess (deficiency) of revenues over expenditures	958,847	1,662	(573,857)
Other financing sources (uses):			
Loan proceeds			225,933
Operating transfers in	48,050	207,835	289,708
Operating transfers out	(977,741)	(82,464)	
Total other financing sources (uses)	(929,691)	125,371	515,641
Net changes in fund balances	29,156	127,033	(58,216)
Fund balance, beginning of year	1,036,922	382,676	156,856
Fund balances, end of year	\$ 1,066,078	\$ 509,709	\$ 98,640

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

<u>Hospital</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
		\$ 1,146,055
\$ 214,064	\$ 378,445	1,130,019
1,202,789	444,871	3,129,599
	1,629,580	4,222,617
	305,823	311,564
	234,190	565,448
<u>10,738</u>	<u>20,412</u>	<u>120,339</u>
<u>1,427,591</u>	<u>3,013,321</u>	<u>10,625,641</u>
	61,778	1,589,313
	425,915	2,100,337
	712	952,666
676,257	830,181	1,506,438
	1,128	1,128
	1,742,743	3,325,276
	<u>149,980</u>	<u>211,613</u>
<u>676,257</u>	<u>3,212,437</u>	<u>9,686,771</u>
<u>751,334</u>	<u>(199,116)</u>	<u>938,870</u>
	342,850	568,783
	703,851	1,249,444
<u>(55,433)</u>	<u>(133,806)</u>	<u>(1,249,444)</u>
<u>(55,433)</u>	<u>912,895</u>	<u>568,783</u>
695,901	713,779	1,507,653
<u>657,186</u>	<u>1,512,815</u>	<u>3,746,455</u>
<u>\$ 1,353,087</u>	<u>\$ 2,226,594</u>	<u>\$ 5,254,108</u>

STATE OF NEW MEXICO
COUNTY OF QUAY

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
 IN FUND BALANCES - GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2009**

Total net change in fund balances - governmental funds. \$ 1,507,653

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

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. This is the amount by which depreciation exceeded capital outlays in the period.

Depreciation expense	\$ (669,094)	
Capital outlays	<u>3,778,358</u>	
Excess (deficiency) of capital outlay over depreciation expense		3,109,264

In the Statement of Activities, certain operating expenses - compensated absences payable and are measured by the amounts incurred during the year. In the fund financial statements, however, expenditures are measured by the amount of financial resources used (essentially the amounts actually paid):

(Increase) decrease in compensated absences payable for the year	(21,883)
--	----------

Note proceeds and proceeds from capital lease obligations are reported as Other Financing Sources in governmental funds and thus contribute to the change in fund balances. In the government-wide statements, however, issuing debt increases long-term liabilities in the statement of net assets and does not affect the statement of activities. These items include:

Proceeds from notes payable	(418,783)
-----------------------------	-----------

Repayment of bond and notes payable principal, and principal payments on lease - purchase payments are an expenditure in the governmental funds, but they reduce long-term liabilities in the statement of net assets and do not affect the statement of activities.

161,840

Because some property taxes will not be collected for several months after the County's fiscal year end, they are not considered available revenues in the governmental funds, and are instead counted as deferred tax revenues. They are, however, recorded as revenues in the statement of activities. The (increase) decrease in the liability for the year was:

139,237

Change in net assets of governmental activities		\$ <u>4,477,328</u>
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The accompanying notes are an integral part of these financial statements.

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2009**

	401			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Property taxes	\$ 1,079,054	\$ 1,079,054	\$ 1,120,415	\$ 41,361
Local sources	355,020	368,820	387,149	18,329
Local and state-shared taxes	594,078	699,078	742,931	43,853
State sources	840,921	847,521	699,758	(147,763)
Federal sources	-0-	-0-	5,741	5,741
Charges for services	72,006	58,206	71,394	13,188
Interest	120,000	120,000	86,166	(33,834)
Total Revenues	3,061,079	3,172,679	3,113,554	(59,125)
Other financing sources:				
Transfers in	48,050	48,050	48,050	-0-
Total revenues and other financing sources	3,109,129	3,220,729	3,161,604	(59,125)
EXPENDITURES:				
Current:				
General government	1,582,603	1,678,783	1,489,429	189,354
Public safety	520,003	526,603	498,239	28,364
Highways and streets				
Health and welfare				
Culture and recreation				
Capital outlay	338,093	338,093	138,821	199,272
Total Expenditures	2,440,699	2,543,479	2,126,489	416,990
Other financing uses:				
Transfers out	823,793	977,741	977,741	-0-
Total expenditures and other financing uses	3,264,492	3,521,220	3,104,230	416,990
Excess (deficiency) of revenues over expenditures and other financing uses	(155,363)	(300,491)	\$ 57,374	\$ 357,865
Prior year cash balance required to balance budget	\$ 155,363	\$ 300,491		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - ROAD
FOR THE YEAR ENDED JUNE 30, 2009**

	402			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local sources	\$ 122,500	\$ 121,500	\$ 5,954	\$ (115,546)
Local and state-shared taxes	533,000	533,000	513,171	(19,829)
State sources	1,895,026	1,895,026	1,885,387	(9,639)
Federal sources				
Charges for services	-0-	1,000	1,150	150
Interest	8,000	8,000	3,023	(4,977)
Total Revenues	2,558,526	2,558,526	2,408,685	(149,841)
Other financing sources:				
Transfers in	207,835	207,835	207,835	-0-
Total revenues and other financing sources	2,766,361	2,766,361	2,616,520	(149,841)
EXPENDITURES:				
General government				
Public safety				
Highways and streets	2,740,386	2,757,922	2,412,545	345,377
Health and welfare				
Culture and recreation				
Total Expenditures	2,740,386	2,757,922	2,412,545	345,377
Other financing uses:				
Transfers out	100,000	100,000	82,464	17,536
Total expenditures and other financing uses	2,840,386	2,857,922	2,495,009	362,913
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(74,025)	(91,561)	<u>\$ 121,511</u>	<u>\$ 213,072</u>
Prior year cash required to balance budget	<u>\$ 74,025</u>	<u>\$ 91,561</u>		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - DETENTION CENTER
FOR THE YEAR ENDED JUNE 30, 2009**

	421			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources	\$ 53,000	\$ 147,285	\$ 144,400	\$ (2,885)
Local and state-shared taxes	189,546	209,546	224,475	14,929
State sources	200,000	280,000	200,007	(79,993)
Federal sources	-0-	-0-	-0-	-0-
Charges for services	598,847	403,000	262,564	(140,436)
Interest				
Total Revenues	<u>1,041,393</u>	<u>1,039,831</u>	<u>831,446</u>	<u>(208,385)</u>
Other financing sources:				
Transfers in	<u>289,708</u>	<u>289,708</u>	<u>289,708</u>	<u>-0-</u>
Total revenues and other financing sources	<u>1,331,101</u>	<u>1,329,539</u>	<u>1,121,154</u>	<u>(208,385)</u>
EXPENDITURES:				
General government				
Public safety	1,246,101	1,329,539	1,096,129	233,410
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	<u>1,246,101</u>	<u>1,329,539</u>	<u>1,096,129</u>	<u>233,410</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>\$ 85,000</u>	<u>\$ -0-</u>	<u>\$ 25,025</u>	<u>\$ 25,025</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - HOSPITAL
FOR THE YEAR ENDED JUNE 30, 2009**

	501			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources				
Property taxes	\$ -0-	\$ 198,836	\$ 209,219	\$ 10,383
Local and state-shared taxes	1,144,624	1,118,788	1,201,652	82,864
State sources				
Federal sources		1,997,357	-0-	(1,997,357)
Charges for services				
Interest	8,000	8,000	10,738	2,738
Total Revenues	<u>1,152,624</u>	<u>3,322,981</u>	<u>1,421,609</u>	<u>(1,901,372)</u>
EXPENDITURES:				
General government				
Public safety				
Highways and streets				
Health and welfare	1,152,624	3,322,981	676,257	2,646,724
Culture and recreation				
Total Expenditures	<u>1,152,624</u>	<u>3,322,981</u>	<u>676,257</u>	<u>2,646,724</u>
Other financing sources:				
Transfers out	-0-	55,433	55,433	-0-
Total revenues and other financing uses	<u>1,152,624</u>	<u>3,378,414</u>	<u>731,690</u>	<u>2,646,724</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing sources	<u>\$ -0-</u>	<u>\$ (55,433)</u>	<u>\$ 689,919</u>	<u>\$ 745,352</u>
Prior year cash balance				
Required to balance budget		<u>\$ 55,433</u>		

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

STATE OF NEW MEXICO
COUNTY OF QUAY

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
AS OF JUNE 30, 2009

	<u>Agency Funds</u>
ASSETS	
Due from other governmental units	\$ 5,011
Property taxes receivable	<u>347,162</u>
Total assets	<u><u>\$ 352,173</u></u>
LIABILITIES	
Deposits held for others	\$ 5,011
Due to other governmental units	<u>347,162</u>
Total liabilities	<u><u>\$ 352,173</u></u>

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

STATE OF NEW MEXICO
COUNTY OF QUAY

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Quay was created by Section 4-30-1, New Mexico Statutes Annotated, 1978 Compilation. The powers of the County as a body politic and corporate are exercised by a three-member Board of Commissioners who are elected. At each general election in the State of New Mexico a County Assessor, County Clerk, County Sheriff and County Treasurer are elected. The County assesses, collects and distributes property taxes; records property and legal documents; provides ambulance service, law enforcement, fire, and social services; and maintains County roads.

The financial statements of the County of Quay (County) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standard Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. The more significant of the County's accounting policies are described below.

In June 1999, the GASB unanimously approved Statement #34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.

The County implemented the provisions of GASB # 34 and its later amendments effective July 1, 2003.

A. REPORTING ENTITY

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the County is considered a *primary government*, since it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the County may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The County has no *component units*, as defined by GASB Statement No. 14, as there are no other legally separate organizations for which the elected Commissioners are financially accountable.

B. BASIC FINANCIAL STATEMENTS - GASB STATEMENT #34

The basic financial statements include both government-wide (based on the County as a whole) and fund financial statements. The new reporting model focus is on either the County as a whole or major individual funds (within the fund financial statements). Fiduciary funds are not included in the government-wide financial statements. Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business type activities. In the government-wide Statement of Net Assets, both the governmental and business-type activities columns are presented on a consolidated basis by column, and are reflected on a full accrual, economic resources focus, which incorporates long-term assets and receivables as well as long-term debt and obligations. Pronouncements of the Financial Accounting Standards Board

issued after November 30, 1989 are applicable to any business-type activity of the County. However, the County did not have any business-type activities during the year ended June 30, 2009.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (general government, public safety, etc.). The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The net cost (by function or business-type activity) is normally covered by general revenues (taxes, intergovernmental revenues, interest income, etc.). Historically, the previous mode did not summarize or present net cost by function or activity. The County does not currently employ indirect cost allocation systems.

This government-wide focus is more on the sustainability of the County as an entity and in aggregate financial position resulting from the activities of the current fiscal period. Internal activity between the various funds is eliminated in the government-wide financial statements. Interfund receivables and payables have been eliminated.

The fund financial statements are similar to the financial statements presented in the previous accounting model. Emphasis here is on the major funds in either the governmental or business-type categories. Nonmajor funds (by category) are summarized into a single column. Amounts reported in the funds as interfund receivables and payables ("Due From" or "Due To") are eliminated in the government-wide statements.

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

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

C. BASIS OF PRESENTATION

The accounts of the County are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements.

The funds of the County are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund classifications and description of each existing fund type follow.

Governmental Funds

Governmental funds are used to account for the County's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of long-term debt. Governmental funds include:

General fund - the primary operating fund of the County accounts for all financial resources, except those required to be accounted for in other funds.

Special revenue funds - account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Road, Detention Center and Hospital Funds are major funds and Special Revenue Funds.

Debt service funds - account for the servicing of long-term debt not being financed by proprietary funds.

Capital projects funds - account for the acquisition of capital assets or construction of major capital projects not being financed by proprietary funds.

Under the requirements of GASB #34, the County is required to present certain of its governmental funds as major funds based upon certain criteria. The major funds presented in the fund financial statements include the following:

General Fund - The primary operating fund of the County accounts for all financial resources, except those required to be accounted for in other funds. Per GASB #34, the General Fund is always included as a major fund.

Special Revenue Funds:

Road Fund - To account for funds used to maintain roads for which the County has responsibility. Financing is provided by motor vehicles fees, gasoline taxes and co-op agreements with the State of New Mexico Highway and Transportation Department. Expenditures are restricted to the construction and maintenance of County Roads. Authority is Section 67-4-1 NMSA 1978.

Detention Center Fund - To account for resources used to operate the County Detention Center. Funding is provided by charges to local municipalities, the New Mexico Department of Corrections, and transfers from the County General Fund. This fund also accounts for the Community Monitoring Program. Authorized by Section 33-3-25, NMSA (1978).

Hospital Fund - To account for one eighth of one-percent gross receipts tax revenue for current operations and maintenance of the hospital and for property taxes authorized for the hospital. Authorized by Section 7-20-21B to 7-20-26 NMSA.

Fiduciary Funds

Fiduciary funds account for assets held by the government in a trustee capacity or as an agent on behalf of outside parties, including other governments, or on behalf of other funds within the County. The County only had agency funds during the year ended June 30, 2009. *Agency funds* are used to account for assets that the government holds for others in an agency capacity.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The Government-wide Financial Statements report using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The County considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for revenue bond principal and interest, which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual include: gross receipts taxes, property taxes, franchise taxes, intergovernmental revenues, and investment income. In general, other revenues are recognized when cash is received. Derived tax revenues, such as gross receipt taxes collected and held by the state at year end on behalf of the County, are recognized as revenue when the underlying transaction takes place.

In applying the susceptible to accrual concept to intergovernmental revenues pursuant to GASB Statement #33, which was adopted as of July 1, 2003 by the County, the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenues when the applicable eligibility requirements including time requirements, are met. Resources transmitted before the eligibility requirements are met, under most circumstances, should be reported as advances by the provider and deferred revenue by the recipient.

E. PROPERTY TAXES

The County Treasurer receives deposits of monies from and collect taxes for the various County funds and other entities located within the County. These monies are deposited by the Treasurer in banks. In the accompanying financial statements, monies held for other than County entities are presented as Agency Fund monies.

Taxes are collected directly from taxpayers by the County with the Treasurer acting as an employee of the County and as an agent for the entities for whom the collections are ultimately distributed.

The County property tax bills must be mailed by November 1st, the first half of the assessed tax is due November 10th and becomes delinquent December 10th, the second half of the assessed tax becomes due April 10th and becomes delinquent May 10th. The applicable property is subject to lien and penalties and interest is assessed when property taxes become delinquent. When property taxes are delinquent three years, the property is transferred to the State Property Tax Department for public sale.

Chapter 7, Articles 35 through 38, New Mexico Statutes Annotated, 1978 is the Property Tax Code. The code provides for valuation, administration and enforcement of property taxes. The Department of Finance and Administration sets tax rates for the governmental units having in the tax.

The Constitution of the State of New Mexico provides the following maximum tax rates and restrictions concerning the use of tax proceeds.

Taxes levied upon tangible property shall be in proportion to the value thereof, and taxes shall be equal and uniform upon subjects of taxation of the same class. Different methods may be provided by law to determine value of different kinds of property, but the percentage of value against which tax rates are assessed shall not exceed thirty-three and one-third percent. The legislature shall provide by law for the valuation of residential property for property taxation purposes in a manner that limits annual increases in valuation of residential property. The limitation may be applied to classes of residential property taxpayers based on owner-occupancy, age or income. The limitations may be authorized statewide or at the option of a local jurisdiction and may include conditions under which the limitation is applied. Any valuation limitations authorized as a local jurisdiction option shall provide for applying statewide or multi-jurisdictional property tax rates to the value of the property as if the evaluation increase limitation did not apply.

Taxes levied upon real or personal property for state revenue shall not exceed four mills annually on each dollar of the assessed valuation thereof except for the support of the educational, penal and charitable institutions of the state, payment of the state debt and interest thereon; and the total annual tax levy upon such property for all state purposes exclusive of necessary levies for the state debt shall not exceed ten mills; provided, however, that taxes levied upon real or personal tangible property for all purposes, except special levies on specific classes of property and except necessary levies for public debt, shall not exceed twenty mills annually on cash dollar of the assessed valuation thereof, but laws may be passed authorizing additional taxes to be levied outside of such limitations when approved by at least a majority of the qualified electors of the taxing district who paid a property tax therein during the preceding year voting on such proposition.

The County's Operational tax rate for the current year was 5.274 mills for residential property and 10.350 mills for nonresidential property. The County Hospital tax rate was 1.500 mills for both types of property. (These rates do not include those for state debt service, municipal operations, or school districts.) Property taxes are rendered when levied.

F. BUDGETARY INFORMATION

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

1. Prior to June 1, the County submits a proposed budget to the Local Government Division of the Department of Finance and Administration;
2. The Local Government Division in relation to the County shall:
 - a. Examine each proposed budget, and on or before July 1 of each year, approve and certify for the County an operating budget for use pending approval of a final budget;
 - b. Hold public hearings on proposed budgets;
 - c. Make such corrections, revisions, and amendments to proposed budgets as may be necessary to meet to requirements of law;
 - d. Certify a final budget for the County prior to the first Monday in September of each year. Such budgets, when approved, shall be binding upon all officials of the state;

- e. Upon the approval of the director of the Department of Finance and Administration, authorize the transfer of funds from one budget item to another when such transfer is requested and an emergency condition exists meriting such transfer and such transfer is not prohibited by law. In case of emergency necessitating the expenditure for item or items not provided for in the budget, upon approval of the director of the Department of Finance and Administration, the budget may be revised to authorize such expenditures;
 - f. With written approval of the director of the Department of Finance and Administration, increase the total budget of the County in the event the County undertakes an activity, service, project or construction program which was not contemplated at the time the final budget was adopted and approved and which activity, service, project or construction program will produce sufficient revenue to cover such increase in the budget or the County has surplus funds on hand not necessary to meet the expenditures provided for in the budget with which to cover such increase in the budget;
 - g. Supervise the disbursement of funds to the end that expenditures will not be made in excess of budgeted items or for items not budgeted and that there will not be illegal expenditures;
 - h. Prescribe the form for all budgets, books, records and accounts for the County; and
 - i. With the approval of the director of the Department of Finance and Administration, make rules and regulations relating to budgets, records, reports, handling and disbursement of public funds, or in any matter relating to the financial affairs of the County.
3. The County Manager is authorized to transfer budgeted amounts between departments within any fund;
 4. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund, and Capital Projects Funds. Budgets for these funds are adopted on a basis inconsistent with generally accepted accounting principles (GAAP). Budgetary and actual comparisons presented for these funds in this report are on the non-GAAP (cash) budgetary basis;
 5. Budgeted amounts are as originally adopted, or as amended by the County Commissioners and approved by the Department of Finance and Administration;
 6. The level of classification detail in which expenditures may not legally exceed appropriation for budget is at the fund level.

G. ASSETS, LIABILITIES AND FUND EQUITY

1. *Deposits and Investments*

The County's cash and investments are considered to be cash on hand, demand deposits and short-term investments with original maturities of one year or less from the date of acquisition. State statutes (Public Monies Act 6-10-1 through 6-10-63 NMSA 1978) authorize the County to invest in (1) bond or negotiable securities of the United States, the state or any county,

municipality or school district which has a taxable valuation of real property for the last preceding year of at least one million dollars (\$1,000,000) and has not defaulted in the payment of any interest or sinking fund obligation or failed to meet any bonds at maturity at any time within five years last preceding; or (2) securities that are issued by the United States government or by its agencies or instrumentalities and that are either direct obligations of the United States or are backed by the full faith and credit of the United States government or agencies guaranteed by the United States government. The County may also invest in repurchase agreements and in the State Treasurer's Investment Pool. Sections 6-10-16 and 6-10-17 NMSA 1978, requires that the deposit of public money be secured by securities of the United States, its agencies or instrumentalities or by securities of the State of New Mexico, its agencies, instrumentalities, counties, municipalities or other subdivisions or by securities that are guaranteed by the United States or the State of New Mexico equal to one-half the amount of public money on deposit.

2. *Accounts Receivable*

Accounts receivable are recorded in the various governmental funds. They consist of amounts receivable from local governments relating to various grant agreements and property taxes receivable. In the government-wide statements, property taxes are recognized in this year for which the taxes are levied. Property taxes receivable are shown net of an allowance for uncollectibles. The allowance is equal to 4% of outstanding property taxes at June 30, 2009. In the governmental funds statements, those property taxes receivable which are not available within sixty days are deferred. Nonexchange transactions, including grants and contributions, which are not measurable (reasonably estimated) are not recognized.

3. *Capital Assets*

Capital assets are recorded at historical cost and depreciated over their estimated useful lives (with no salvage value). Capital assets are defined by the County as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Donated capital assets are recorded at their estimated fair value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The County does not capitalize interest in regards to its capital assets. The County capitalizes purchased software, but has no internally-developed software.

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

Land improvements	20 years
Buildings & building improvements	20-40 years
Furniture and equipment	3-7 years

GASB Statement #34 requires the recording and depreciation of infrastructure assets, which include roads, bridges, traffic signals, etc. The County infrastructure assets consist of roads only. These are depreciated over an estimated useful life of 10 years. In accordance with the provisions of GASB Statement #34, the County is considered to be a Phase 3 Government (total annual revenues of less than \$10 million) and has elected to report infrastructure assets in a prospective manner only. That is, infrastructure in place before July 1, 2003 is not reported.

4. *Deferred Revenues*

The County reports deferred revenues on its Statement of Net Assets and fund balance sheet. Deferred revenues arise when resources are received by the County before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the County has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized.

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 government-wide statement of net assets. The General Fund is typically the fund used to liquidate compensated absences not liquidated by another fund.

6. *Long-term Liabilities*

For government-wide reporting, the costs associated with bonds are recognized over the life of the bond. As permitted by GASB Statement No. 34, the amortization of the costs of bonds will be amortized prospectively from the date of adoption of GASB Statement No. 34.

For fund financial reporting, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as an other financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

7. *Fund Balances of Fund Financial Statements*

Reservations of fund balance represent amounts that are not appropriable for expenditures or legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. The County designates the portion of the year end fund balance, not otherwise designated or reserved, for subsequent years' expenditures. These designations are established to earmark resources for specific future use and to indicate that the fund equity does not represent available spendable resources.

8. *Restricted Net Assets*

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net assets used are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

The Invested in capital assets, net of related debt consists of the portion of net assets which is associated with non-liquid capital assets less any outstanding related debt.

The County's policy is to apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

9. *Interfund Transactions*

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund from expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

10. *Estimates*

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

2. **CASH AND INVESTMENTS**

A. Cash

The County operates a pooled cash fund. That is, all cash is held in a few bank accounts and in investments in certificates of deposit (see 2.C. below) and accounted for by fund. Total cash and investments are reported in the General Fund. Cash in other governmental funds is reported as "Due From Other Funds" (or as "Due To Other Funds" in the case of a fund overdraft) with a corresponding amount in the General Fund. Cash belonging to Agency Funds is reported as "Due to other governmental units."

A reconciliation of cash and investments follows (A schedule listing all deposit and investment accounts is located at the back of this report):

Total cash on deposit, all banks, including certificates of deposit	\$ 5,555,267
Deposits in transit	2,718
Petty cash	591
Less: Outstanding checks and warrants	<u>(523,434)</u>
Total cash and investments	<u>\$ 5,035,142</u>
Per financial statements:	
Cash and investments	<u>\$ 5,035,142</u>

B. Pledged Collateral

New Mexico statutes provide that deposits of public monies in financial institutions must be secured by pledged collateral in an aggregate value equal to one-half of the amount of the public monies deposited after deducting the amount of Federal Deposit Insurance Corporation insurance coverage

for each financial institution. A schedule detailing the collateral pledged against the deposits of the County is located in the back of this report.

C. Investments

All investments are in bank certificates of deposit with local institutions and are considered to be the same as cash.

GASB #40

Custodial credit risk is the risk that in the event of bank failure, the County's deposits may not be returned. The County's policy is to comply with Section 6-10-17, NMSA 1978, which deals with pledged collateral. As of June 30, 2009, part of the County's bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized \$ 2,533,660

3. RECEIVABLES

Receivables at June 30, 2009 are comprised of the following:

	<u>General</u>	<u>Road</u>	<u>Detention Center</u>	<u>Hospital</u>	<u>Other Governmental Funds</u>
Local and state-shared taxes	\$ 83,833	\$ 46,393	\$ 36,609	\$ 182,812	\$ 66,578
Property taxes	512,039			4,845	-0-
Accounts receivable			875		9,120
Grants receivable		7,892			35,457
Total	<u>\$ 595,872</u>	<u>\$ 54,285</u>	<u>\$ 37,484</u>	<u>\$ 187,657</u>	<u>\$ 111,155</u>

All amounts are considered collectible. Property taxes are shown net of a 4% allowance for uncollectible accounts.

4. INTERFUND BALANCES

A. Due From/Due To Other Funds

Due From/Due To balances are the result of the pooled cash account of the County (See Note 2A). Total cash and investments are reported in the General Fund. Cash in other governmental funds is reported as "Due From Other Funds" (or as "Due To Other Funds" in the case of a fund overdraft) with a corresponding amount in the General Fund. Balances in the Governmental Funds balance sheet are as follows at June 30, 2009:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Major:		
General	\$ -0-	\$ 3,920,058
Road	455,424	
Detention Center	61,156	
Hospital	1,165,430	
Other governmental funds	<u>2,238,048</u>	
Total	<u>\$ 3,920,058</u>	<u>\$ 3,920,058</u>

These balances are eliminated in the government-wide financial statements.

B. Interfund Receivable/Payable

The County has recorded an interfund receivable and payable amount owed by the County Indigent Special Revenue Fund to the General Fund. This is a result of an error in the distribution of gross receipts taxes stemming from the enactment of an additional 1/16-cent gross receipts tax for the County General Fund. This interfund receivable/payable will be paid in a subsequent year.

<u>Receivable Fund</u>	<u>Payable Fund</u>
General Fund \$ <u>65,246</u>	County Indigent \$ <u>65,246</u>

These balances are eliminated in the government-wide financial statements. The interfund receivable was paid subsequent to June 30, 2009.

5. CAPITAL ASSETS

The following is a summary of changes in Capital Assets during the year:

	<u>Balance at June 30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2009</u>
Capital Assets Not Being Depreciated:				
Land	\$ 166,229	\$ -0-	\$ -0-	\$ 166,229
Construction in progress	<u>-0-</u>	<u>1,951,865</u>	<u>-0-</u>	<u>1,951,865</u>
Total capital assets not being depreciated	<u>166,229</u>	<u>1,951,865</u>	<u>-0-</u>	<u>2,118,094</u>
Capital Assets Being Depreciated:				
Land improvements	15,353	-0-	-0-	15,353
Building and improvements	21,445,459	121,993	-0-	21,567,452
Equipment	4,605,450	1,677,056	-0-	6,282,506
Infrastructure (Roads)	<u>-0-</u>	<u>27,444</u>	<u>-0-</u>	<u>27,444</u>
Total Capital Assets Being depreciated	<u>26,066,262</u>	<u>1,826,493</u>	<u>-0-</u>	<u>27,892,755</u>

Total assets	26,232,491	3,778,358	-0-	30,010,849
Less accumulated depreciation:				
Land improvements	-0-	(2,688)	-0-	(2,688)
Building and improvements	(15,193,559)	(345,636)	-0-	(15,539,195)
Equipment	(2,792,409)	(311,166)	-0-	(3,103,575)
Infrastructure (Roads)	-0-	(9,604)	-0-	(9,604)
Total accumulated depreciation	(17,985,968)	(669,094)	-0-	(18,655,062)
Net capital assets	\$ 8,246,523	\$ 3,109,264	\$ -0-	\$ 11,355,787

All depreciation is considered unallocated due to the lack of detail records by the County.

6. LONG-TERM DEBT

During the fiscal year ended June 30, 2009, the following changes occurred in Long-Term Debt:

	As originally presented Balance, June 30, 2008	Restatement	As restated, Balance June 30, 2008	Additions	Deletions	Balance, June 30, 2009	Due Within One Year
Notes payable	\$ 733,344	\$ 330,115	\$ 1,063,459	\$ 418,783	\$ (148,870)	\$ 1,333,372	\$ 170,348
Capital leases payable	38,545	-0-	38,545	-0-	(12,970)	25,575	12,453
Compensated absences payable	98,322	-0-	98,322	103,787	(81,904)	120,205	120,205
	<u>\$ 870,211</u>	<u>\$ 330,115</u>	<u>\$ 1,200,326</u>	<u>\$ 522,570</u>	<u>\$ (243,744)</u>	<u>\$ 1,479,152</u>	<u>303,006</u>
						Amount considered Long-Term	<u>1,176,146</u>
						Total	<u>\$ 1,479,152</u>

Quay County has issued two types of debt, which are secured by pledging tax revenues or fire protection funds. The County is also obligated under the terms of two lease-purchase agreements. Quay County is in substantial compliance with the terms of the various bond ordinances and loan agreements. Details of the debt issues are as follows.

A. NEW MEXICO FINANCE AUTHORITY LOANS

Pursuant to Sections 4 and 7 NMSA, 1978, and resolutions of the Board of Commissioners, loan agreements were negotiated with the New Mexico Finance Authority (NMFA). Tax revenues collected by the New Mexico Taxation and Revenue Department and fire protection fund distributions, which secure the loans, are withheld for loan payments. Such payments are paid directly to the Trustee who administers the loan program for the Authority. In addition to principal and interest, the County is charged for expenses and fees to defray administration costs.

1. 8/1/03 Equipment Loan

\$91,112, for fire truck, Fire District No. 2. Negotiated through the New Mexico Finance Authority, payable in annual installments. Interest rate variable from 0.88% to 3.49%. Payments

include 0.25% administration fee. Matures May 1, 2014. Fire Protection Fund distributions are being intercepted.

2. 8/1/03 Building Loan

\$34,783, for fire station, Jordan Fire District. Negotiated through the New Mexico Finance Authority, payable in annual installments. Interest rate is -0-%. Payments include 0.25% administration fee. Matures May 1, 2009. Fire Protection Fund distributions are being intercepted. This was paid off during the fiscal year ended June 30, 2009.

3. 2/20/04 Equipment Loan

\$136,000, for fire truck, Quay Fire District. Negotiated through the New Mexico Finance Authority, payable in annual installments. Interest rate variable from 0.90% to 3.86%. Payments include 0.25% administration fee. Matures May 1, 2019. Fire Protection Fund distributions are being intercepted.

4. 3/5/04 Equipment Loan

\$233,334 for road equipment, Road Department (less \$23,333 withheld by the New Mexico Finance Authority as a loan reserve.) Loan proceeds were received in July, 2004, negotiated through the NMFA, payable in annual installments. Interest rate variable from 0.90% to 2.72%. Payments include 0.25% administration fee. Matures May 1, 2011. Gasoline Tax distributions are being intercepted. (Note: Balance reported is balance due less loan reserve held by NMFA.)

5. 11/18/05 Equipment Loan

\$187,778 for fire truck, Bard Endee Fire District (less \$18,778 withheld by NMFA as a loan reserve.) Negotiated through the New Mexico Finance Authority, payable in annual installments. Interest rate variable from 2.53% to 3.55%. Payments include 0.25% administration fee. Matures May 1, 2015. Fire Protection Fund distributions will be intercepted.

6. 11/18/05 Equipment Loan

\$114,702 for fire truck, Forrest Fire District. Negotiated through the New Mexico Finance Authority, payable in annual installments. Interest rate variable from 3.14% to 3.63%. Payments include 0.25% administration fee. Matures May 1, 2016. Fire Protection Fund distributions will be intercepted.

7. 1/13/06 Equipment Loan

\$105,000 for fire station, Bard Endee Fire District. Negotiated through the New Mexico Finance Authority, payable in annual installments. Interest rate 0% . Payments include 0.25% administration fee. Matures May 1, 2016. Fire Protection Fund distributions will be intercepted.

8. 1/13/06 Equipment Loan

\$70,000 for fire station, Fire District #3. Negotiated through the New Mexico Finance Authority, payable in annual installments. Interest rate 0% . Payments include 0.25% administration fee. Matures May 1, 2016. Fire Protection Fund distributions will be intercepted.

9. 9/26/06 Equipment Loan

\$100,000 for fire truck, Jordan Fire District. Negotiated through the New Mexico Finance Authority, payable in annual installments beginning November 1, 2007. Payments include a 0.25% administration fee. Interest rate varies from 3.43% to 4.010%. Matures May 1, 2017. Fire Protection Fund distributions will be intercepted.

10. 3/7/08 Equipment Loan

\$138,889 for pumper fire truck, Jordan Fire District. Negotiated through the New Mexico Finance Authority, payable in annual installments beginning May 1, 2009. Payments include a 0.25% administration fee. Interest rates vary from 1.58% to 2.18%. Matures May 1, 2018. Fire Protection Fund distributions will be intercepted.

11. 3/7/08 Equipment Loan

\$166,667 for pumper fire truck, Bard-Endee Fire District. Negotiated through the New Mexico Finance Authority, payable in annual installments beginning May 1, 2009. Payments include a 0.25% administration fee. Interest rates vary from 1.86% to 2.55%. Matures May 1, 2018. Fire Protection Fund distributions will be intercepted.

12. 11/21/08 Detention Center Renovations Loan

\$225,933 for detention center renovations. Negotiated through the New Mexico Finance Authority, payable in annual installments. Interest rate varies from 1.62% to 3.8%. Matures May 2018. County Correctional Facility Gross Receipts Tax distributions will be intercepted.

13. 1/9/09 Equipment Loan

\$192,850 for pumper fire truck, Fire District #3. Negotiated through the New Mexico Finance Authority, payable in annual installments. Interest rate varies from 0.89% to 3.12%. Matures May 1, 2021. Fire Protection Fund distributions will be intercepted.

The annual debt service requirements to maturity including principal, interest and administration fees for all loans are as follows:

Year Ending	Principal	Interest and Administrative Fee	Total
June 30			
2010	\$ 170,348	\$ 36,711	\$ 207,059
2011	181,651	32,377	214,028
2012	148,405	31,474	179,879
2013	150,276	29,860	180,136
2014	152,279	28,118	180,397
Subtotal	802,959	158,540	961,499
2015-2019	494,413	61,179	555,592
2020-2021	36,000	1,660	37,660
Totals	\$ 1,333,372	\$ 221,379	\$ 1,554,751

B. LEASE PURCHASES

The County is obligated under several capital lease agreements for office equipment. The leased assets are accounted for as capital assets. The lease payments are charged to the General Fund Road Fund and the Detention Center.

Future debt service requirements for capital lease are as follows:

Year Ending June 30	Principal	Interest	Total
2010	\$ 12,453	\$ 684	\$ 13,137
2011	6,252	336	6,588
2012	4,606	156	4,762
2013	2,264	42	2,306
Totals	<u>\$ 25,575</u>	<u>\$ 1,218</u>	<u>\$ 26,793</u>

C. SUMMARY

The following is a maturity schedule for all long-term debt except compensated absences payable:

Year Ending June 30	Principal	Interest	Total
2010	\$ 182,801	\$ 37,395	\$ 220,196
2011	187,903	32,713	220,616
2012	153,011	31,630	184,641
2013	152,540	29,902	182,442
2014	152,279	28,118	180,397
Subtotal	828,534	159,758	988,292
2015-2019	494,413	61,179	555,592
2020-2021	36,000	1,660	37,660
Totals	<u>\$ 1,358,947</u>	<u>\$ 222,597</u>	<u>\$ 1,581,544</u>

D. ACCRUED COMPENSATED ABSENCES

It is the County's policy to permit full-time employees who have completed one year of service to accumulate earned but unused vacation and sick pay benefits. No liability is reported for unpaid accumulated sick leave. Sick leave accumulates at the rate of 3.69 hours per pay period. Accrued sick leave is forfeited upon termination of employment. The General Fund will be the fund to liquidate accrued compensated absences if no other fund is liable.

Full-time county employees accrue annual leave according to the following schedule:

Total Years of County Service	Accrual Rate Per Pay Period	Annual Maximum
1-4 years	3.077 hours	80 hours
5-9 years	4.616 hours	120 hours
10-14 years	6.153 hours	160 hours
15 or more years	9.231 hours	240 hours

Annual leave must be taken within the calendar year or it will be forfeited. Unused annual leave is paid upon termination of employment.

7. TAX ROLL RECONCILIATION

Property taxes receivable, beginning of year		\$ 757,812
Changes to Tax Roll:		
Net taxes charged to treasurer for fiscal year		3,624,494
Adjustments:		
Net adjustments		<u>(279,418)</u>
Total receivables prior to collections		4,102,888
Collections for fiscal year ended June 30, 2009		<u>(3,569,514)</u>
Property taxes receivable, end of year		<u>\$ 533,374</u>
Property taxes receivable by years:		
	1999 - 2001	\$ 48,314
	2002	18,799
	2003	9,258
	2004	3,147
	2005	22,127
	2006	39,921
	2007	106,088
	2008	<u>285,720</u>
Total taxes receivable		<u>\$ 533,374</u>

8. OPERATING LEASES

The County has entered into operating leases for road equipment. The minimum lease payments are:

2010	\$	43,080
2011		43,080
2012		<u>21,540</u>
Total	\$	<u>107,700</u>

The operating lease expenditures for the year ended June 30, 2009 were \$61,380.

9. COMMITMENTS, CONTINGENT LIABILITIES AND LITIGATION

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

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County's legal counsel the resolution of these matters will not have a material adverse effect on the financial statements of the County.

10. PERA PENSION PLAN

Plan Description. Substantially all of the full-time employees of the County participate in a public employee retirement system authorized under the Public Employees' Retirement Act (Chapter 10, Article II NMSA 1978). The Public Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple employer defined benefit public retirement plan. The plan provides for retirement, 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. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, New Mexico 87504-2123. The report is available on PERA's website at www.pera.state.nm.us.

Funding Policy. Plan members are required to contribute 9.15% of gross covered salary for regular County employees and 7.0% for law enforcement personnel. The County is required to contribute 9.15% for regular employees and 10.0% for law enforcement personnel. The contribution requirements of the 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 County's contributions to PERA for the years ended 2009, 2008, and 2007 were \$191,277, \$174,176, and \$153,926, respectively, equal to the amount of the required contributions for each year.

11. RETIREE HEALTH CARE AUTHORITY

The County does not participate in the State of New Mexico Retiree Health Care Authority.

12. INSURANCE COVERAGE

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters, for which the County carries insurance through the New Mexico Insurance authority and the New Mexico Association of Counties Multi-Line Pool. The following is a summary of some of the more significant insurance coverage information related to the County.

Coverage provided to the County through membership in the New Mexico County Insurance Authority Multi-Line Pool (Authority) includes tort liability limits for casualty coverage (general automobile, civil rights and public officials liability) on a "claims made" basis with an additional \$200,000 for defense costs above the tort limits. Property is subject to a limit of \$150,000,000 each occurrence, with sublimits for certain coverage extensions. Crime coverage has a limit of \$2,000,000. The County pays a deductible of \$1,000 for each property or crime loss and deductible of \$3,000 for each civil rights claim. The Authority pays losses up to \$150,000 for property and \$250,000 for liability per occurrence.

Coverage provided by the Authority's Worker's Compensation Pool includes up to \$2,000,000 for each accident and up to \$2,000,000 for each employee or occupational disease. The County also has volunteer firefighters and boiler and machine insurance coverage through the Authority's multi-line pool.

Coverage provided to the County through membership in the New Mexico Association of Counties Law Enforcement Liability Program (Association) includes tort liability limits for police professional liability coverage on a claims made basis. The County pays an operational deductible of \$10,000 per occurrence. The Association pays covered losses above the deductible up to \$250,000 per occurrence from the Association's funds collected for law enforcement only. Excess coverage is provided in an amount up to \$9,000,000 for the annual pool aggregate, for covered claims which exceed the self-insured retention.

13. BUDGET – BASIS TO GAAP – BASIS RECONCILIATION

	General	Road	Detention Center	Hospital	Other Governmental Funds
Revenues per modified accrual basis	\$ 3,134,240	\$ 2,422,230	\$ 628,259	\$ 1,427,591	\$ 3,013,321
Differences attributable to accruals at beginning and ending of year:					
Property taxes receivable	(25,640)			(4,845)	
Accounts receivable		(7,892)	3,850		(9,120)
Intergovernmental receivable	4,954	(5,654)	(663)	(1,137)	176,255
Deferred revenue					(2,412)
Reclassification of loan proceeds			200,000		150,000
Other		1			
Revenues per budgetary basis	<u>\$ 3,113,554</u>	<u>\$ 2,408,685</u>	<u>\$ 831,446</u>	<u>\$ 1,421,609</u>	<u>\$ 3,328,044</u>
Expenditures per modified accrual Basis	\$ 2,175,393	\$ 2,420,568	\$ 1,202,116	\$ 676,257	\$ 3,212,437
Differences attributable to accruals at beginning and ending of year:					
Salaries payable	(31,607)	(3,107)	(12,991)		
Accounts payable	(17,297)	(4,916)	(67,063)		(62,781)
Debt service netted against loan proceeds for Budget purposes			(25,933)		
Expenditures per budgetary basis	<u>\$ 2,126,489</u>	<u>\$ 2,412,545</u>	<u>\$ 1,096,129</u>	<u>\$ 676,257</u>	<u>\$ 3,149,656</u>

14. TRANSFERS

The following transfers occurred during the year ended June 30, 2009. These transfers, mainly from the General Fund, served the following purposes: a) close out grant funds; b) subsidize the operations of the Detention Center and Juvenile Detention Officer Funds; and c) transfer the required matching funds to grant funds for various operating purposes:

Fund	To	Amount
<u>Major Fund</u>		
General	Road	\$ 207,835
General	Detention Center	204,708
General	Nonmajor Gov't. Funds	565,198
Hospital	Nonmajor Gov't Funds	55,433
Road	Nonmajor Gov't Funds	82,464
Nonmajor		

Gov't. Funds	General	48,050
Nonmajor		
Gov't Funds	Detention Center	85,000
Nonmajor		
Gov't Funds	Nonmajor Gov't. Funds	<u>756</u>
	Total	<u>\$ 1,249,444</u>

15. INDUSTRIAL REVENUE BONDS

In accordance with State of New Mexico statutes, the County has authorized the issuance of Industrial Revenue Bonds for the development of the Caprock Wind Project. These bonds were issued for the purpose of economic development in Quay County. These bonds are an obligation of the project involved, and are not a general obligation of the County. The bondholders cannot look to County revenues in any manner for repayment of the bonds.

16. LEASE OF COUNTY HOSPITAL

Quay County government leases its hospital facility and equipment to Presbyterian Healthcare Services (PHS), a New Mexico nonprofit corporation in accordance with Sections 4-48B-1 to 27, NMSA 1978 (The Hospital Funding Act). The lease which has been in effect since August 15, 1978 was terminated and a new lease negotiated on May 12, 2008. The term of the lease is for 10 years, but may be renewed for an additional 10 years. The lease may be terminated by either part without cause or penalty at any time following the third anniversary of the commencement date of the lease of June 1, 2008, upon written notice of 180 days.

The amount of the rental is \$1 per year. PHS additionally agrees to ensure that hospital services are provided to include admission of patients, X-Ray, lab, pharmacy and emergency services which comply with regulations of the New Mexico Department of Health. PHS further agrees to maintain the facility at its cost, up to \$5,000 for a single project of \$25,000 in aggregate per year. The County is responsible for expansion of facilities and major renovations, but is not required to undertake such projects. PHS will pay for all telephone service, janitorial service, interior cosmetic maintenance, ground maintenance and utilities as well as insuring the leased premises for an amount of at least 90% of the insurable value. PHS is required to rebuild the facility if destroyed by or partially destroyed by fire, storm or other risk. Further, PHS will maintain liability insurance of not less than \$1,000,000/\$3,000,000. Finally, PHS agrees to indemnify the County from and against all claims, damages, personal injury, third party damages and acts of hospital personnel and employees, all of whom are under the exclusive control of PHS.

The County is required to impose, collect and distribute to PHS the proceeds of a mill levy authorized by election and to submit the mill levy question to voters prior to the expiration of the current levy. The mill levy is for the purposes of operating and maintaining the hospital facilities and services, remodeling, renovation, and additions to the hospital, including new equipment and for other purposes consistent with the Hospital Act, as determined by PHS. The County is also required to annually budget matching funds for the Sole Community Provider funding and to use its best efforts to participate in the program. Should the mill levy support fall below the level as of the commencement of the lease or if the County should fail to pay for the mill levy, submit the mill levy question to voters upon expiration or match the Sole Community Provider funding, PHS may terminate the lease.

All fixtures and equipment of the hospital owned by the County as of the commencement date of the lease continue to belong to the County. All equipment acquired with the mill levy proceeds shall become the property of the County upon expiration or early termination of the lease.

The County is required to make available any distributions of income from the Dr. Dan C. Trigg Trust, established for the benefit of the Hospital. PHS is responsible for all losses from operation of the hospital and shall receive all excess revenue from the hospital.

Upon expiration or termination, PHS shall return to the County all fixtures and equipment and surrender the property in good condition, subject to reasonable wear and tear. The County shall assume all debt incurred by PHS in connection with acquisition of fixtures or personal property in the event of breach of the lease agreement by the County, reasonably incurred by PHS in connection with its operation of the leased premises, provided the County was notified in advance of its intent to incur such debt. The amount of any debt for which the County might be liable upon termination has not been determined.

17. PRIOR PERIOD ADJUSTMENTS

The net assets of the County were decreased by \$330,115 as notes payable at June 30, 2008 were understated by amount. Apparently, notes payable issued in the fiscal year ended June 30, 2008 were not included in the balance of notes payable outstanding at June 30, 2008.

18. OVEREXPENDITURE OF BUDGET

The County overspent its budget by \$50 in the Magistrate Court-Misdemeanor Special Revenue Fund.

19. LEGISLATIVE APPROPRIATIONS

Description	Original Amount	Dates	Total Expenditures	Balance
1. Fairground improvements	\$ 65,000	9/12/07-6/30/10	\$ 21,751	\$ 36
2. Improvements to County Buildings and to Hospital roof	150,000	5/3/07-6/30/11	73,435	76,565
3. Purchase road equipment and rock crusher	125,000	5/3/07-6/30/09	125,000	-0-
4. Purchase rock crusher	300,000	7/1/08-6/30/09	300,000	-0-
5. Plan, design and consult offices at Quay Ag Education Center	346,500	5/20/07-6/30/10	-0-	346,500
	<u>\$ 986,500</u>		<u>\$ 520,186</u>	<u>\$ 423,101</u>

20. SUBSEQUENT EVENTS

Subsequent to June 30, 2009, the County entered into six loans with the New Mexico Finance Authority for various purposes. They were:

	<u>Purpose</u>	<u>Amount of loan</u>
1.	Porter Volunteer Fire Department	\$ 76,125
2.	Quay County Fire Department	50,750
3.	Nara Vista Volunteer Fire Department	126,875
4.	Bard-Endee Volunteer Fire Department	152,250
5.	Jordan Volunteer Fire Department	152,250
6.	Forest Volunteer Fire Department	86,275
	Total	<u>\$ 644,525</u>

SUPPLEMENTAL INFORMATION

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
JUNE 30, 2009**

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Total Other Governmental Funds</u>
ASSETS			
Due from other funds	\$ 2,227,850	\$ 10,198	\$ 2,238,048
Property taxes receivable	-0-		-0-
Intergovernmental Receivable	66,578	35,457	102,035
Other receivable		9,120	9,120
Total Assets	<u>\$ 2,294,428</u>	<u>\$ 54,775</u>	<u>\$ 2,349,203</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Due to other funds			
Accounts payable		\$ 54,775	\$ 54,775
Interfund payable	\$ 65,246		65,246
Deferred revenue - grants	2,588		2,588
Total Liabilities	<u>67,834</u>	<u>54,775</u>	<u>122,609</u>
Fund Balances:			
Reserved for Debt Service			
Unreserved:			
Designated for subsequent year's expenditures			
Undesignated	2,226,594		2,226,594
Total Fund Balances	<u>2,226,594</u>	<u>-0-</u>	<u>2,226,594</u>
Total Liabilities and Fund Balances	<u>\$ 2,294,428</u>	<u>\$ 54,775</u>	<u>\$ 2,349,203</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - NONMAJOR GOVERNMENTAL FUNDS - BY FUND TYPE
FOR THE YEAR ENDED JUNE 30, 2009**

	Special Revenue	Capital Projects	Total Other Governmental Funds
Revenues:			
Local sources	\$ 33,325	\$ 345,120	\$ 378,445
State-shared taxes	444,871		444,871
State sources	1,629,580		1,629,580
Federal sources	5,823	300,000	305,823
Charges for services	234,190		234,190
Interest	18,551	1,861	20,412
Total Revenues	2,366,340	646,981	3,013,321
Expenditures:			
Current:			
General government	61,778		61,778
Public safety	425,915		425,915
Highways and streets	712		712
Health and welfare	830,181		830,181
Culture and recreation	1,128		1,128
Capital outlay	1,020,600	722,143	1,742,743
Debt service	149,980		149,980
Total Expenditures	2,490,294	722,143	3,212,437
Excess (deficiency) of revenues over expenditures	(123,954)	(75,162)	(199,116)
Other financing sources (uses):			
Loan proceeds	342,850		342,850
Operating transfers in	648,418	55,433	703,851
Operating transfers out	(133,806)		(133,806)
Total other financing sources (uses)	857,462	55,433	912,895
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	733,508	(19,729)	713,779
Fund Balances, beginning of year	1,493,086	19,729	1,512,815
Fund Balances, end of year	\$ 2,226,594	\$ -0-	\$ 2,226,594

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

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NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Farm and Range Fund - To account for the operations of farm and range activities, including soil and water conservation, predatory animal and insect control. Financing is provided from distributions made under the Taylor Grazing Act. Authority is Section 6-11-6, NMSA 1978.

Recreation Fund - To account for the operations and maintenance of County owned recreational facilities. Financing is provided by state shared one-cent cigarette tax. Authority is Section 7-12-15, NMSA 1978.

County Indigent Fund - To account for expenditures incurred in providing services for the care of indigents. Financing is provided by the County's share of gross receipts tax and may be used only for that purpose. Authority is 27-5-7, NMSA 1978.

Fire District Funds - To account for the operations of the fire districts, which are defined by the area served. Financing is provided from the County's share of the fire allotment issued by the State Fire Marshall under NMSA 59A-53-5, NMSA 1978. The individual fire districts are:

- Fire District No. 1
- Fire District No. 2
- Fire District No. 3
- Nara Visa Fire District
- Forrest Fire District
- Jordan Fire District
- Bard Endee Fire District
- Quay Fire District
- Porter Fire District
- Quay County Fire Marshal

EMS (Emergency Medical Services) Fund - To account for a grant to be used for the provision of emergency medical services to County residents. Sources of funds are the State of New Mexico Health Department Emergency Medical Services Bureau. Authority is Section 24-10A-3 through 10, NMSA 1978.

Reappraisal Fund - To account for the operations of a fund to help with reappraisal of County property to insure valuation reflects current fair market value. Financing is provided by retainage of 1% of tax collections. Authority is Section 7-38-38.1, NMSA 1978.

Rural Addressing Fund - To account for resources to be used to mark rural addresses for use by emergency personnel. Authority is Section 67-3-28.2 NMSA 1978.

ASAP - Other Charges Fund - To account for program income and contributions related to ASAP (Alcohol and Substance Abuse Program). Authority is 43-3-13, NMSA (1978).

Sheriff Seizure and Confiscation / Seizure Funds - To account for monies seized in drug-related crimes, but not available for current expenditure until the forfeiture process has been completed. Authorized by County Commission Resolution 17, pursuant to Section 4-37-1, NMSA, 1978.

Drug Enforcement Fund - To account for seized assets related to illegal drug arrests, awarded to the Quay County Sheriff by the courts. The fund was established by Resolution No. 17 of the County Commission, to carry out the provision of the Controlled Substances Act.

Law Enforcement Protection Fund - To account for a grant from the State of New Mexico Corrections Department through the Law Enforcement Protection Act. The funding is to be used for law enforcement improvements. Authority is 29-13-1, NMSA 1978.

Juvenile Detention Officer Fund - To account for monies received and expended for Juvenile Detention Officers. The financing of the fund is provided by transfers from Quay County General Fund and from federal subsidies from the U.S. Department of Agriculture. Authority is 42 USC 1758.

Primary Care Clinic Fund – To account for resources provided by the State of New Mexico Health Department to operate a medical clinic. Funding is through the Rural Primary Health Care Act. (24-1B-7, NMSA, 1978.)

Clerk's Equipment Fund - To account for an additional \$3.00 recording fee collected by the Clerk's office to pay for equipment/supplies for the Clerk's office. Authority is the Absentee-Early Voting Act (Section 14-89-12.2, NMSA 1978).

DWI Distribution Fund - To account for funds collected from liquor excise taxes and distributed to counties and municipalities for use in DWI prevention. Authority is 11-6A-1, NMSA (1978).

Environmental Gross Receipts Tax Fund - To account for funds received through an incremental one-eighth of one percent environmental gross receipts to be used for solid waste or wastewater facilities. Authorized by Section 7-20E-17, NMSA 1978.

DWI Grant Fund - To account for a grant from the State of New Mexico for D.W.I. detection and prevention pursuant to Chapter 65, New Mexico Laws of 1993. Authority is Section 11-6A-1, NMSA 1978.

ASAP Fund - To account for monies received under a grant from the New Mexico Department of Health. Program activities include awareness and prevention of substance abuse. Authorized by Section 43-3-13, NMSA (1978).

Magistrate Court - Misdemeanor Fund - To account for probation fees imposed by Magistrate Court, to be used for Court-approved programs. Authority is County Commission Resolution 03-43.

TUPAC Fund - To account for resources provided by the tobacco legal settlement for programs to prevent tobacco and substance abuse. Authorized by County Commission Resolution 03-88.

DWI Fees Funds - To account for the collection and expenditures of certain DWI fees. Authority is 11-6A-1, NMSA (1978). The funds are:

- DWI Probation Fees
- DWI Screening Fees
- DWI Treatment Fees
- DWI UA (Urinalysis) Fees

Road Equipment Fund – To account for money transferred from the Road Fund as a reserve to purchase road equipment at a later date. Authorized by County Resolution.

Nara Visa Sr. Center Grant – To account for restricted grant for senior center. Grant was restricted by grantor.

Law Enforcement-JAG Grant – To account for federal grant restricted to legal issues. Grant is restricted by Federal grantor.

Domestic Violence – To account for funds received which are restricted by grantor, the State of New Mexico.

CWIPP Grant – To account for restricted grant which has been restricted by grantor.

County Improvements – To account for funds which have been restricted for use for improvements by grantors.

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2009**

	<u>403</u>	<u>404</u>	<u>406</u>	<u>407</u>
	Farm And Range	Recreation	County Indigent	Fire District No. 1
ASSETS				
Due from other funds	\$ 45	\$ 503	\$ 105,265	\$ 52,650
Property taxes receivable				
Intergovernmental receivable			54,966	
Total Assets	<u>\$ 45</u>	<u>\$ 503</u>	<u>\$ 160,231</u>	<u>\$ 52,650</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Due to other funds				
Accounts payable				
Interfund payable			\$ 65,246	
Deferred revenue				
Total Liabilities	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>65,246</u>	<u>\$ -0-</u>
Fund Balances:				
Unreserved:				
Designated for subsequent year's expenditures				
Undesignated	45	503	94,985	52,650
Total Fund Balances	<u>45</u>	<u>503</u>	<u>94,985</u>	<u>52,650</u>
Total Liabilities and Fund Balances	<u>\$ 45</u>	<u>\$ 503</u>	<u>\$ 160,231</u>	<u>\$ 52,650</u>

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

<u>408</u>	<u>409</u>	<u>410</u>	<u>411</u>	<u>412</u>	<u>413</u>
<u>Fire District No. 2</u>	<u>Fire District No. 3</u>	<u>Nara Visa Fire District</u>	<u>Forrest Fire District</u>	<u>Jordan Fire District</u>	<u>Bard Endee Fire District</u>
\$ 126,718	\$ 39,015	\$ 100,241	\$ 156,102	\$ 16,842	\$ 55,442
<u>\$ 126,718</u>	<u>\$ 39,015</u>	<u>\$ 100,241</u>	<u>\$ 156,102</u>	<u>\$ 16,842</u>	<u>\$ 55,442</u>
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
<u>126,718</u>	<u>39,015</u>	<u>100,241</u>	<u>156,102</u>	<u>16,842</u>	<u>55,442</u>
<u>126,718</u>	<u>39,015</u>	<u>100,241</u>	<u>156,102</u>	<u>16,842</u>	<u>55,442</u>
<u>\$ 126,718</u>	<u>\$ 39,015</u>	<u>\$ 100,241</u>	<u>\$ 156,102</u>	<u>\$ 16,842</u>	<u>\$ 55,442</u>

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2009**

	<u>414</u>	<u>415</u>	<u>417</u>	<u>418</u>
	<u>EMS</u>	<u>Quay Fire District</u>	<u>CWPP Grant</u>	<u>Porter Fire District</u>
ASSETS				
Due from other funds	\$ 1,076	\$ 183,978		\$ 153,574
Property taxes receivable				
Intergovernmental receivable				
Total Assets	<u>\$ 1,076</u>	<u>\$ 183,978</u>	<u>\$ -0-</u>	<u>\$ 153,574</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Due to other funds				
Accounts payable				
Interfund payable				
Deferred revenue				
Total Liabilities	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Fund Balances:				
Unreserved:				
Designated for subsequent year's expenditures				
Undesignated	<u>1,076</u>	<u>183,978</u>		<u>153,574</u>
Total Fund Balances	<u>1,076</u>	<u>183,978</u>		<u>153,574</u>
Total Liabilities and Fund Balances	<u>\$ 1,076</u>	<u>\$ 183,978</u>	<u>\$ -0-</u>	<u>\$ 153,574</u>

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

<u>420</u>	<u>430</u>	<u>499</u>	<u>503</u>
Quay County Fire Marshal	Highway Beautification	Reappraisal	Rural Addressing
\$ 2,552	\$ 1,257	\$ 11,601	\$ 19,225
<u>\$ 2,552</u>	<u>\$ 1,257</u>	<u>\$ 11,601</u>	<u>\$ 19,225</u>
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
<u>2,552</u>	<u>1,257</u>	<u>11,601</u>	<u>19,225</u>
<u>2,552</u>	<u>1,257</u>	<u>11,601</u>	<u>19,225</u>
<u>\$ 2,552</u>	<u>\$ 1,257</u>	<u>\$ 11,601</u>	<u>\$ 19,225</u>

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2009**

	<u>516</u>	<u>520</u>	<u>601</u>	<u>602</u>	<u>603</u>
	<u>ASAP - Other Charges</u>	<u>Domestic Violence</u>	<u>Seizure</u>	<u>Confiscation/ Seizure</u>	<u>Drug Enforcement</u>
ASSETS					
Due from other funds	\$ 38,873	\$ 9,861	\$ 6,790	\$ 101	\$ 40,110
Property taxes receivable					
Intergovernmental receivable					
Total Assets	<u>\$ 38,873</u>	<u>\$ 9,861</u>	<u>\$ 6,790</u>	<u>\$ 101</u>	<u>\$ 40,110</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Due to other funds					
Accounts payable					
Interfund payable					
Deferred revenue					\$ 2,588
Total Liabilities	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>2,588</u>
Fund Balances:					
Unreserved:					
Designated for subsequent year's expenditures					
Undesignated	38,873	9,861	6,790	101	37,522
Total Fund Balances	<u>38,873</u>	<u>9,861</u>	<u>6,790</u>	<u>101</u>	<u>37,522</u>
Total Liabilities and Fund Balances	<u>\$ 38,873</u>	<u>\$ 9,861</u>	<u>\$ 6,790</u>	<u>\$ 101</u>	<u>\$ 40,110</u>

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

<u>607</u>	<u>610</u>	<u>608</u>	<u>613</u>	<u>621</u>	<u>622</u>
<u>Law Enforcement Protection</u>	<u>Juvenile Detention Officer</u>	<u>Law Enforcement JAG Grant</u>	<u>Primary Care Clinic</u>	<u>Clerk's Equipment</u>	<u>DWI Distribution</u>
\$ -0-	\$ 10,813	\$ 10,619	\$ 66,805	\$ 57,003	\$ 12,925
<u>\$ -0-</u>	<u>\$ 10,813</u>	<u>\$ 10,619</u>	<u>\$ 66,805</u>	<u>\$ 57,003</u>	<u>\$ 12,925</u>
<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
<u>-0-</u>	<u>10,813</u>	<u>10,619</u>	<u>66,805</u>	<u>57,003</u>	<u>12,925</u>
<u>-0-</u>	<u>10,813</u>	<u>10,619</u>	<u>66,805</u>	<u>57,003</u>	<u>12,925</u>
<u>\$ -0-</u>	<u>\$ 10,813</u>	<u>\$ 10,619</u>	<u>\$ 66,805</u>	<u>\$ 57,003</u>	<u>\$ 12,925</u>

STATE OF NEW MEXICO
COUNTY OF QUAY

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2009

	<u>623</u>	<u>624</u>
	Environmental Gross Receipts Tax	DWI Grant
ASSETS		
Due from other funds	\$ 40,374	\$ -0-
Property taxes receivable		
Intergovernmental receivable	<u>11,612</u>	<u> </u>
Total Assets	<u>\$ 51,986</u>	<u>\$ -0-</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Due to other funds		
Accounts payable		
Interfund payable		
Deferred revenue		
Total Liabilities	<u>\$ -0-</u>	<u>\$ -0-</u>
Fund Balances:		
Unreserved:		
Designated for subsequent year's expenditures		
Undesignated	<u>51,986</u>	<u>-0-</u>
Total Fund Balances	<u>51,986</u>	<u>-0-</u>
Total Liabilities and Fund Balances	<u>\$ 51,986</u>	<u>\$ -0-</u>

The accompanying notes are an integral part of these financial statement

	<u>626</u>	<u>628</u>	<u>630</u>	<u>631</u>
	<u>ASAP</u>	<u>Magistrate Court - Misdemeanor</u>	<u>TUPAC</u>	<u>DWI Probation Fees</u>
ASSETS				
Due from other funds	\$ 103	\$ 14,775	\$ 14,493	\$ 6,116
Property taxes receivable				
Intergovernmental receivable				
Total Assets	<u>\$ 103</u>	<u>\$ 14,775</u>	<u>\$ 14,493</u>	<u>\$ 6,116</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Due to other funds				
Accounts payable				
Interfund payable				
Deferred revenue				
Total Liabilities	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Fund Balances:				
Unreserved:				
Designated for subsequent year's Expenditures				
Undesignated	<u>103</u>	<u>14,775</u>	<u>14,493</u>	<u>6,116</u>
Total Fund Balances	<u>103</u>	<u>14,775</u>	<u>14,493</u>	<u>6,116</u>
Total Liabilities and Fund Balances	<u>\$ 103</u>	<u>\$ 14,775</u>	<u>\$ 14,493</u>	<u>\$ 6,116</u>

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

	<u>650</u>	
	<u>Road Equipment</u>	<u>Total</u>
ASSETS		
Due from other funds	\$ 168,125	\$ 2,227,850
Property taxes receivable		-0-
Intergovernmental receivable		<u>66,578</u>
 Total Assets	 <u>\$ 168,125</u>	 <u>\$ 2,294,428</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Due to other funds		
Accounts payable		
Interfund payable		\$ 65,246
Deferred revenue		<u>2,588</u>
 Total Liabilities	 <u>\$ -0-</u>	 <u>67,834</u>
Fund Balances:		
Unreserved:		
Designated for		
subsequent year's Expenditures		
Undesignated	<u>168,125</u>	<u>2,226,594</u>
 Total Fund Balances	 <u>168,125</u>	 <u>2,226,594</u>
 Total Liabilities and Fund Balances	 <u>\$ 168,125</u>	 <u>\$ 2,294,428</u>

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

STATE OF NEW MEXICO
COUNTY OF QUAY

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2009**

	403	404	406	407	408
	Farm And Range	Recreation	County Indigent	Fire District No. 1	Fire District No. 2
Revenues:					
Local sources				\$ 1,649	\$ 12
Local and state-shared taxes			\$ 360,725		
State sources		\$ 430		59,468	147,468
Federal sources	\$ 45				
Charges for services					
Interest		1	2,907	523	557
Total Revenues	<u>45</u>	<u>431</u>	<u>363,632</u>	<u>61,640</u>	<u>148,037</u>
Expenditures:					
Current:					
General government					
Public safety				28,616	39,448
Highways and streets	712				
Health and welfare			253,903		
Culture and recreation					
Capital outlay					
Debt service				21,247	8,938
Total Expenditures	<u>712</u>	<u>-0-</u>	<u>253,903</u>	<u>49,863</u>	<u>48,386</u>
Excess (deficiency) of revenues over expenditures	<u>(667)</u>	<u>431</u>	<u>109,729</u>	<u>11,777</u>	<u>99,651</u>
Other financing sources (uses):					
Loan proceeds					
Transfers in					
Transfers (out)			(35,000)		
Total other financing sources (uses)			<u>(35,000)</u>		
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(667)</u>	<u>431</u>	<u>74,729</u>	<u>11,777</u>	<u>99,651</u>
Fund Balances, beginning of year	<u>712</u>	<u>72</u>	<u>20,256</u>	<u>40,873</u>	<u>27,067</u>
Fund Balances, end of year	<u>\$ 45</u>	<u>\$ 503</u>	<u>\$ 94,985</u>	<u>\$ 52,650</u>	<u>\$ 126,718</u>

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

<u>409</u>	<u>410</u>	<u>411</u>	<u>412</u>	<u>413</u>
<u>Fire District No. 3</u>	<u>Nara Visa Fire District</u>	<u>Forrest Fire District</u>	<u>Jordan Fire District</u>	<u>Bard Endee Fire District</u>
	\$ 6,349	\$ 51	\$ 52	\$ 1,771
\$ 86,988	42,632	145,172	228,312	160,583
<u>859</u>	<u>1,175</u>	<u>887</u>	<u>460</u>	<u>567</u>
<u>87,847</u>	<u>50,156</u>	<u>146,110</u>	<u>228,824</u>	<u>162,921</u>
14,669	12,226	18,172	23,805	20,294
315,813	6,300		275,609	319,186
<u>6,838</u>		<u>12,049</u>	<u>28,214</u>	<u>27,224</u>
<u>337,320</u>	<u>18,526</u>	<u>30,221</u>	<u>327,628</u>	<u>366,704</u>
<u>(249,473)</u>	<u>31,630</u>	<u>115,889</u>	<u>(98,804)</u>	<u>(203,783)</u>
192,850				150,000
<u>192,850</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>150,000</u>
(56,623)	31,630	115,889	(98,804)	(53,783)
<u>95,638</u>	<u>68,611</u>	<u>40,213</u>	<u>115,646</u>	<u>109,225</u>
<u>\$ 39,015</u>	<u>\$ 100,241</u>	<u>\$ 156,102</u>	<u>\$ 16,842</u>	<u>\$ 55,442</u>

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - NONMAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2009**

	414	415	417	418
	EMS	Quay Fire District	CWPP Grant	Porter Fire District
Revenues:				
Local sources		\$ 9		\$ 26
Local and state-shared taxes				
State sources	\$ 17,500	142,632		142,632
Federal sources				
Charges for services				
Interest		1,031		730
Total Revenues	<u>17,500</u>	<u>143,672</u>	<u>\$ -0-</u>	<u>143,388</u>
Expenditures:				
Current:				
General government				
Public safety		13,335	10,200	16,879
Highways and streets				
Health and welfare				
Culture and recreation				
Capital outlay	16,682			
Debt service		13,120		
Total Expenditures	<u>16,682</u>	<u>26,455</u>	<u>10,200</u>	<u>16,879</u>
Excess (deficiency) of revenues over expenditures	818	117,217	(10,200)	126,509
Other financing sources (uses):				
Loan proceeds				
Transfers in				
Transfers (out)				
Total other financing sources (uses)				
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	818	117,217	(10,200)	126,509
Fund Balances, beginning Of year	<u>258</u>	<u>66,761</u>	<u>10,200</u>	<u>27,065</u>
Fund Balances, end of year	<u>\$ 1,076</u>	<u>\$ 183,978</u>	<u>\$ -0-</u>	<u>\$ 153,574</u>

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

<u>420</u>	<u>430</u>	<u>499</u>	<u>503</u>
Quay County Fire Marshal	Highway Beautification	Reappraisal	Rural Addressing
\$ 57,214			
413		\$ 36,370	\$ 170
<u>57,627</u>	<u>\$ -0-</u>	<u>36,513</u>	<u>170</u>
14,005		30,339	13,389
32,350			
<u>46,355</u>		<u>30,339</u>	<u>13,389</u>
11,272		6,174	(13,219)
(13,050)			20,070
<u>(13,050)</u>			<u>20,070</u>
(1,778)		6,174	6,851
4,330	1,257	5,427	12,374
<u>\$ 2,552</u>	<u>\$ 1,257</u>	<u>\$ 11,601</u>	<u>\$ 19,225</u>

STATE OF NEW MEXICO
COUNTY OF QUAY

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - NONMAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2009**

	516	520	601	602	603
	ASAP – Other Charges	Domestic Violence	Seizure	Confiscated/ Seizure	Drug Enforcement
Revenues:					
Local sources	\$ 37	\$ 5,030		\$ 856	\$ 15,483
Local and state-shared taxes					
State sources					
Federal sources					
Charges for services	6,110				
Interest	412	106	\$ 54	1	963
Total Revenues	<u>6,559</u>	<u>5,136</u>	<u>54</u>	<u>857</u>	<u>16,446</u>
Expenditures:					
Current:					
General government					
Public safety					3,705
Highways and streets					
Health and welfare	11,745	4,945			
Culture and recreation					
Capital outlay					
Debt service					
Total Expenditures	<u>11,745</u>	<u>4,945</u>	<u>-0-</u>	<u>-0-</u>	<u>3,705</u>
Excess (deficiency) of revenues over expenditures	<u>(5,186)</u>	<u>191</u>	<u>54</u>	<u>857</u>	<u>12,741</u>
Other financing sources (uses):					
Loan proceeds					
Transfers in					756
Transfers (out)				(756)	-0-
Total other financing sources (uses)				<u>(756)</u>	<u>756</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(5,186)</u>	<u>191</u>	<u>54</u>	<u>101</u>	<u>13,497</u>
Fund Balances, beginning of year	<u>44,059</u>	<u>9,670</u>	<u>6,736</u>	<u>-0-</u>	<u>24,025</u>
Fund Balances, end of year	<u>\$ 38,873</u>	<u>\$ 9,861</u>	<u>\$ 6,790</u>	<u>\$ 101</u>	<u>\$ 37,522</u>

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

<u>607</u>	<u>608</u>	<u>610</u>	<u>613</u>	<u>621</u>	<u>622</u>
<u>Law Enforcement Protection</u>	<u>Law Enforcement JAG Grant</u>	<u>Juvenile Detention Officer</u>	<u>Primary Care Clinic</u>	<u>Clerk's Equipment</u>	<u>DWI Distribution</u>
\$ 24,200	\$ 5,778	\$ 137,523	\$ 155,200	\$ 8,172	\$ 91,862
13	120	44	682	1,578	188
<u>24,213</u>	<u>5,898</u>	<u>137,567</u>	<u>155,882</u>	<u>9,750</u>	<u>92,050</u>
24,173	1,183	185,205	146,322	-0-	92,915
<u>24,173</u>	<u>1,183</u>	<u>185,205</u>	<u>146,322</u>	<u>-0-</u>	<u>92,915</u>
40	4,715	(47,638)	9,560	9,750	(865)
		44,000			
		<u>44,000</u>			
40	4,715	(3,638)	9,560	9,750	(865)
<u>(40)</u>	<u>5,904</u>	<u>14,451</u>	<u>57,245</u>	<u>47,253</u>	<u>13,790</u>
<u>\$ -0-</u>	<u>\$ 10,619</u>	<u>\$ 10,813</u>	<u>\$ 66,805</u>	<u>\$ 57,003</u>	<u>\$ 12,925</u>

STATE OF NEW MEXICO
COUNTY OF QUAY

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - NONMAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2009**

	623	624	626	628	630
	Environmental Gross Receipts Tax	DWI Grant	ASAP	Magistrate Court - Misdemeanor	TUPAC
Revenues:					
Local sources					
Local and state-shared taxes \$	84,146				
State sources			\$ 83,330		\$ 43,957
Federal sources					
Charges for services				\$ 18,266	
Interest	2,260		115	200	163
Total Revenues	<u>86,406</u>	<u>\$ -0-</u>	<u>83,445</u>	<u>18,466</u>	<u>44,120</u>
Expenditures:					
Current:					
General government				18,050	
Public safety					
Highways and streets					
Health and welfare	155,024		97,407		42,436
Culture and recreation					
Capital outlay					
Debt service					
Total Expenditures	<u>155,024</u>	<u>-0-</u>	<u>97,407</u>	<u>18,050</u>	<u>42,436</u>
Excess (deficiency) of revenues over expenditures	<u>(68,618)</u>	<u>-0-</u>	<u>(13,962)</u>	<u>416</u>	<u>1,684</u>
Other financing sources (uses):					
Loan proceeds					
Transfers in					
Transfers (out)					
Total other financing sources (uses)					
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(68,618)</u>	<u>-0-</u>	<u>(13,962)</u>	<u>416</u>	<u>1,684</u>
Fund Balances, beginning of year	<u>120,604</u>	<u>-0-</u>	<u>14,065</u>	<u>14,359</u>	<u>12,809</u>
Fund Balances, end of year	<u>\$ 51,986</u>	<u>\$ -0-</u>	<u>\$ 103</u>	<u>\$ 14,775</u>	<u>\$ 14,493</u>

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

<u>631</u>	<u>632</u>	<u>633</u>	<u>634</u>	<u>639</u>	<u>649</u>
<u>DWI</u>	<u>DWI</u>	<u>DWI</u>	<u>DWI</u>	<u>Nara Visa</u>	<u>County</u>
<u>Probation</u>	<u>Screening</u>	<u>Treatment</u>	<u>UA Fees</u>	<u>Sr. Citizens</u>	<u>Improvements</u>
<u>Fees</u>	<u>Fees</u>	<u>Fees</u>		<u>Grant</u>	
\$ 2,000					
20,136	\$ 2,780		\$ 4,663		
163	30	\$ 39	142		
<u>22,299</u>	<u>2,810</u>	<u>39</u>	<u>4,805</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
20,800	4,175		509	1,128	
<u>20,800</u>	<u>4,175</u>	<u>-0-</u>	<u>509</u>	<u>1,128</u>	<u>-0-</u>
1,499	(1,365)	39	4,296	(1,128)	-0-
				1,128	500,000
					(85,000)
				1,128	415,000
1,499	(1,365)	39	4,296	-0-	415,000
<u>4,617</u>	<u>1,966</u>	<u>3,692</u>	<u>10,250</u>	<u>-0-</u>	<u>270,000</u>
<u>\$ 6,116</u>	<u>\$ 601</u>	<u>\$ 3,731</u>	<u>\$ 14,546</u>	<u>\$ -0-</u>	<u>\$ 685,000</u>

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - NONMAJOR SPECIAL REVENUE FUNDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>650</u>	<u> </u>
	<u>Road Equipment</u>	<u>Total</u>
Revenues:		
Local sources		\$ 33,325
Local and state-shared taxes		444,871
State sources		1,629,580
Federal sources		5,823
Charges for services		234,190
Interest	\$ 1,025	18,551
Total Revenues	<u>1,025</u>	<u>2,366,340</u>
Expenditures:		
Current:		
General government		61,778
Public safety		425,915
Highways and streets		712
Health and welfare		830,181
Culture and recreation		1,128
Capital outlay	87,010	1,020,600
Debt service		149,980
Total Expenditures	<u>87,010</u>	<u>2,490,294</u>
Excess (deficiency) of revenues over expenditures	<u>(85,985)</u>	<u>(123,954)</u>
Other financing sources (uses):		
Loan proceeds		342,850
Transfers in	82,464	648,418
Transfers (out)		<u>(133,806)</u>
Total other financing sources (uses)	<u>82,464</u>	<u>857,462</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(3,521)</u>	<u>733,508</u>
Fund Balances, beginning of year	<u>171,646</u>	<u>1,493,086</u>
Fund Balances, end of year	<u>\$ 168,125</u>	<u>\$ 2,226,594</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - FARM AND RANGE
FOR THE YEAR ENDED JUNE 30, 2009**

	403			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources				
Federal sources	\$ 45	\$ 45	\$ 45	\$ -0-
Charges for services				
Interest				
Total Revenues	<u>45</u>	<u>45</u>	<u>45</u>	<u>-0-</u>
EXPENDITURES:				
General government				
Public safety				
Highways and streets	712	712	712	-0-
Health and welfare				
Culture and recreation				
Total Expenditures	<u>712</u>	<u>712</u>	<u>712</u>	<u>-0-</u>
Excess (deficiency) of revenues over expenditures	(667)	(667)	<u>\$ (667)</u>	<u>\$ -0-</u>
Prior year cash balances required to balance budget	<u>\$ 667</u>	<u>\$ 667</u>		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - RECREATION
FOR THE YEAR ENDED JUNE 30, 2009**

	404			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local sources				
Local and state-shared taxes	\$ -0-	\$ -0-	\$ 430	\$ 430
State sources				
Federal sources				
Charges for services				
Interest			1	1
Total Revenues	-0-	-0-	431	431
Other financing sources:				
Transfers in				
Total revenues and other financing sources	-0-	-0-	431	431
EXPENDITURES:				
General government				
Public safety				
Highways and streets				
Health and welfare				
Culture and recreation	-0-	-0-	-0-	-0-
Total Expenditures	-0-	-0-	-0-	-0-
Excess (deficiency) of revenues and other financing sources over expenditures	\$ -0-	\$ -0-	\$ 431	\$ 431

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - COUNTY INDIGENT
FOR THE YEAR ENDED JUNE 30, 2009**

	406			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local sources				
Local and state-shared taxes	\$ 285,255	\$ 335,255	\$ 363,080	\$ 27,825
State sources				
Federal sources				
Charges for services				
Interest				
Total Revenues	<u>285,255</u>	<u>335,255</u>	<u>363,080</u>	<u>27,825</u>
EXPENDITURES:				
General government				
Public safety				
Highways and streets				
Health and welfare	250,255	300,255	253,903	46,352
Culture and recreation				
Total Expenditures	<u>250,255</u>	<u>300,255</u>	<u>253,903</u>	<u>46,352</u>
Other financing uses:				
Transfers out	35,000	35,000	35,000	-0-
Total expenditures and other financing uses	<u>285,255</u>	<u>335,255</u>	<u>288,903</u>	<u>46,352</u>
Excess (deficiency) of revenues over expenditures and other financing uses	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 74,177</u>	<u>\$ 74,177</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - FIRE DISTRICT NO. 1
FOR THE YEAR ENDED JUNE 30, 2009**

	407			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local sources	\$ -0-	\$ -0-	\$ 1,649	\$ 1,649
Local and state-shared taxes	59,468	59,468		
State sources			59,468	-0-
Federal sources				
Charges for services				
Interest	-0-	-0-	523	523
Total Revenues	59,468	59,468	61,640	2,172
Other financing sources:				
Transfers in	-0-	-0-	-0-	-0-
Total revenues and other financing sources	59,468	59,468	61,640	2,172
EXPENDITURES:				
General government				
Public safety	59,468	59,468	49,863	9,605
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	59,468	59,468	49,863	9,605
Other financing uses:				
Transfers out	-0-	-0-	-0-	-0-
Total expenditures and other financing uses	59,468	59,468	49,863	9,605
Excess (deficiency) of revenues over expenditures and other financing uses	\$ -0-	\$ -0-	\$ 11,777	\$ 11,777

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - FIRE DISTRICT NO. 2
FOR THE YEAR ENDED JUNE 30, 2009**

	408			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local sources	\$ -0-	\$ -0-	\$ 12	\$ 12
Local and state-shared taxes				
State sources	59,468	157,086	147,468	(9,618)
Federal sources				
Charges for services				
Interest	-0-	-0-	557	557
Total Revenues	59,468	157,086	148,037	(9,049)
EXPENDITURES:				
General government				
Public safety	59,468	69,086	48,386	20,700
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	59,468	69,086	48,386	20,700
Other financing uses:				
Transfers out	-0-	-0-	-0-	-0-
Total expenditures and other financing uses	59,468	69,086	48,386	20,700
Excess (deficiency) of revenues and other financing sources over expenditures	\$ -0-	\$ 88,000	\$ 99,651	\$ 11,651

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - FIRE DISTRICT NO. 3
FOR THE YEAR ENDED JUNE 30, 2009**

	409			Variance
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources	\$ 150,081	\$ 276,988	\$ 276,988	\$ -0-
Federal sources				
Charges for services				
Interest	-0-	-0-	859	859
Total Revenues	<u>150,081</u>	<u>276,988</u>	<u>277,847</u>	<u>859</u>
EXPENDITURES:				
General government				
Public safety	150,081	372,431	334,470	37,961
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	<u>150,081</u>	<u>372,431</u>	<u>334,470</u>	<u>37,961</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	(95,443)	<u>\$ (56,623)</u>	<u>\$ 38,820</u>
Prior year cash balance required to balance budget		<u>\$ 95,443</u>		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - NARA VISA FIRE DISTRICT
FOR THE YEAR ENDED JUNE 30, 2009**

	410			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources	\$ -0-	\$ -0-	\$ 6,349	\$ 6,349
Local and state-shared taxes				
State sources	42,632	42,632	42,632	-0-
Federal sources				
Charges for services				
Interest	-0-	-0-	1,175	1,175
Total Revenues	<u>42,632</u>	<u>42,632</u>	<u>50,156</u>	<u>7,524</u>
Other financing sources:				
Transfers in	-0-	-0-	-0-	-0-
Total revenues and other financing sources	<u>42,632</u>	<u>42,632</u>	<u>50,156</u>	<u>7,524</u>
EXPENDITURES:				
General government				
Public safety	42,632	42,632	18,526	24,106
Highways and streets				
Health and recreation				
Culture and recreation				
Total Expenditures	<u>42,632</u>	<u>42,632</u>	<u>18,526</u>	<u>24,106</u>
Other financing uses:				
Transfers out	-0-	-0-	-0-	-0-
Total expenditures and other financing uses	<u>42,632</u>	<u>42,632</u>	<u>18,526</u>	<u>24,106</u>
Excess (deficiency) of revenues over expenditures and other financing uses	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 31,630</u>	<u>\$ 31,630</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - FORREST FIRE DISTRICT
FOR THE YEAR ENDED JUNE 30, 2009**

	411			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local sources	\$ -0-	\$ -0-	\$ 51	\$ 51
Local and state-shared taxes				
State sources	42,632	145,172	145,172	-0-
Federal sources				
Charges for services				
Interest	-0-	-0-	887	887
Total Revenues	42,632	145,172	146,110	938
Other financing sources:				
Transfers in				
Total revenues and other financing sources	42,632	145,172	146,110	938
EXPENDITURES:				
General government				
Public safety	42,632	45,172	30,221	14,951
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	42,632	45,172	30,221	14,951
Other financing uses:				
Transfers out				
Total expenditures and other financing uses	42,637	45,172	30,221	14,951
Excess (deficiency) of revenues over expenditures	\$ -0-	\$ 100,000	\$ 115,889	\$ 15,889

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - JORDAN FIRE DISTRICT
FOR THE YEAR ENDED JUNE 30, 2009**

	412			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local sources	\$ -0-	\$ -0-	\$ 52	\$ 52
Local and state-shared taxes				
State sources	227,199	227,199	228,312	1,113
Federal sources				
Charges for services				
Interest	-0-	-0-	460	460
Total Revenues	<u>227,199</u>	<u>227,199</u>	<u>228,824</u>	<u>1,625</u>
EXPENDITURES:				
General government				
Public safety	338,204	342,799	327,628	15,171
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	<u>338,204</u>	<u>342,799</u>	<u>327,628</u>	<u>15,171</u>
Excess (deficiency) of revenues over expenditures and other financing uses	(111,005)	(115,600)	<u>\$ (98,804)</u>	<u>\$ 16,796</u>
Prior year cash balance available to balance budget	<u>\$ 111,005</u>	<u>\$ 115,600</u>		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - BARD ENDEE FIRE DISTRICT
FOR THE YEAR ENDED JUNE 30, 2009**

	413			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local sources	\$ -0-	\$ -0-	\$ 1,771	\$ 1,771
Local and state-shared taxes				
State sources	310,583	310,583	310,583	-0-
Federal sources				
Charges for services				
Interest	-0-	-0-	567	567
Total Revenues	<u>310,583</u>	<u>310,583</u>	<u>312,921</u>	<u>2,338</u>
Other financing sources:				
Transfers in				
Total revenues and other financing sources	<u>310,583</u>	<u>310,583</u>	<u>312,921</u>	<u>2,338</u>
EXPENDITURES:				
General government				
Public safety	372,428	373,583	366,704	6,879
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	<u>372,428</u>	<u>373,583</u>	<u>366,704</u>	<u>6,879</u>
Other financing uses:				
Transfers out				
Total expenditures and other financing uses	<u>372,428</u>	<u>373,583</u>	<u>366,704</u>	<u>6,879</u>
Excess (deficiency) of revenues over expenditures and other financing uses	(61,815)	(63,000)	<u>\$ (53,783)</u>	<u>\$ 9,217</u>
Prior year cash balance required to balance budget	<u>\$ 61,845</u>	<u>\$ 63,000</u>		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - EMS
FOR THE YEAR ENDED JUNE 30, 2009**

	414			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources	\$ 16,000	\$ 17,500	\$ 17,500	\$ -0-
Federal sources				
Charges for services				
Interest				
Total Revenues	16,000	17,500	17,500	-0-
EXPENDITURES:				
General government				
Public safety	16,000	17,500	16,683	817
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	16,000	17,500	16,683	817
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 817</u>	<u>\$ 817</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - QUAY FIRE DISTRICT
FOR THE YEAR ENDED JUNE 30, 2009**

	415			Variance
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
REVENUES:				
Local sources	-0-	-0-	\$ 9	\$ 9
Local and state-shared taxes				
State sources	42,632	142,632	142,632	
Federal sources				
Charges for services				
Interest	-0-	-0-	1,031	1,031
Total Revenues	<u>42,632</u>	<u>142,632</u>	<u>143,672</u>	<u>1,040</u>
Other financing sources:				
Transfers in				
Total revenues and other financing sources	<u>42,632</u>	<u>142,632</u>	<u>143,672</u>	<u>1,040</u>
EXPENDITURES:				
General government				
Public safety	42,632	42,632	26,453	16,179
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	<u>42,632</u>	<u>42,632</u>	<u>26,453</u>	<u>16,179</u>
Other financing uses:				
Transfers out				
Total expenditures and other financing uses	<u>42,632</u>	<u>42,632</u>	<u>26,453</u>	<u>16,179</u>
Excess (deficiency) of revenues over expenditures and other financing uses	<u>\$ -0-</u>	<u>\$ 100,000</u>	<u>\$ 117,219</u>	<u>\$ 17,219</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - CWPP GRANT
 FOR THE YEAR ENDED JUNE 30, 2009**

	417			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources	\$ 10,100	\$ 10,100	\$ 10,100	\$ -0-
Federal sources				
Charges for services				
Interest				
Total Revenues	<u>10,100</u>	<u>10,100</u>	<u>10,100</u>	<u>-0-</u>
EXPENDITURES:				
General government				
Public safety	10,200	10,200	10,200	-0-
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	<u>10,200</u>	<u>10,200</u>	<u>10,200</u>	<u>-0-</u>
Excess (deficiency) of revenues over expenditures	(100)	(100)	<u>\$ (100)</u>	<u>\$ -0-</u>
Prior year cash balance required to balance budget	<u>\$ 100</u>	<u>\$ 100</u>		

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

STATE OF NEW MEXICO
COUNTY OF QUAY

STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - PORTER FIRE DISTRICT
FOR THE YEAR ENDED JUNE 30, 2009

	418			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local sources	\$ -0-	\$ -0-	\$ 26	\$ 26
Local and state-shared taxes				
State sources	42,632	142,632	142,632	-0-
Federal sources				
Charges for services				
Interest	-0-	-0-	731	731
Total Revenues	<u>42,632</u>	<u>142,632</u>	<u>143,389</u>	<u>757</u>
EXPENDITURES:				
General government				
Public safety	42,632	42,632	16,879	25,753
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	<u>42,632</u>	<u>42,632</u>	<u>16,879</u>	<u>25,753</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ 100,000</u>	<u>\$ 126,510</u>	<u>\$ 26,510</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - QUAY COUNTY FIRE MARSHAL FOR THE YEAR ENDED JUNE 30, 2009

	420			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources	\$ 57,214	\$ 57,214	\$ 57,214	\$ -0-
Federal sources				
Charges for services				
Interest	-0-	-0-	413	413
Total Revenues	<u>57,214</u>	<u>57,214</u>	<u>57,627</u>	<u>413</u>
Other financing sources:				
Transfers in				
Total revenues and other financing sources	<u>57,214</u>	<u>57,214</u>	<u>57,627</u>	<u>413</u>
EXPENDITURES:				
General government				
Public safety	44,614	46,664	46,356	308
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	<u>44,614</u>	<u>46,664</u>	<u>46,356</u>	<u>308</u>
Other financing uses:				
Transfers out	13,050	13,050	13,050	-0-
Total expenditures and other financing uses	<u>57,664</u>	<u>59,714</u>	<u>59,406</u>	<u>308</u>
Excess (deficiency) of revenues over expenditures and other financing uses	(450)	(2,500)	<u>\$ (1,779)</u>	<u>\$ 721</u>
Prior year cash balance available to balance budget	<u>\$ 450</u>	<u>\$ 2,500</u>		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - REAPPRAISAL
FOR THE YEAR ENDED JUNE 30, 2009**

	499			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources				
Federal sources				
Charges for services	\$ 31,000	\$ 31,000	\$ 36,370	\$ 5,370
Interest	-0-	-0-	143	143
Total Revenues	<u>31,000</u>	<u>31,000</u>	<u>36,513</u>	<u>5,513</u>
Other financing sources:				
Transfers in	-0-	325,708	325,708	-0-
Total revenues and other financing sources	<u>31,000</u>	<u>356,708</u>	<u>362,221</u>	<u>5,513</u>
EXPENDITURES:				
General government	31,000	31,000	30,266	734
Public safety				
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	<u>31,000</u>	<u>31,000</u>	<u>30,266</u>	<u>734</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>\$ -0-</u>	<u>\$ 325,708</u>	<u>\$ 331,955</u>	<u>\$ 6,247</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - RURAL ADDRESSING
FOR THE YEAR ENDED JUNE 30, 2009**

	503			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources				
Federal sources				
Charges for services	\$ 200	\$ 200	\$ 170	\$ (30)
Interest				
Total Revenues	<u>200</u>	<u>200</u>	<u>170</u>	<u>(30)</u>
Other financing sources:				
Transfers in	<u>20,070</u>	<u>20,070</u>	<u>20,070</u>	<u>-0-</u>
Total revenues and other financing sources	<u>20,270</u>	<u>20,270</u>	<u>20,240</u>	<u>(30)</u>
EXPENDITURES:				
General government	11,450	20,270	13,389	6,881
Public safety				
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	<u>11,450</u>	<u>20,270</u>	<u>13,389</u>	<u>6,881</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>\$ 8,820</u>	<u>\$ -0-</u>	<u>\$ 6,851</u>	<u>\$ 6,851</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - ASAP - OTHER CHARGES
FOR THE YEAR ENDED JUNE 30, 2009**

	516			Variance
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
REVENUES:				
Local sources	\$ -0-	\$ -0-	\$ 37	\$ 37
Local and state-shared taxes				
State sources				
Federal sources				
Charges for services	12,000	12,000	6,110	(5,890)
Interest			412	412
Total Revenues	<u>12,000</u>	<u>12,000</u>	<u>6,559</u>	<u>(5,441)</u>
EXPENDITURES:				
General government				
Public safety				
Highways and streets				
Health and welfare	40,290	40,290	11,723	28,567
Culture and recreation				
Total Expenditures	<u>40,290</u>	<u>40,290</u>	<u>11,723</u>	<u>28,567</u>
Excess (deficiency) of revenues over expenditures	(28,290)	(28,290)	<u>\$ (5,164)</u>	<u>\$ 23,126</u>
Prior year cash balance available to balance budget	<u>\$ 28,290</u>	<u>\$ 28,290</u>		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - DOMESTIC VIOLENCE
FOR THE YEAR ENDED JUNE 30, 2009**

	520			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources	\$ 15,000	\$ 15,000	\$ 5,030	(9,970)
Local and state-shared taxes				
State sources				
Federal sources				
Charges for services				
Interest	-0-	-0-	106	106
Total Revenues	<u>15,000</u>	<u>15,000</u>	<u>5,136</u>	<u>(9,864)</u>
Other financing sources:				
Transfers in				
Total revenues and other financing sources	<u>15,000</u>	<u>15,000</u>	<u>5,136</u>	<u>(9,864)</u>
EXPENDITURES:				
General government				
Public safety				
Highways and streets				
Health and welfare	15,000	15,000	4,945	10,055
Culture and recreation				
Total Expenditures	<u>15,000</u>	<u>15,000</u>	<u>4,945</u>	<u>10,055</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 191</u>	<u>\$ 191</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - SHERIFF SEIZURE
FOR THE YEAR ENDED JUNE 30, 2009**

	601			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources				
Federal sources				
Charges for services				
Interest	\$ -0-	\$ -0-	\$ 54	\$ 54
Total Revenues	<u>-0-</u>	<u>-0-</u>	<u>54</u>	<u>54</u>
Other financing sources:				
Transfers in				
Total revenues and other financing sources	<u>-0-</u>	<u>-0-</u>	<u>54</u>	<u>54</u>
EXPENDITURES:				
General government				
Public safety	6,736	6,736	-0-	6,736
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	<u>6,736</u>	<u>6,736</u>	<u>-0-</u>	<u>6,736</u>
Excess (deficiency) of revenues and other financing sources over expenditures	(6,736)	(6,736)	<u>\$ 54</u>	<u>\$ 6,790</u>
Prior year cash balances available to balance budget	<u>\$ 6,736</u>	<u>\$ 6,736</u>		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - CONFISCATED/SEIZURE
FOR THE YEAR ENDED JUNE 30, 2009**

	602			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local sources	\$ 856	\$ 856	\$ 856	\$ -0-
Local and state-shared taxes				
State sources				
Federal sources				
Charges for services				
Interest	-0-	-0-	1	1
Total Revenues	856	856	857	1
Other financing sources:				
Transfers in				
Total revenues and other financing sources	856	856	857	1
EXPENDITURES:				
General government				
Public safety				
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	-0-	-0-	-0-	-0-
Other financing uses:				
Transfers to	756	756	756	-0-
Total expenditures and other financing uses	756	756	756	-0-
Excess (deficiency) of revenues and other financing sources over expenditures	\$ 100	\$ 100	\$ 101	\$ 1

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - DRUG ENFORCEMENT
FOR THE YEAR ENDED JUNE 30, 2009**

	602			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources	\$ 11,150	\$ 11,150	\$ 13,071	\$ 1,921
Local and state-shared taxes				
State sources				
Federal sources				
Charges for services				
Interest	<u>1,000</u>	<u>1,000</u>	<u>963</u>	<u>(37)</u>
Total Revenues	<u>12,150</u>	<u>12,150</u>	<u>14,034</u>	<u>1,884</u>
Other financing sources:				
Transfers in	<u>756</u>	<u>756</u>	<u>756</u>	<u>-0-</u>
Total revenues and other financing sources	<u>12,906</u>	<u>12,906</u>	<u>14,790</u>	<u>1,884</u>
EXPENDITURES:				
General government				
Public safety	-0-	27,756	3,705	24,051
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	<u>-0-</u>	<u>27,756</u>	<u>3,705</u>	<u>24,051</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 12,906</u>	<u>(14,850)</u>	<u>\$ 11,085</u>	<u>\$ 25,935</u>
Prior year cash required to balance budget		<u>\$ 14,850</u>		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - LAW ENFORCEMENT PROTECTION FOR THE YEAR ENDED JUNE 30, 2009

	607			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources	\$ 24,200	\$ 24,200	\$ 24,200	\$ -0-
Federal sources				
Charges for services				
Interest	-0-	-0-	12	12
Total Revenues	<u>24,200</u>	<u>24,200</u>	<u>24,212</u>	<u>12</u>
EXPENDITURES:				
General government				
Public safety	24,334	24,347	24,347	-0-
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	<u>24,334</u>	<u>24,347</u>	<u>24,347</u>	<u>-0-</u>
Excess (deficiency) of revenues over expenditures	(134)	(147)	<u>\$ (135)</u>	<u>\$ 12</u>
Prior year cash balance required to balance budget	<u>\$ 134</u>	<u>\$ 147</u>		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - LAW ENFORCEMENT –JAG GRANT
FOR THE YEAR ENDED JUNE 30, 2009**

	608			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources				
Federal sources	\$ 5,904	\$ 11,683	\$ 5,778	\$ (5,905)
Charges for services				
Interest	<u>-0-</u>	<u>-0-</u>	<u>120</u>	<u>120</u>
Total Revenues	<u>5,904</u>	<u>11,683</u>	<u>5,898</u>	<u>(5,785)</u>
Other financing sources:				
Transfers in				
Total revenues and other financing sources	<u>5,904</u>	<u>11,683</u>	<u>5,898</u>	<u>(5,785)</u>
EXPENDITURES:				
General government				
Public safety	5,904	11,683	1,183	10,500
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	<u>5,904</u>	<u>11,683</u>	<u>1,183</u>	<u>10,500</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 4,715</u>	<u>\$ 4,715</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - JUVENILE DETENTION OFFICER FOR THE YEAR ENDED JUNE 30, 2009

	610			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources				
Federal sources				
Charges for services	\$ 235,847	\$ 235,847	\$ 137,523	\$ (98,324)
Interest	-0-	-0-	44	44
Total Revenues	<u>235,847</u>	<u>235,847</u>	<u>137,567</u>	<u>(98,280)</u>
Other financing sources:				
Transfers in	-0-	-0-	44,000	44,000
Total revenues and other financing sources	<u>235,847</u>	<u>235,847</u>	<u>181,567</u>	<u>(54,280)</u>
EXPENDITURES:				
General government				
Public safety	235,847	235,847	179,955	55,892
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	<u>235,847</u>	<u>235,847</u>	<u>179,955</u>	<u>55,892</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 1,612</u>	<u>\$ 1,612</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) – SPECIAL REVENUE FUND - PRIMARY CARE CLINIC
FOR THE YEAR ENDED JUNE 30, 2009**

	613			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources	\$ 145,200	\$ 155,200	\$ 155,200	\$ -0-
Federal sources				
Charges for services				
Interest	<u>-0-</u>	<u>-0-</u>	<u>682</u>	<u>682</u>
Total Revenues	<u>145,200</u>	<u>155,200</u>	<u>155,882</u>	<u>682</u>
EXPENDITURES:				
Health and welfare	<u>145,200</u>	<u>155,200</u>	<u>146,322</u>	<u>8,878</u>
Total Expenditures	<u>145,200</u>	<u>155,200</u>	<u>146,322</u>	<u>8,878</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 9,560</u>	<u>\$ 9,560</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - CLERK'S EQUIPMENT
FOR THE YEAR ENDED JUNE 30, 2009**

	621			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources				
Federal sources				
Charges for services	\$ 8,000	\$ 8,000	\$ 8,172	\$ 172
Interest			1,578	1,578
Total Revenues	<u>8,000</u>	<u>8,000</u>	<u>9,750</u>	<u>1,750</u>
EXPENDITURES:				
General government	11,000	11,000	-0-	11,000
Public safety				
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	<u>11,000</u>	<u>11,000</u>	<u>-0-</u>	<u>11,000</u>
Excess (deficiency) of revenues over expenditures	(3,000)	(3,000)	<u>\$ 9,750</u>	<u>\$ 12,750</u>
Prior year cash balance required to Balance budget	<u>\$ 3,000</u>	<u>\$ 3,000</u>		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - DWI DISTRIBUTION
FOR THE YEAR ENDED JUNE 30, 2009**

	622			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources	\$ 66,804	\$ 90,481	\$ 91,862	\$ 1,381
Federal sources				
Charges for services				
Interest	-0-	-0-	188	188
Total Revenues	<u>66,804</u>	<u>90,481</u>	<u>92,050</u>	<u>1,569</u>
EXPENDITURES:				
General government				
Public safety				
Highways and streets				
Health and welfare	66,804	104,271	92,915	11,356
Culture and recreation				
Total Expenditures	<u>66,804</u>	<u>104,271</u>	<u>92,915</u>	<u>11,356</u>
Excess (deficiency) of revenues over Expenditures	<u>\$ -0-</u>	<u>(13,790)</u>	<u>\$ (865)</u>	<u>\$ 12,925</u>
Prior year cash balance required to balance budget		<u>\$ (13,790)</u>		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - ENVIRONMENTAL GROSS RECEIPTS TAX
FOR THE YEAR ENDED JUNE 30, 2009**

	623			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources				
Local and state-shared taxes	\$ 41,846	\$ 86,846	\$ 84,053	\$ (2,793)
State sources				
Federal sources				
Charges for services				
Interest	-0-	-0-	2,260	2,260
Total Revenues	<u>41,846</u>	<u>86,846</u>	<u>86,313</u>	<u>(533)</u>
Other financing sources:				
Transfers in				
Total revenues and other financing sources	<u>41,846</u>	<u>86,846</u>	<u>86,313</u>	<u>(533)</u>
EXPENDITURES:				
General government				
Public safety				
Highways and streets				
Health and welfare	80,000	155,025	155,024	1
Culture and recreation				
Total Expenditures	<u>80,000</u>	<u>155,025</u>	<u>155,024</u>	<u>1</u>
Excess (deficiency) of revenues and other financing sources over expenditures	(33,846)	(68,179)	<u>\$ (68,711)</u>	<u>\$ (532)</u>
Prior year cash balance required to balance budget	<u>\$ 33,846</u>	<u>\$ 68,179</u>		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - DWI GRANT
FOR THE YEAR ENDED JUNE 30, 2009**

	624			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources	\$ 5,000	\$ 5,000	\$ -0-	\$ (5,000)
Federal sources				
Charges for services				
Interest				
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>-0-</u>	<u>(5,000)</u>
EXPENDITURES:				
General government				
Public safety				
Highways and streets				
Health and welfare	5,000	5,000	-0-	5,000
Culture and recreation				
Total Expenditures	<u>5,000</u>	<u>5,000</u>	<u>-0-</u>	<u>5,000</u>
Other financing uses:				
Transfers out				
Total expenditures and other financing uses	<u>5,000</u>	<u>5,000</u>	<u>-0-</u>	<u>5,000</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - ASAP
FOR THE YEAR ENDED JUNE 30, 2009**

	626			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources	\$ 100,000	\$ 100,000	\$ 90,138	\$ (9,862)
Federal sources				
Charges for services				
Interest	<u>-0-</u>	<u>-0-</u>	<u>115</u>	<u>115</u>
Total Revenues	<u>100,000</u>	<u>100,000</u>	<u>90,253</u>	<u>(9,747)</u>
EXPENDITURES:				
General government				
Public safety				
Highways and streets				
Health and welfare	108,213	108,213	98,363	9,850
Culture and recreation				
Total Expenditures	<u>108,213</u>	<u>108,213</u>	<u>98,363</u>	<u>9,850</u>
Excess (deficiency) of revenues over expenditures	(8,213)	(8,213)	<u>\$ (8,110)</u>	<u>\$ 103</u>
Prior year cash balance required to balance budget	<u>\$ 8,213</u>	<u>\$ 8,213</u>		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - MAGISTRATE COURT - MISDEMEANOR
FOR THE YEAR ENDED JUNE 30, 2009**

	628			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources				
Federal sources				
Charges for services	\$ 13,000	\$ 13,000	\$ 18,266	\$ 5,266
Interest	-0-	-0-	200	200
Total Revenues	<u>13,000</u>	<u>13,000</u>	<u>18,466</u>	<u>5,466</u>
EXPENDITURES:				
General government				
Public safety	13,000	18,000	18,050	(50)
Highways and streets				
Health and welfare				
Culture and recreation				
Total Expenditures	<u>13,000</u>	<u>18,000</u>	<u>18,050</u>	<u>(50)</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	(5,000)	<u>\$ 416</u>	<u>\$ 5,416</u>
Prior year cash balance required to balance budget		<u>\$ 5,000</u>		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - TUPAC GRANT
FOR THE YEAR ENDED JUNE 30, 2009**

	630			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources	\$ 55,000	\$ 55,000	\$ 48,278	\$ (6,722)
Federal sources				
Charges for services				
Interest	<u>-0-</u>	<u>-0-</u>	<u>163</u>	<u>163</u>
Total Revenues	<u>55,000</u>	<u>55,000</u>	<u>48,441</u>	<u>(6,559)</u>
EXPENDITURES:				
General government				
Public safety				
Highways and streets				
Health and welfare	55,000	55,000	41,525	13,475
Culture and recreation				
Total Expenditures	<u>55,000</u>	<u>55,000</u>	<u>41,525</u>	<u>13,475</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 6,916</u>	<u>\$ 6,916</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - DWI PROBATION FEES
FOR THE YEAR ENDED JUNE 30, 2009**

	631			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local sources	\$ -0-	\$ -0-	\$ 2,000	\$ 2,000
Local and state-shared taxes				
State sources				
Federal sources				
Charges for services	18,785	20,935	20,136	(799)
Interest	-0-	-0-	163	163
Total Revenues	<u>18,785</u>	<u>20,935</u>	<u>22,299</u>	<u>1,364</u>
Other financing sources:				
Transfers in				
Total revenues and other financing sources	<u>18,785</u>	<u>20,935</u>	<u>22,299</u>	<u>1,364</u>
EXPENDITURES:				
General government				
Public safety				
Highways and streets				
Health and welfare	18,795	20,935	20,800	135
Culture and recreation				
Total Expenditures	<u>18,795</u>	<u>20,935</u>	<u>20,800</u>	<u>135</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>\$ (10)</u>	<u>\$ -0-</u>	<u>\$ 1,499</u>	<u>\$ 1,499</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - DWI SCREENING FEES
FOR THE YEAR ENDED JUNE 30, 2009**

	632			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources				
Federal sources				
Charges for services	\$ 3,440	\$ 3,440	\$ 2,780	\$ (60)
Interest	-0-	-0-	30	30
Total Revenues	<u>3,440</u>	<u>3,440</u>	<u>2,810</u>	<u>(630)</u>
Other financing sources:				
Transfers in				
Total revenues and other financing sources	<u>3,440</u>	<u>3,440</u>	<u>2,810</u>	<u>(630)</u>
EXPENDITURES:				
General government				
Public safety				
Highways and streets				
Health and welfare	3,440	4,240	4,175	65
Culture and recreation				
Total Expenditures	<u>3,440</u>	<u>4,240</u>	<u>4,175</u>	<u>65</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>\$ -0-</u>	<u>(800)</u>	<u>\$ (1,365)</u>	<u>\$ (565)</u>
Prior year cash balance required to balance budget		<u>\$ 800</u>		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - DWI TREATMENT FEES
FOR THE YEAR ENDED JUNE 30, 2009**

	633			Variance
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources				
Federal sources				
Charges for services	\$ 100	\$ 100	\$ -0-	\$ (100)
Interest	-0-	-0-	39	39
Total Revenues	<u>100</u>	<u>100</u>	<u>39</u>	<u>(61)</u>
Other financing sources:				
Transfers in				
Total revenues and other financing sources	<u>100</u>	<u>100</u>	<u>39</u>	<u>(61)</u>
EXPENDITURES:				
General government				
Public safety				
Highways and streets				
Health and welfare	1,000	1,000	-0-	1,000
Culture and recreation				
Total Expenditures	<u>1,000</u>	<u>1,000</u>	<u>-0-</u>	<u>1,000</u>
Excess (deficiency) of revenues and other financing sources over expenditures	(900)	(900)	<u>\$ 39</u>	<u>\$ 939</u>
Prior year cash balance required to balance budget	<u>\$ 900</u>	<u>\$ 900</u>		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - DWI UA FEES
FOR THE YEAR ENDED JUNE 30, 2009**

	634			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources				
Federal sources				
Charges for services	\$ 5,050	\$ 5,050	\$ 4,663	\$ (387)
Interest	-0-	-0-	142	142
Total Revenues	<u>5,050</u>	<u>5,050</u>	<u>4,805</u>	<u>(245)</u>
Other financing sources:				
Transfers in				
Total revenues and other financing sources	<u>5,050</u>	<u>5,050</u>	<u>4,805</u>	<u>(245)</u>
EXPENDITURES:				
General government				
Public safety				
Highways and streets				
Health and welfare	9,250	9,250	509	8,741
Culture and recreation				
Total Expenditures	<u>9,250</u>	<u>9,250</u>	<u>509</u>	<u>8,741</u>
Excess (deficiency) of revenues and other financing sources over expenditures	(4,200)	(4,200)	<u>\$ 4,296</u>	<u>\$ 8,496</u>
Prior year cash balance required to balance budget	<u>\$ 4,200</u>	<u>\$ 4,200</u>		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - NARA VISA SR CITIZEN GRANT
FOR THE YEAR ENDED JUNE 30, 2009**

	639			
	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources	\$ 13,695	\$ 13,695	\$ -0-	\$ (13,695)
Federal sources				
Charges for services				
Interest				
Total Revenues	<u>13,695</u>	<u>13,695</u>	<u>-0-</u>	<u>(13,695)</u>
Other financing sources:				
Transfers in	<u>-0-</u>	<u>-0-</u>	<u>1,128</u>	<u>1,128</u>
Total revenues and other financing sources	<u>13,695</u>	<u>13,695</u>	<u>1,128</u>	<u>(12,567)</u>
EXPENDITURES:				
General government				
Public safety				
Highways and streets				
Health and welfare				
Culture and recreation	<u>13,695</u>	<u>13,695</u>	<u>1,128</u>	<u>12,567</u>
Total Expenditures	<u>13,695</u>	<u>13,695</u>	<u>1,128</u>	<u>12,567</u>
Excess (deficiency) of revenues over expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - COUNTY IMPROVEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

	649			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources				
Federal sources				
Charges for services				
Interest				
Total Revenues	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Other financing sources:				
Transfers in	500,000	500,000	500,000	-0-
Total revenues and other financing sources	500,000	500,000	500,000	-0-
EXPENDITURES:				
General government				
Public safety				
Highways and streets				
Health and welfare				
Culture and recreation				
Capital outlay	670,000	670,000	-0-	670,000
Total Expenditures	670,000	670,000	-0-	670,000
Other financing use:				
Transfer out	85,000	85,000	85,000	-0-
Total expenditures and other financing use	755,000	755,000	85,000	670,000
Excess (deficiency) of revenues over expenditures and other financing source and other financing use	(255,000)	(255,000)	<u>\$ 415,000</u>	<u>\$ 670,000</u>
Prior year cash balance available to Balance budget	<u>\$ 255,000</u>	<u>\$ 255,000</u>		

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - SPECIAL REVENUE FUND - ROAD EQUIPMENT
FOR THE YEAR ENDED JUNE 30, 2009**

	650			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local sources				
Local and state-shared taxes				
State sources				
Federal sources				
Charges for services				
Interest	\$ -0-	\$ -0-	\$ 1,025	\$ 1,025
Total Revenues	\$ -0-	\$ -0-	1,025	1,025
Other financing sources:				
Transfers in	100,000	100,000	82,464	(17,536)
Total Revenues and other financing sources	100,000	100,000	83,489	(16,511)
EXPENDITURES:				
General government				
Public safety				
Highways and streets	270,000	271,646	87,010	184,636
Health and welfare				
Culture and recreation				
Total Expenditures	270,000	271,646	87,010	184,636
Excess (deficiency) of revenues over Expenditures and other financing sources	(170,000)	(171,646)	\$ (3,521)	\$ 168,125
Prior year cash balance required to Balance budget	\$ 170,000	\$ 171,646		

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

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the acquisition, construction and repair of major capital assets

CDBG- Quay Hospital Roof - To account for resources used to improve the Quay Hospital through roof construction. Funding is provided by Community Development Block Grant (CDBG) Funds, and local sources.

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUND
JUNE 30, 2009**

	<u>655</u> CDBG- Quay Hospital Roof
ASSETS	
Due from other funds	\$ 10,198
Intergovernmental receivable	35,457
Other receivable	<u>9,120</u>
Total Assets	<u>\$ 54,775</u>
LIABILITIES AND FUND BALANCES	
Liabilities:	
Due to other funds	
Accounts payable	\$ 54,775
Note-payable	
Intergovernmental	<u> </u>
Total Liabilities	<u>54,775</u>
Fund Balances:	
Unreserved:	
Designated for subsequent year's expenditures	
Undesignated	<u> </u>
Total Fund Balances	<u>-0-</u>
Total Liabilities and Fund Balances	<u>\$ 54,775</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR CAPITAL PROJECTS FUNDS-CDBG QUAY HOSPITAL ROOF
FOR THE YEAR ENDED JUNE 30, 2009**

	<u>655</u> CDBG-Quay Hospital Roof
Revenues:	
Local sources	\$ 345,120
State-shared taxes	
State sources	
Federal sources	300,000
Charges for services	
Interest	<u>1,861</u>
Total Revenues	<u>646,981</u>
Expenditures:	
Current:	
General government	
Public safety	
Highways and streets	
Health and welfare	
Culture and recreation	
Capital outlay	<u>722,143</u>
Total Expenditures	<u>722,143</u>
Excess (deficiency) of revenues over expenditures	<u>(75,162)</u>
Other financing sources (uses):	
Operating transfers in	55,433
Operating transfers out	
Total other financing sources (uses)	<u>55,433</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing (uses)	<u>(19,729)</u>
Fund Balances, beginning of year	<u>19,729</u>
Fund Balances, end of year	<u>\$ -0-</u>

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**STATEMENT OF REVENUES AND EXPENDITURES - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL (NON-GAAP BUDGETARY BASIS) - CAPITAL PROJECTS FUND - CDBG-QUAY HOSPITAL ROOF
FOR THE YEAR ENDED JUNE 30, 2009**

	655			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:				
Local sources		\$ 336,000	\$ 336,000	\$ -0-
Local and state-shared taxes				
State sources				
Federal sources	\$ 300,000	300,000	264,543	(35,457)
Charges for services				
Interest	-0-	-0-	1,861	1,861
Total Revenues	<u>300,000</u>	<u>636,000</u>	<u>602,404</u>	<u>(33,596)</u>
Other financing sources:				
Transfers in	<u>500,000</u>	<u>500,000</u>	<u>55,433</u>	<u>(444,567)</u>
Total Revenues and other financing sources	<u>800,000</u>	<u>1,136,000</u>	<u>657,837</u>	<u>(478,163)</u>
EXPENDITURES:				
Capital Outlay	<u>1,261,375</u>	<u>671,349</u>	<u>667,368</u>	<u>3,981</u>
Total Expenditures	<u>1,261,375</u>	<u>671,349</u>	<u>667,368</u>	<u>3,981</u>
Excess (deficiency) of revenues over Expenditures and other financing uses	(461,375)	<u>\$ 464,651</u>	<u>\$ (9,531)</u>	<u>\$ (474,182)</u>
Prior year cash balance required to Balance budget	<u>\$ 461,375</u>			

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

AGENCY FUNDS

Agency funds are used to account for assets held by the County as an agent for other governments and/or other funds.

Children's Trust Fund - To account for a \$15.00 fee collected by the County Clerk for issuing, acknowledging and recording a marriage license and marriage certificate in accordance with Section 40-1-11E NMSA 1978.

Taxes Paid in Advance - To account for the prepayment of property taxes which are not legally due, in accordance with Section 7-38-38.2 NMSA 1978.

Taxes Paid Under Protest – To account for amounts paid by taxpayers and held until their valuations protests are heard.

Cost to State - To account for costs collected for the State of New Mexico.

Overpayment of Taxes - To account for the overpayment of property taxes in accordance with Section 7-38-38B NMSA 1978. The fund is used to account for excess property taxes paid until a refund can be made to the taxpayer.

Undistributed Taxes - To account for property taxes collected by the County Treasurer and distributed to other governmental units in accordance with Section 7-38-43 NMSA 1978.

Detention Center - To account for funds held for inmates, and to account for expenditures for supplies for sale to inmates.

STATE OF NEW MEXICO
COUNTY OF QUAY

COMBINING BALANCE SHEET - ALL AGENCY FUNDS
JUNE 30, 2009

	Children's Trust Fund	Taxes Paid In Advance	Cost to State	Overpayment Of Taxes	Undistributed Taxes	Detention Center	Total
ASSETS							
Due from other funds	\$ 1,257	\$ 3,039	-0-	\$ -0-	\$ -0-	\$ 715	\$ 5,011
Property taxes receivable					347,162		347,162
Total Assets	\$ 1,257	\$ 3,039	\$ -0-	\$ -0-	\$ 347,162	\$ 715	\$ 352,173
LIABILITIES							
Deposits held for others	\$ 1,257	\$ 3,039	\$ -0-	\$ -0-	\$ -0-	\$ 715	\$ 5,011
Due to other governmental units					347,162		347,162
Total Liabilities	\$ 1,257	\$ 3,039	\$ -0-	\$ -0-	\$ 347,162	\$ 715	\$ 352,173

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2009**

	Balance June 30, 2008	Additions	Deletions	Balance June 30, 2009
CHILDREN'S TRUST FUND:				
Assets				
Due from other funds	\$ 1,257	\$ -0-	\$ -0-	\$ 1,257
Total Assets	\$ 1,257	\$ -0-	\$ -0-	\$ 1,257
Liabilities				
Deposits held for others	\$ 1,257	\$ -0-	\$ -0-	\$ 1,257
Total Liabilities	\$ 1,257	\$ -0-	\$ -0-	\$ 1,257
TAXES PAID IN ADVANCE:				
Assets				
Due from other funds	\$ 2,375	\$ 823	\$ 159	\$ 3,039
Total Assets	\$ 2,375	\$ 823	\$ 159	\$ 3,039
Liabilities				
Deposits held for others	\$ 2,375	\$ 823	\$ 159	\$ 3,039
Total Liabilities	\$ 2,375	\$ 823	\$ 159	\$ 3,039
TAXES PAID UNDER PROTEST:				
Assets				
Due from other funds	\$ 217,638	\$ 58,783	\$ 276,421	\$ -0-
Total Assets	\$ 217,638	\$ 58,783	\$ 276,421	\$ -0-
Liabilities				
Deposits held for others	\$ 217,638	\$ 58,783	\$ 276,421	\$ -0-
Total Liabilities	\$ 217,638	\$ 58,783	\$ 276,421	\$ -0-

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

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS - (Continued)
FOR THE YEAR ENDED JUNE 30, 2009**

	Balance June 30, 2008	Additions	Deletions	Balance June 30, 2009
COST TO STATE:				
Assets				
Due from other funds	\$ -0-	\$ 4,237	\$ 4,237	\$ -0-
Total Assets	\$ -0-	\$ 4,237	\$ 4,237	\$ -0-
Liabilities				
Deposits held for others	\$ -0-	\$ 4,237	\$ 4,237	\$ -0-
Total Liabilities	\$ -0-	\$ 4,237	\$ 4,237	\$ -0-
OVERPAYMENT OF TAXES:				
Assets				
Due from other funds	\$ -0-	\$ 864	\$ 864	\$ -0-
Total Assets	\$ -0-	\$ 864	\$ 864	\$ -0-
Liabilities				
Deposits held for others	\$ -0-	\$ 864	\$ 864	\$ -0-
Total Liabilities	\$ -0-	\$ 864	\$ 864	\$ -0-
UNDISTRIBUTED TAXES:				
Assets				
Due from other funds	\$ 1,047	\$ 2,434,278	\$ 2,435,325	\$ -0-
Property taxes receivable	-0-	347,162	-0-	347,162
Total Assets	\$ 1,047	\$ 2,781,440	\$ 2,435,325	\$ 347,162
Liabilities				
Deposits held for others	\$ 1,047	\$ 2,434,278	\$ 2,435,325	\$ -0-
Due to other governmental units	-0-	347,162	-0-	347,162
Total Liabilities	\$ 1,047	\$ 2,781,440	\$ 2,435,325	\$ 347,162

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

**STATE OF NEW MEXICO
 COUNTY OF QUAY**

**COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES -
 ALL AGENCY FUNDS - (Continued)
 FOR THE YEAR ENDED JUNE 30, 2009**

	<u>Balance June 30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2009</u>
DETENTION CENTER:				
Assets				
Due from other funds	\$ 4,887	\$ 89,069	\$ 93,241	\$ 715
Total Assets	<u>\$ 4,887</u>	<u>\$ 89,069</u>	<u>\$ 93,241</u>	<u>\$ 715</u>
Liabilities				
Deposits held for others	\$ 4,887	\$ 89,069	\$ 93,241	\$ 715
Total Liabilities	<u>\$ 4,887</u>	<u>\$ 89,069</u>	<u>\$ 93,241</u>	<u>\$ 715</u>
TOTALS - ALL AGENCY FUNDS:				
Assets				
Due from other funds	\$ 227,204	\$ 2,588,054	\$ 2,810,247	\$ 5,011
Property taxes receivable	-0-	347,162	-0-	347,162
Total Assets	<u>\$ 227,204</u>	<u>\$ 2,935,216</u>	<u>\$ 2,810,247</u>	<u>\$ 352,173</u>
Liabilities				
Deposits held for others	\$ 227,204	\$ 2,588,054	\$ 2,810,247	\$ 5,011
Due to other governmental units	-	347,162	-0-	347,162
Total Liabilities	<u>\$ 227,204</u>	<u>\$ 2,935,216</u>	<u>\$ 2,810,247</u>	<u>\$ 352,173</u>

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

SUPPLEMENTARY INFORMATION

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**TREASURER'S PROPERTY TAX SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2009**

	Balance June 30, 2008	Taxes Collected	Taxes Distributed	Balance June 30, 2009
<u>County Funds</u>				
General Fund Current Taxes		\$ 998,968	\$ 998,968	-0-
Delinquent Taxes		121,447	121,447	-0-
Reappraisal Fund		35,695	35,695	-0-
Subtotal	\$ -0-	1,156,110	1,156,110	\$ -0-
<u>Special Districts</u>				
Dan Trigg Hospital		209,219	209,219	-0-
Arch Hurley Conservancy Dist.		279,314	279,314	-0-
Mesalands Community College		185,576	185,576	-0-
Subtotal	-0-	674,109	674,109	-0-
<u>Municipalities</u>				
City of Tucumcari		267,619	267,619	-0-
Village of House		2,871	2,871	-0-
Village of Logan		109,003	109,003	-0-
Village of San Jon		7,582	7,582	-0-
Subtotal	-0-	387,075	387,075	-0-
<u>State of New Mexico</u>				
State Debt Service		174,125	174,125	-0-
Cattle		51,268	51,268	-0-
Sheep		103	103	-0-
Dairy		-0-	-0-	-0-
Swine		2	2	-0-
Subtotal	-0-	225,498	225,498	-0-
<u>Schools</u>				
School District No. 1		716,790	716,790	-0-
School District No. 19		12,662	12,662	-0-
School District No. 32	1,046	229,226	230,272	-0-
School District No. 33		26,213	26,213	-0-
School District No. 34		150,205	150,205	-0-
School District No. 47	1	5,764	5,765	-0-
School District No. 53		6,736	6,736	-0-
Total	1,047	1,147,596	1,148,643	-0-
Grand Total	\$ 1,047	\$ 3,590,388	\$ 3,591,435	\$ -0-

STATE OF NEW MEXICO
COUNTY OF QUAY

LIST OF INDIVIDUAL DEPOSIT AND INVESTMENT ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2009

<u>Account Name</u>	<u>Type</u>	<u>Well Fargo Bank</u>	<u>Citizens Bank</u>	<u>First National Bank of New Mexico</u>	<u>Tucumcari Federal Savings and Loan</u>	<u>Total</u>
County Treasurer	Checking	\$ 36,867		\$ 5,416,313		\$ 5,453,180
	Certificates of deposit				\$ 100,000	100,000
Seizure Fund	Checking			100		100
Detention Center	Checking		\$ 1,987			1,987
Total bank balances		36,867	1,987	5,416,413	100,000	5,555,267
Deposits in transit		5		2,713		2,718
Outstanding checks			(1,272)	(522,162)		(523,434)
Reconciled balances		<u>\$ 36,872</u>	<u>\$ 715</u>	<u>\$ 4,896,964</u>	<u>\$ 100,000</u>	<u>5,034,551</u>
Petty cash - Treasurer						566
Petty cash - Clerk						25
Total cash, petty cash and investments						<u>\$ 5,035,142</u>

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**SCHEDULE OF PLEDGED COLLATERAL
FOR THE YEAR ENDED JUNE 30, 2009**

New Mexico statutes provide that deposits of public monies in financial institutions must be secured by pledged collateral in an aggregate value equal to one-half of the amount of the public monies deposited after deducting the amount of Federal Deposit Insurance Corporation insurance coverage for each financial institution.

The following is a description of cash on deposit by financial institution and the related pledged collateral at June 30, 2009:

WELLS FARGO BANK, NEW MEXICO, N.A., Tucumcari, NM	
Treasurer's Account – Checking	\$ 36,872
Total demand deposits	36,872
Less FDIC insurance	(36,872)
Uninsured public funds	<u>\$ -0-</u>
CITIZENS BANK, Tucumcari, NM	
Detention Center - Checking	\$ 1,987
Certificates of Deposit	
Total deposits	1,987
Less FDIC insurance	(1,987)
Uninsured public funds	<u>\$ -0-</u>
FIRST NATIONAL BANK OF NEW MEXICO, Tucumcari, NM	
Treasurer's Account - Checking	\$ 5,416,313
Seizure of Assets- Checking	100
Total deposits	5,416,413
Less FDIC insurance	(250,000)
Uninsured public funds	<u>\$ 5,166,413</u>
 50% collateral requirement	 <u>\$ 2,583,207</u>

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**SCHEDULE OF PLEDGED COLLATERAL - (Continued)
FOR THE YEAR ENDED JUNE 30, 2009**

Amounts are collateralized with the following securities held by the Federal Home Loan Bank, Dallas, TX:

Description	CUSIP	Rate	Maturity Date	Face	Market	Pledged Value
Bern. NM School District	05279MU8	3.45%	8/1/15	\$ 125,000	\$ 130,437	\$ 125,000
Belen, NM Gross Receipts Tax	077571BR7	4.5%	6/1/10	100,000	101,373	100,000
Belen, NM Cons. Sch. Dist.	077581MK9	5.0%	8/1/15	150,000	171,566	150,000
Belen, NM Cons. Sch. Dist.	077581MJ2	4.0%	8/1/14	100,000	108,975	100,000
Belen, NM Cons. Sch. Dist.	077581MK9	5.0%	8/1/15	100,000	114,377	100,000
Tularosa, NM Mun. Sch. Dist.	899172GN4	4.125%	7/1/14	100,000	107,561	100,000
Tularosa, NM Mun. Sch. Dist.	899172GM6	4.125%	7/1/13	100,000	107,913	100,000
FNMA-Pool #254583	31371KXL0	5.5%	12/1/09	5,588	5,614	5,614
Taos, NM Mun. Sch. Dist.	87601EW7	3.95%	7/1/11	100,000	105,656	100,000
FHLMC-ARM	3128QHVP2	5.441%	9/1/36	65,498	68,386	68,386
Ruidoso, NM Mun. Sch. Dist.	78133GS1	4.125%	8/1/11	100,000	107,458	100,000
FHLMC-ARM	3128NCMT8	5.074%	10/1/35	238,896	247,755	247,755
Portales, NM Mun. Sch. Dist.	736151CZ2	3.0%	2/1/16	150,000	153,335	150,000
Gallup-McKinley Cty. NM Sch.	364010PD4	4.0%	8/1/17	250,000	267,834	250,000
Farmington, NM Mun. Sch. Dist.	311441JF7	3.0%	9/1/12	200,000	201,209	200,000
FFCB Fixed Rate Note	31331GPT0	4.6%	3/11/19	200,000	197,534	197,534
Alamagordo, NM Mun. Sch. Dist.	011464FK5	3.0%	8/1/14	25,000	25,456	25,000
Dulce, NM Sch. Dist.	26440GD6	4.0%	6/1/14	100,000	101,490	100,000
FFCB Fixed Rate Note	31331XKB7	5.05%	12/27/18	100,000	104,488	104,488
Dulce, NM Sch. Dist.	26443OGQ6	4.00%	6/1/14	100,000	101,490	100,000
FFCB Fixed Rate Note	31331XKB7	5.05%	12/27/18	200,000	208,976	208,976
Total pledged						<u>2,632,753</u>

Amount over requirement \$ 49,546

TUCUMCARI FEDERAL SAVINGS AND LOAN, Tucumcari, NM

Certificate of Deposit	\$ 100,000
Less FDIC insurance	(100,000)
Uninsured public funds	<u>\$ -0-</u>
50% collateral requirement	\$ -0-
Amount pledged	<u>-0-</u>
Amount under requirement	<u>\$ -0-</u>

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**JOINT POWERS AGREEMENTS
FOR THE YEAR ENDED JUNE 30, 2009**

Description:	Law Enforcement Services
Purpose:	To share Law Enforcement grant funds
Participants:	Village of San Jon and Quay County
Party responsible for operations:	County of Quay.
Beginning date of agreement:	November 7, 2008
Ending date:	June 30, 2009
Total estimated amount of project:	\$20,000
Amount County contributed in current fiscal year:	-0-
Audit responsibility:	County of Quay.
Fiscal Agent:	County of Quay.
Name of government where revenues and expenditures are reported:	County of Quay.

Description:	911 Emergency Communications Center
Purpose:	Maintains Dispatch Center.
Participants:	County of Quay and City of Tucumcari
Party responsible for operations:	City of Tucumcari.
Beginning date of agreement:	June 30, 2009
Ending date:	Until terminated.
Total estimated amount of project:	Unknown.
Amount County contributed in current fiscal year:	\$ -0-
Audit responsibility:	City of Tucumcari.
Fiscal Agent:	City of Tucumcari.
Name of government where revenues and expenditures are reported:	City of Tucumcari

OTHER REPORT

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W
M

CHESTER W. MATTOCKS
CERTIFIED PUBLIC ACCOUNTANT

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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***

Members of the Board of County Commissioners
County of Quay
Tucumcari, New Mexico

and

Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

I have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information and the budgetary comparisons of the General Fund and the Road, Detention Center and Hospital Special Revenue Funds of the State of New Mexico, County of Quay (County) and the financial statements of each of the County's nonmajor governmental and fiduciary funds presented as supplementary information in the combining and individual fund financial statements as of and for the year ended June 30, 2009, and have issued my report thereon dated November 6, 2009 in which I disclaim an opinion on the statement of net assets and statement of activities due to a lack of detailed records in support of capital assets, and in which I disclaim an opinion on the changes in financial position, but give an unqualified opinion on the financial position of the governmental funds financial statements. Except as noted in that report, I conducted my 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 my audit, I considered the County's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the County's internal control over financial reporting.

My 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, I identified certain deficiencies in internal control over financial reporting that I consider to be significant deficiencies.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County'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 County's financial statements that is more than inconsequential will not be prevented or

detected by the County's internal control. I consider the deficiencies described in the accompanying Schedule of Findings to be significant deficiencies in internal control over financial reporting. They are items 09-1,09-2,09-3,09-4,09-6, and 09-9.

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 the County's internal control.

My consideration of the 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 the 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, I consider the following items to be material weaknesses: 09-1 and 09-3.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion.

However, I noted instances of noncompliance that are required to be reported under Government Auditing Standards paragraphs 5.14 and 5.16 and section 12-6-5, NMSA, 1978 and which are described in the accompanying Schedule of Findings and Responses as items 01-12,09-5,09-7 and 09-8.

The County's responses to the findings identified in my audit are described in the accompanying Schedule of Findings and Responses. I did not audit the County's responses, and accordingly, I express no opinion on them.

This report is intended solely for the information and use of the Board of County Commissioners, management of the County, the State of New Mexico Department of Finance and Administration, and the State of New Mexico Office of the State Auditor, and is not intended to be and should not be used by anyone other than these specified parties.

Chester W. Matthews, CPA

November 6, 2009

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED JUNE 30, 2009**

01-12 - PROPERTY TAX TEN YEAR HISTORY

Statement of finding: A ten-year history of assessments and tax collections by individual entity was not available. (The ten-year tax collections history is available.)

Criteria: SAO Rule 2.2.2.12D requires a schedule of the ten-year history of tax collections by entity be presented in the form outlined in SAO Rule Appendix D. This is now required due to the adoption of GASB #33.

Effect: A historical view of past tax collections and the ability to compare past years with current collections is not available.

Cause: Computer problems did not allow this information to be available.

Recommendation: The County should program the new system to make this information available.

Management's response: New system will develop 10 year tax collection history.

09- 1 - DELINQUENT TAXES RECEIVABLE RECONCILIATION

Statement of finding: The Treasurer's Tax Roll Reconciliation at June 30, 2009 did not agree to the detail taxes receivable ledger by approximately \$55,000. These two reports are generated by the same software.

Criteria: The reports should agree or they should be reconciled.

Effect: Collection of taxes may be impaired.

Cause: There have been computer conversions in the past which may have caused the problem. Also, the software vendor had been unable to resolve the issue. It could be that the parameters for the reports need to be reviewed.

Recommendation: The County should contact the software vendor and have them resolve the problem completely.

Management's response: Quay County has been working with Tyler Technologies for the last two years and they acknowledge there is a problem and are trying to resolve it.

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**SCHEDULE OF FINDINGS AND RESPONSES - (Continued)
FOR THE YEAR ENDED JUNE 30, 2009**

09-2 - DISASTER RECOVERY SYSTEM

Statement of finding: The County does not have a formal written disaster recovery plan. This plan should address issues such as back-up procedures, security issues, changing of passwords and other issues in all functions of the County. This plan should be updated periodically and tested periodically.

Criteria: If a disaster does occur, a good plan should minimize its impact.

Effect: A disaster could have a major impact on the County if the County is not prepared.

Cause: Each function of the County handles these issues. Most functions do not completely address the issues. Backup procedures are not consistently performed.

Recommendation: A formal written disaster plan should be developed for all functions of the County.

Management's response: Quay County has updated their equipment and software to increase the security. We will develop a written plan and procedure to address a disaster recovery.

09-3 - CAPITAL ASSETS MANAGEMENT

Statement of finding: A complete detailed list of the capital asset inventory was not available for audit, including the capital assets of the hospital. The listing should only contain items above the capitalization level at time of purchase. Land should be allocated to the various buildings. A depreciation schedule should be completed.

Criteria: Accounting principles generally accepted in the United States of America require governments to account for all capital assets owned by the government. Per state regulations, a complete inventory of capital assets should be completed each year.

Effect: County records do not accurately reflect the amounts invested in capital assets.

Cause: This was not considered a priority.

Recommendation: County management should continue to conduct its annual inventory of capital assets, and should maintain this list and update it with additions and deletions for the current year.

Management's response: Quay County agrees that an annual inventory will continue to be done and input into our Asset Management software so the depreciation schedule will be correct.

STATE OF NEW MEXICO
COUNTY OF QUAY

SCHEDULE OF FINDINGS AND RESPONSES - (Continued)
FOR THE YEAR ENDED JUNE 30, 2009

09-4 - DETENTION CENTER ACCOUNTING

Statement of finding: The Detention Center has its own bank account for inmate funds. Bank reconciliations apparently are not regularly prepared. Support for some transactions is minimal. There is no outside oversight over this account. The County did not comply with Section 6-6-3 NMSA 1978 in regards to keeping records in the form prescribed by the Local Government Division.

Criteria: Bank reconciliations should be prepared each month. Someone besides the preparer should review the bank reconciliations and the underlying transactions to ensure that they are supported.

Effect: There is a potential for fraud because of the lack of outside oversight.

Cause: Inmate account is necessary due to the nature of inmates. However, personnel involved are not accounting personnel.

Recommendation: Bank reconciliations should be prepared monthly. Someone besides the preparer should review the reconciliations and the underlying transactions to ensure accuracy and completeness. DFA should be contacted to determine if the bank account should be included in the Treasurer's records.

Management's response: The Detention Center will bring all statements and detail of the inmates funds to the manager's office for review each month.

09-5 - COMPLIANCE WITH FAIR LABOR STANDARDS ACT (ACT)

Statement of finding: Three non-law enforcement employees at June 30, 2009 were noted to have a high level of comp. time. The comp time for these individuals exceeds the limit of 240 hours before overtime must be paid per the Act.

Criteria: The Act provides that non-law enforcement employees must be paid overtime for hours in excess of 240. The County Personnel Policy also provides that comp time carryover should be used in thirty days.

Effect: The County is not in compliance with the Act.

Cause: Monitoring of comp time has not effective in these instances.

Recommendation: The monitoring process should be reviewed to see where improvements may be made.

Management's response: Quay County does agree the maintenance personnel need to reduce their comp time carryover, but it is difficult with limited personnel.

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**SCHEDULE OF FINDINGS AND RESPONSES - (Continued)
FOR THE YEAR ENDED JUNE 30, 2009**

09-6 – EXPENDITURE EXCEPTIONS

Statement of finding: The following were noted during an examination of one hundred and twenty cash disbursements:

1. For twenty-six expenditures, the invoices were not cancelled.
2. For five expenditures, totaling \$17,457, the purchase order or requisition was dated after the invoice.
3. For twenty-six expenditures, there were no indications of complete receipt of goods or services.
4. For one expenditure, for \$61, there was no proper approval.
5. One payment for \$412 was made based on a statement rather than invoices.
6. No purchase order was noted for part of one expenditure totaling \$539.

Criteria: Support for cash disbursements should be complete, and all approvals and receipts of goods and services should be documented, per the Quay County Purchasing Policy and Procurement Manual.

Effect: Some cash disbursements that were improper may have been paid.

Cause: Cash disbursement procedures were not followed.

Recommendation: Procedures should be reviewed to determine where improvements may be made.

Management's response: Management concurs and will make improvements as determined by the review.

09-7 – PERSONNEL FILES

Statement of finding: The following exceptions were noted during a review of twenty-five personnel files. Forms I-9 were completed incorrectly for four persons.

Criteria: Personnel files should be complete and document approved pay rates and other information.

Effect: Without complete information, personnel files are not as useful as they could be. Incorrect Forms I-9 could result in penalties being assessed.

Cause: Forms I-9 have usually not been completed properly. There has been a recent effort to prepare correct Form I-9s for current employees.

Recommendation: Forms I-9 should be complete for all employees

Management's response: Staff has updated current files.

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**SCHEDULE OF FINDINGS AND RESPONSES - (Continued)
FOR THE YEAR ENDED JUNE 30, 2009**

09-8 - ACTUAL EXPENDITURES EXCEEDED BUDGETED EXPENDITURES

Statement of finding: Expenditures exceeded budgeted amounts in the following fund for the year ended June 30, 2009:

	<u>Amount over Budget</u>
<u>Special Revenue Funds:</u>	
Magistrate Court-Misdemeanor	\$ 50

Criteria: Section 6-6-6 NMSA 1978 states that expenditures cannot exceed budgeted amounts, as adjusted. For the County, this level of control is at the fund level.

Effect: The overspending of budgets shows a lack of internal control and a violation of state statute.

Cause: Expenditures were not monitored sufficiently.

Recommendation: The County should monitor the budgets and expenditures monthly and request budget adjustment requests when necessary.

Management's response: Management will continue to monitor the budget.

09-9 - PRIOR PERIOD ADJUSTMENT

Statement of finding: A prior period adjustment was necessary to correct the beginning balances of notes payable at June 30, 2008 by increasing it by \$330,115.

Criteria: Prior period adjustments should rarely occur if an accounting system is functioning properly.

Effect: The prior year audit was misstated in regards to notes payable. Reported debt was understated.

Cause: An oversight apparently occurred.

Recommendation: Management should institute procedures to prevent reoccurrences.

Management's response: Management concurs and will review the finding to determine how to prevent reoccurrences.

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2009**

08-1 – Delinquent Taxes Receivable Reconciliation – Rewritten and repeated as 09-1

08-2 – Software Systems and Backup Procedures – Repeated as part of 09-2.

08-3 – Accounting for Outstanding Debt Issues – Resolved.

08-4 – Accounting for Leases – Resolved.

08-5 – Accrual of Revenue – Resolved.

08-6 – Capital Asset Accounting – Rewritten and repeated as 09-3.

08-7 – Detention Center-Accounting Center – Partially resolved and repeated as 09-4.

08-8 – Recording of Interest Income – Resolved.

08-9 – Sole Community Provider Accounting – Resolved.

08-10 – Procurement Code Violation – Resolved.

08-11 – PERA Required Contribution – Resolved.

08-12 – Cell Phone Allowance -Resolved.

08-13 – Compliance with Fair Standards Act – Repeated as 09-5.

08-14 – Actual Expenditures in Excess of Budget – Repeated as 09-8.

08-15 – Late Submission of Audit Report – Resolved.

08-16 – Valuation Increases of Property – Resolved.

**STATE OF NEW MEXICO
COUNTY OF QUAY**

**EXIT CONFERENCE
FOR THE YEAR ENDED JUNE 30, 2009**

An exit conference was held on November 16, 2009 to discuss the above findings. Notice of this meeting was disclosed pursuant to the Open Meetings Act (10-15-1, NMSA 1978.) Because the audit report was not yet released by the Office of the State Auditor, the meeting was a closed session. Attending were the following persons:

Representing the County:

Franklin D. McCasland, Chairman
Bill Curry, County Commissioner
Robert Lopez, County Commissioner
Donna Dominquez, County Treasurer
Richard Primrose, County Manager
Loraine Otero, Finance Clerk

Representing the Auditor:

Chester W. Mattocks, CPA

Note: The financial statements in this report were substantially prepared by the independent auditor, Chester W. Mattocks, CPA, with the assistance of County management.