

**STATE OF NEW MEXICO**  
**SOCORRO COUNTY**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2008**

(This page intentionally left blank)

## **INTRODUCTORY SECTION**

(This page intentionally left blank)

**STATE OF NEW MEXICO**

Socorro County

Official Roster

June 30, 2008

<b><u>Name</u></b>	<b><u>Board of County Commissioners</u></b>	<b><u>Title</u></b>
Joseph "Jay" A. Santillanes		Chair, District IV
Stanley Herrera		Vice-Chair, District II
Rosalind F. "Rosie" Tripp		Commissioner, District I
Phillip A. Anaya, Jr.		Commissioner, District III
Charles E. Gallegos		Commissioner, District V

**Elected Officials**

Valentin Anaya, Jr.	County Assessor
Audrey Jaramillo	County Clerk
Phillip R. Montoya	County Sheriff
Genevie Baca	County Treasurer

**Administrative Officials**

Delilah Walsh	County Manager
Roberta Smith	Finance Director
Carmen Gallegos	Deputy County Clerk
Tina Lujan	Deputy County Treasurer

(This page intentionally left blank)

**STATE OF NEW MEXICO**

Socorro County

June 30, 2008

Table of Contents

	<u>Exhibit</u>	<u>Page</u>
<b>INTRODUCTORY SECTION</b>		
Official Roster		5
Table of Contents		7-9
<b>FINANCIAL SECTION</b>		
Independent Auditors' Report		13-14
<b>BASIC FINANCIAL STATEMENTS</b>		
Government-wide Financial Statements:		
Statement of Net Assets	A-1	16
Statement of Activities	A-2	17
Fund Financial Statements:		
Balance Sheet – Governmental Funds	B-1	18-19
Reconciliation of the Balance Sheet to the Statement of Net Assets		21
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	B-2	22-23
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities		25
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual – General Fund	C-1	26
Road Fund - Special Revenue Fund	C-2	27
Statement of Fiduciary Assets and Liabilities – Agency Funds	D-1	29
 NOTES TO THE FINANCIAL STATEMENTS		 31-53
<b>SUPPLEMENTARY INFORMATION</b>	<u>Statement</u>	
Nonmajor Governmental Funds Descriptions		59-61
<b>COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES</b>		
Combining Balance Sheet – Nonmajor Governmental Funds	A-1	62-71
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	A-2	72-81
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual:		
Forest Reserve Title III - Special Revenue Fund	B-1	82
Farm and Range Improvement - Special Revenue Fund	B-2	83
Recreation Fund - Special Revenue Fund	B-3	84
Midway Fire - Special Revenue Fund	B-4	85
San Antonio Fire - Special Revenue Fund	B-5	86
Veguita Fire - Special Revenue Fund	B-6	87
Abeytas Fire - Special Revenue Fund	B-7	88
La Joya Fire - Special Revenue Fund	B-8	89
Alamo EMS – Special Revenue Fund	B-9	90
Fire Excise Tax – Special Revenue Fund	B-10	91
Law Enforcement Protection – Special Revenue Fund	B-11	92

**STATE OF NEW MEXICO**

Socorro County

June 30, 2008

Table of Contents

	<u>Statement/ Schedule</u>	<u>Page</u>
COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (CONTINUED)		
Statement of Revenues, Expenditures, and Changes in Fund Balance –		
Budget (Non-GAAP Budgetary Basis) and Actual:		
Property Administration – Special Revenue Fund	B-12	93
VLA EMS – Special Revenue Fund	B-13	94
Clerk Filing Fees - Special Revenue Fund	B-14	95
Midway EMS - Special Revenue Fund	B-15	96
DWI Grant - Special Revenue Fund	B-16	97
Parks Department – Special Revenue Fund	B-17	98
San Antonio EMS – Special Revenue Fund	B-18	99
Re-Evaluation Assessors – Special Revenue Fund	B-19	100
Technology Purchases 2005 – Special Revenue Fund	B-20	101
Senior Center – Special Revenue Fund	B-21	102
2003 Legislative Appropriation – Special Revenue Fund	B-22	103
Wildland Grant – Special Revenue Fund	B-23	104
Telecommunications Fund – Special Revenue Fund	B-24	105
Hop Canyon Fire – Special Revenue Fund	B-25	106
Confiscated Funds – Special Revenue Fund	B-26	107
General Obligation Bond Fund – Debt Service Fund	B-27	108
NMFA San Antonio Fire – Debt Service Fund	B-28	109
NMFA Abeytas Fire – Debt Service Fund	B-29	110
NMFA Midway – Debt Service Fund	B-30	111
NMFA San Antonio #3 Pumper – Debt Service Fund	B-31	112
NMFA Loan County – Debt Service Fund	B-32	113
NMFA San Antonio #2 – Debt Service Fund	B-33	114
NMFA Veguita – Debt Service Fund	B-34	115
NMFA Abeytas #2 – Debt Service Fund	B-35	116
NMFA Hop Canyon – Debt Service Fund	B-36	117
NMFA BLM Building Purchase – Debt Service Fund	B-37	118
NMFA Sheriff Department Vehicles Fund – Debt Service Fund	B-38	119
Legislative Appropriations – Capital Projects Fund	B-39	120
Rio Abajo Library – Capital Projects Fund	B-40	121
Northern Medical Center Fund– Capital Projects Fund	B-41	122
Detention Center Fund – Capital Projects Fund	B-42	123
Repair and Replacement Fund – Capital Projects Fund	B-43	124
Sabinal and Abeytas Center Fund – Capital Projects Fund	B-44	125
Alamo Water Improvement Project Fund – Capital Projects Fund	B-45	126
Boys and Girls Club Fund – Capital Projects Fund	B-46	127
La Joya Community Center Fund – Capital Projects Fund	B-47	128
Escondida Lake – Capital Projects Fund	B-48	129



**STATE OF NEW MEXICO**

Socorro County

June 30, 2008

Table of Contents

	<u>Statement/ Schedule</u>	<u>Page</u>
<b>SUPPORTING SCHEDULES</b>		
Schedule of Collateral Pledged by Depository for Public Funds	I	133
Schedule of Deposit and Investment Accounts	II	134-135
Schedule of Changes in Fiduciary Assets and Liabilities – Agency Fund	III	137
<b>COMPLIANCE SECTION</b>		
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		141-142
Schedule of Findings and Responses	IV	143-157
Other Disclosures		159

(This page intentionally left blank)

**FINANCIAL SECTION**

(This page intentionally left blank)



**Accounting & Consulting Group, LLP**

**INDEPENDENT AUDITORS' REPORT**

Hector Balderas  
New Mexico State Auditor and  
County Manager and County Commissioners  
Socorro County  
Socorro, New Mexico

We were engaged to audit the accompanying financial statements of the governmental activities, each major fund, the budgetary comparisons for the general fund and the major special revenue fund, and the aggregate remaining fund information of Socorro County, (County) New Mexico as of and for the year ended June 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. We were also engaged to audit the financial statements of each of the County's nonmajor governmental funds and the budgetary comparisons for the major capital projects fund and remaining nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2008 as listed in the table of contents. These financial statements are the responsibility of Socorro County's management.

The financial statements do not include financial data for the County's legally separate component unit. Accounting principles generally accepted in the United States of America require the financial data for this component unit to be reported with the financial data of the County's primary government unless the County also issues financial statements for the financial reporting entity that includes financial data for its component unit. The County has not issued such reporting entity financial statements. Because of this departure from accounting principles generally accepted in the United States of America, the assets, liabilities, net assets, revenues and expenditures of the discretely presented component unit would have been reported but the financial data was not available. In addition, the assets, liabilities, fund balances, revenues, and expenditures of the aggregate remaining fund information would have increased or decreased but the financial data was not available.

Because of the omission of the discretely presented component unit as discussed above, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the discretely presented component unit of the County, as of June 30, 2008, or the changes in financial position thereof for the year then ended.

In addition, the County did not maintain adequate accounting records relating to its property tax receivable, revenues and deferred revenues, or interfund balances as of June 30, 2008. Evidence supporting property tax assessments, adjustments and collections, and interfund balances were not available through the general ledger or County Treasurer's Reports. Furthermore, evidence supporting historical cost of capital assets maintained by the County was not available. We were not able to verify either accumulated depreciation at July 1, 2007 or the depreciation expense for the fiscal year ended June 30, 2008. The County's records do not permit the application of other auditing procedures to its property tax receivable, revenues and deferred revenues, interfund balances, capital assets, accumulated depreciation, and depreciation expense accounts.

Because we were unable to obtain adequate supporting documentation for the County's property tax receivable, revenues and deferred revenues, interfund balances, capital assets, accumulated depreciation, and depreciation expense accounts, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on the governmental activities, each major fund, or the aggregate remaining fund information of the County, as of June 30, 2008, and the respective changes in financial position thereof and the budgetary comparisons of the general fund and the major special revenue fund for the year then ended. Also, because of the significance of the matters discussed in the preceding paragraph, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on the respective financial position of the nonmajor governmental funds of the County as of June 30, 2008 and the respective changes in financial position, and the budgetary comparisons for the major capital projects fund and the remaining nonmajor funds, presented as supplementary information, thereof for the year then ended.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 10, 2009 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

We were engaged to conduct an audit for the purpose of forming opinions on the County's basic financial statements, combining and individual fund financial statements, and budgetary comparisons. The accompanying information listed as supporting Schedules I through III in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Because of the significance of the matters discussed in the preceding paragraphs, the scope of our work was not sufficient to enable us to express, and we do not express an opinion regarding whether schedules I through III are fairly stated, in all material respects, in relation to the basic financial statements and the remaining nonmajor governmental fund financial statements.

*Accounting & Consulting Group, L.L.P.*

Accounting & Consulting Group, LLP  
Albuquerque, New Mexico  
September 10, 2009

**BASIC  
FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO**  
Socorro County  
Statement of Net Assets  
For the Year Ended June 30, 2008

Exhibit A-1

	Governmental Activities
<b>ASSETS</b>	
Current assets	
Cash and cash equivalents	\$ 3,109,446
Investments	2,506,007
Accounts receivable:	
Property taxes	847,711
Other taxes	138,302
Intergovernmental	184,665
Other receivables	115,628
Total current assets	6,901,759
Noncurrent assets	
Restricted investments	82,572
Capital assets	15,133,568
Bond issuance costs, net of accumulated amortization	2,917
Total noncurrent assets	15,219,057
Total assets	\$ 22,120,816
<b>LIABILITIES</b>	
Current liabilities	
Accounts payable	\$ 434,129
Accrued payroll	116,804
Current portion of accrued compensated absences	62,732
Accrued interest	9,675
Current portion of long-term obligations	511,758
Total current liabilities	1,135,098
Noncurrent liabilities:	
Noncurrent portion of long-term obligations	2,907,429
Noncurrent portion of accrued compensated absences	60,988
Accrued landfill closure costs	96,250
Total noncurrent liabilities	3,064,667
Total liabilities	4,199,765
<b>NET ASSETS</b>	
Invested in capital assets, net of related debt	11,714,381
Restricted for:	
Debt service	500,123
Capital projects	2,177
Other purposes - special revenue	1,427,845
Undesignated	4,276,525
Total net assets	17,921,051
Total liabilities and net assets	\$ 22,120,816

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
Socorro County  
Statement of Activities  
For the Year Ended June 30, 2008

Exhibit A-2

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net Revenue (Expense) and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
<b>Primary government:</b>					
Governmental activities:					
General government	\$ 4,607,500	\$ -	\$ 1,614,795	\$ 223,239	\$ (2,769,466)
Public safety	868,256	156,410	1,161,418	109,191	558,763
Culture and recreation	644,437	-	436,777	77,904	(129,756)
Public works	1,196,768	12,258	639,762	65,942	(478,806)
Interest and other charges	127,095	-	-	-	(127,095)
<i>Total governmental activities</i>	<u>7,444,056</u>	<u>168,668</u>	<u>3,852,752</u>	<u>476,276</u>	<u>(2,946,360)</u>
Total primary government	<u>\$ 7,444,056</u>	<u>\$ 168,668</u>	<u>\$ 3,852,752</u>	<u>\$ 476,276</u>	<u>(2,946,360)</u>
<b>General revenues:</b>					
Taxes:					
Property taxes					2,374,935
Gross receipts taxes					1,150,152
Gasoline and motor vehicle taxes					730,355
Other taxes					100,280
Licenses and fees					424,554
Miscellaneous revenue					39,919
Unrestricted investment earnings					114,382
Transfers					<u>283,572</u>
Total general revenues and transfers					<u>5,218,149</u>
Change in net assets					2,271,789
Beginning net assets, as originally stated					14,897,895
Restatement (Note 19)					<u>751,367</u>
Beginning net assets, as restated					<u>15,649,262</u>
Ending net assets					<u>\$ 17,921,051</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**

Socorro County

Balance Sheet

Governmental Funds

June 30, 2008

	<u>General Fund</u>	<u>Road Fund</u>	<u>Boys and Girls Club Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 1,794,946	\$ 145,807	\$ -	\$ 1,168,693
Investments	2,506,007	-	-	82,572
Accounts receivable				
Property taxes	847,711	-	-	-
Other taxes	107,908	18,420	-	11,974
Intergovernmental	-	-	-	184,665
Other receivables	115,628	-	-	-
Due from other funds	290,973	-	-	-
	<u>5,663,173</u>	<u>164,227</u>	<u>-</u>	<u>1,447,904</u>
<i>Total assets</i>	<u>\$ 5,663,173</u>	<u>\$ 164,227</u>	<u>\$ -</u>	<u>\$ 1,447,904</u>
 <i>Liabilities and fund balance</i>				
<i>Liabilities</i>				
Accounts payable	\$ 145,667	\$ 12,255	\$ 246,341	\$ 29,866
Accrued payroll	83,517	20,168	-	13,119
Due to other funds	-	-	61,306	229,667
Deferred revenues	751,367	-	-	-
	<u>980,551</u>	<u>32,423</u>	<u>307,647</u>	<u>272,652</u>
<i>Total liabilities</i>	<u>980,551</u>	<u>32,423</u>	<u>307,647</u>	<u>272,652</u>
 <i>Fund balance:</i>				
Reserved for:				
Future debt service payments	-	-	-	82,572
Subsequent year's expenditures	-	-	-	111,553
Unreserved, reported in:				
General fund	4,682,622	-	-	-
Special revenue funds	-	131,804	-	868,211
Debt service funds	-	-	-	43,500
Capital projects funds	-	-	(307,647)	69,416
	<u>4,682,622</u>	<u>131,804</u>	<u>(307,647)</u>	<u>1,175,252</u>
<i>Total fund balance</i>	<u>4,682,622</u>	<u>131,804</u>	<u>(307,647)</u>	<u>1,175,252</u>
<i>Total liabilities and fund balance</i>	<u>\$ 5,663,173</u>	<u>\$ 164,227</u>	<u>\$ -</u>	<u>\$ 1,447,904</u>

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

Total  
Governmental  
Funds

\$ 3,109,446  
2,588,579

847,711  
138,302  
184,665  
115,628  
290,973

\$ 7,275,304

\$ 434,129  
116,804  
290,973  
751,367

1,593,273

82,572  
111,553

4,682,622  
1,000,015  
43,500  
(238,231)

5,682,031

\$ 7,275,304

(This page intentionally left blank)

**STATE OF NEW MEXICO**  
Socorro County  
Governmental Funds  
Reconciliation of the Balance Sheet to the Statement of Net Assets  
June 30, 2008

Exhibit B-1  
Page 2 of 2

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

Fund balances - total governmental funds	\$ 5,682,031
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	15,133,568
Other long-term assets are not available to pay for current period expenditures and are therefore, are deferred in the funds: 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	751,367
Bond issuance costs, including original issue discounts and premiums are not financial resources and, therefore, are not reported in the funds	2,917
Other long-term assets are not available to pay for current period expenditures and therefore, are not recorded in the funds: Accrued interest payable Current compensated absences (Note 7)	(9,675) (62,732)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds: General obligation and revenue bonds (Note 7) Landfill liability (Notes 7 and 12) Notes payable and capital leases (Note 7) Compensated absences (Note 7)	(1,875,000) (96,250) (1,544,187) <u>(60,988)</u>
Total net assets	<u><u>\$ 17,921,051</u></u>

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

**STATE OF NEW MEXICO**  
Socorro County  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2008

	General Fund	Road Fund	Boys and Girls Club Capital Projects Fund	Nonmajor Governmental Funds
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ 2,091,333	\$ -	\$ -	\$ 283,602
Gross receipts	1,150,152	-	-	-
Gasoline and motor vehicle	210,955	519,400	-	-
Other	1,587	-	-	98,693
<i>Intergovernmental:</i>				
Federal operating grants	125,024	62,373	-	101,409
Federal capital grants	-	-	-	65,942
State operating grants	1,750,501	629,732	-	1,183,712
State capital grants	-	-	7,499	402,836
Licenses and fees	321,952	-	-	102,602
Charges for services	12,258	-	-	156,410
Investment income	103,183	-	-	11,199
Miscellaneous	29,464	-	-	10,455
<i>Total revenues</i>	<u>5,796,409</u>	<u>1,211,505</u>	<u>7,499</u>	<u>2,416,860</u>
<i>Expenditures:</i>				
<i>Current:</i>				
General government	4,583,926	-	-	3,983
Public safety	35,000	-	-	832,673
Culture and recreation	-	-	-	644,437
Public works	-	1,148,955	-	47,813
Capital outlay	-	-	315,146	767,748
<i>Debt service:</i>				
Principal	-	77,810	-	345,814
Interest	-	17,071	-	113,526
Bond issuance cost	-	-	-	3,500
<i>Total expenditures</i>	<u>4,618,926</u>	<u>1,243,836</u>	<u>315,146</u>	<u>2,759,494</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,177,483</u>	<u>(32,331)</u>	<u>(307,647)</u>	<u>(342,634)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	623,537	-	-	479,592
Operating transfers (out)	(115,627)	-	-	(703,930)
Loan proceeds	-	-	-	70,000
Proceeds from disposition of assets	-	-	-	250,000
<i>Total other financing sources (uses)</i>	<u>507,910</u>	<u>-</u>	<u>-</u>	<u>95,662</u>
<i>Net change in fund balances</i>	1,685,393	(32,331)	(307,647)	(246,972)
<i>Fund balances - beginning of year</i>	<u>2,997,229</u>	<u>164,135</u>	<u>-</u>	<u>1,422,224</u>
<i>Fund balance - end of year</i>	<u>\$ 4,682,622</u>	<u>\$ 131,804</u>	<u>\$ (307,647)</u>	<u>\$ 1,175,252</u>

The accompanying notes are an integral part of these financial statements

Total  
Governmental  
Funds

---

\$ 2,374,935  
1,150,152  
730,355  
100,280

288,806  
65,942  
3,563,945  
410,335  
424,554  
168,668  
114,382  
39,919

---

9,432,273

4,587,909  
867,673  
644,437  
1,196,768  
1,082,894

423,624  
130,597  
3,500

---

8,937,402

---

494,871

1,103,129  
(819,557)  
70,000  
250,000

---

603,572

1,098,443

---

4,583,588

---

\$ 5,682,031

---

(This page intentionally left blank)



**STATE OF NEW MEXICO**  
 Socorro County  
 Reconciliation of the Statement of Revenues, Expenditures  
 and Changes in Fund Balances of Governmental Funds  
 to the Statement of Activities

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

Net change in fund balances - total governmental funds	\$	1,098,443
--	----	-----------

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital expenditures		1,082,894
Sale of property and equipment		(250,000)

The issuance of long-term debt (e.g., bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Increase in loan proceeds		(70,000)
Capital lease retirements		77,810
Increase in accrued compensated absences		(23,841)
Decrease in accrued interest expense		3,502
Bond issuance cost		3,500
Amortization of bond issuance cost		(583)
Notes payable retirements		120,814
Decrease of landfill liability		4,250
Principal payments on bonds		225,000
		225,000
Changes in net assets	\$	2,271,789

## STATE OF NEW MEXICO

Exhibit C-1

Socorro County

General Fund

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes				
Property	\$ 1,512,000	\$ 1,512,000	\$ 1,994,990	\$ 482,990
Gross Receipts	1,095,000	1,220,000	1,269,396	49,396
Gasoline and motor vehicle	209,000	209,000	189,717	(19,283)
Other	1,500	1,500	1,587	87
Intergovernmental income				
Federal operating grants	-	-	125,024	125,024
Federal capital grants	-	-	-	-
State operating grants	1,381,000	2,008,912	2,425,118	416,206
State capital grants	-	-	-	-
Licenses and fees	243,000	243,000	327,617	84,617
Charges for services	10,000	100,000	18,858	(81,142)
Investment income	100,000	100,000	103,183	3,183
Miscellaneous	1,700	4,625	29,464	24,839
<i>Total revenues</i>	<u>4,553,200</u>	<u>5,399,037</u>	<u>6,484,954</u>	<u>1,085,917</u>
<i>Expenditures:</i>				
Current				
General government	4,390,567	4,865,617	4,427,275	438,342
Public safety	-	30,000	35,000	(5,000)
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	96,500	223,755	286,391	(62,636)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>4,487,067</u>	<u>5,119,372</u>	<u>4,748,666</u>	<u>370,706</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>66,133</u>	<u>279,665</u>	<u>1,736,288</u>	<u>1,456,623</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	111,000	623,537	512,537
Operating transfers (out)	(151,504)	(1,605)	(115,627)	(114,022)
Bond proceeds	-	-	-	-
Designated cash	(66,133)	(390,665)	-	390,665
<i>Total other financing sources (uses)</i>	<u>(217,637)</u>	<u>(281,270)</u>	<u>507,910</u>	<u>789,180</u>
<i>Net change in fund balances</i>	<u>(151,504)</u>	<u>(1,605)</u>	<u>2,244,198</u>	<u>2,245,803</u>
<i>Fund balances - beginning of year, as originally stated</i>	-	-	2,262,196	2,262,196
<i>Restatement</i>	-	-	85,532	85,532
<i>Fund balances - beginning of year, as restated</i>	-	-	2,347,728	2,347,728
<i>Fund balances - end of year</i>	<u>\$ (151,504)</u>	<u>\$ (1,605)</u>	<u>\$ 4,591,926</u>	<u>\$ 4,593,531</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 2,244,198
Adjustments to revenue for accruals and other miscellaneous revenue accruals				(688,545)
Adjustments to expenditures for accrued wages, compensated absences, and function expenditures				129,740
Net change in fund balances (GAAP)				<u>\$ 1,685,393</u>

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

## STATE OF NEW MEXICO

Exhibit C-2

Socorro County  
Road Fund - Special Revenue Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross Receipts	-	-	-	-
Gasoline and motor vehicle	600,000	600,000	596,926	(3,074)
Other	-	-	-	-
Intergovernmental				
Federal operating grants	65,500	65,500	62,373	(3,127)
Federal capital grants	-	-	-	-
State operating grants	490,000	590,000	629,732	39,732
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	1,000	1,000	-	(1,000)
<i>Total revenues</i>	<u>1,156,500</u>	<u>1,256,500</u>	<u>1,289,031</u>	<u>32,531</u>
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	1,003,232	1,114,737	1,061,441	53,296
Capital outlay	140,000	140,000	148,935	(8,935)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>1,143,232</u>	<u>1,254,737</u>	<u>1,210,376</u>	<u>44,361</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>13,268</u>	<u>1,763</u>	<u>78,655</u>	<u>76,892</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	(143,353)	(143,353)
Bond proceeds	-	-	-	-
Designated cash	(13,268)	(1,763)	-	1,763
<i>Total other financing sources (uses)</i>	<u>(13,268)</u>	<u>(1,763)</u>	<u>(143,353)</u>	<u>(141,590)</u>
<i>Net change in fund balances</i>	-	-	(64,698)	(64,698)
<i>Fund balances - beginning of year</i>	-	-	210,505	210,505
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 145,807</u>	<u>\$ 145,807</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ (64,698)
Adjustments to revenue for accruals and other miscellaneous revenue accruals				(77,526)
Adjustments to expenditures for accrued wages, compensated absences, and function expenditures				(33,460)
Net change in fund balances (GAAP)				<u>\$ (175,684)</u>

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

(This page intentionally left blank)

**STATE OF NEW MEXICO**  
Socorro County  
Statement of Fiduciary Assets and Liabilities  
Agency Funds  
June 30, 2008

Exhibit D-1

**ASSETS**

Cash and cash equivalents	<u>\$ 496,318</u>
<i>Total assets</i>	<u><u>\$ 496,318</u></u>

**LIABILITIES**

Due to other taxing units	<u>\$ 496,318</u>
<i>Total liabilities</i>	<u><u>\$ 496,318</u></u>

NOTE: This statement should include property taxes receivable due to other taxing entities and the offsetting liability, however, that information is unavailable due to the inadequacies in the County's records.

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

(This page intentionally left blank)

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 1. Summary of Significant Accounting Policies**

Socorro County is a political sub-division of the State of New Mexico established under the provision of Section 14-14-1 of NMSA, 1978 compilation and regulated by the constitution of the State of New Mexico. The County operates under a Board of County Commissions-manager form of government and provides the following services as authorized by public law: public safety (sheriff, fire, emergency medical, etc.), roads, health and social services, recreation, sanitation, planning and zoning, property assessment, tax collection and general administrative services.

The County of Socorro is a body politic and corporate under the name and form of government selected by its qualified electors. The County may:

1. Sue or be sued;
2. Enter into contracts and leases;
3. Acquire and hold property, both real and personal;
4. Have a common seal, which may be altered at pleasure;
5. Exercise such other privileges that are incident to corporations of like character or degree that are not inconsistent with the laws of New Mexico.
6. Protect generally the property of its county and its inhabitants;
7. Preserve peace and order within the county; and
8. Establish rates for services provided by the County utilities and revenue-producing projects, including amounts which the governing body determines to be reasonable in the operation of similar facilities.

This summary of significant accounting policies of Socorro County is presented to assist in the understanding of Socorro County's financial statements. The financial statements and notes are the representation of Socorro County's management who is responsible for their integrity and objectivity. The financial statements of the 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 financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures issued before or on November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The more significant of the County's accounting policies are described below.

*A. Financial Reporting Entity*

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

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities.

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 1. Summary of Significant Accounting Policies (continued)**

*Discretely Presented Component Unit*

The Socorro County Housing Authority (The Authority) has been determined to be a component unit of the County that should be discretely presented in the County's financial statements pursuant to the criteria described above. However, the Authority's financial statements have not been included in the County's financial statements for the fiscal year ended June 30, 2008 because a different audit firm was engaged to perform the Authority audit and the audited financial statements are not issued.

*B. Government-wide and fund financial statements*

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The County does not have any business-type activities.

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

In the government-wide Statement of Net Assets, the governmental column (a) is presented on a consolidated basis by column, (b) and is reported on a full accrual, economic resource basis, which recognize all long-term assets and receivables as well as long-term debt obligations. The County's net assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

*C. Measurement focus, basis of accounting, and financial statement presentation*

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are billed. Grants and similar items are recognized as revenue as soon as all eligibility requirements of time, reimbursement and contingencies imposed by the provider are met.



**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 1. Summary of Significant Accounting Policies** (continued)

C. *Measurement focus, basis of accounting, and financial statement presentation* (continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period, subject to the availability criterion. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and are subject to the availability criterion. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the availability criterion have been met.

Under the requirements of GASB No. 34, the County is required to present certain of its governmental funds as major based upon certain criteria. The major funds presented in the fund financials statements include the following:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Road Special Revenue Fund* is used to account for revenues and expenditures for control of road maintenance. Funding is from state shared revenue. This fund was created by authority of state statutes (see Section 67-4-1, NMSA 1978 Compilation).

The *Boys and Girls Club Capital Projects Fund* is used to account for legislative funds received for the purchase of the current Boys' and Girls' Club Building and plan, design and construct renovations and additions to that building.

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 1. Summary of Significant Accounting Policies** (continued)

C. *Measurement focus, basis of accounting, and financial statement presentation* (continued)

Additionally, the government reports the following fund types:

*Special Revenue Funds* account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

The *Debt Service Funds* account for the services of general long-term debt not being financed by proprietary or nonexpendable trust funds.

The *Capital Projects Funds* account for the acquisition of capital assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

*Fiduciary funds* are purely custodial (assets equal liabilities) and do not involve measurement of results of operations. The County's fiduciary funds are used to account for the collection and payment of property taxes and special fees to other governmental agencies.

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

Program revenues included in the Statement of Activities are derived directly from the program itself or from parties outside the County's taxpayer or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the County's general revenues. Program revenues are categorized as (a) charges for services, which include revenues collected for fees and use of County facilities, etc., (b) program-specific operating grants, which includes revenues received from state and federal sources such as small cities assistance to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues from state and federal sources to be used for capital projects. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

The County reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. The County does not currently employ indirect cost allocation systems. Depreciation expense should be specifically identified by function and included in the direct expense of each function; the depreciation expense for the period ending June 30, 2008 is \$0 because the County has not accounted for depreciation as required by GAAP. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 1. Summary of Significant Accounting Policies** (continued)

*D. Assets, Liabilities and Net Assets or Equity*

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

State statutes authorize the County to invest in Certificates of Deposit, obligations of the U.S. Government, and the State Treasurer's Local Government Investment Pool.

Investments for the County are reported at fair value. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

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

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

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

Property taxes are levied on November 1 based on the assessed value of property as listed on the previous January 1 and are due in two payments by November 10th and April 10th. Property taxes uncollected after May 10<sup>th</sup> are considered delinquent. The taxes attach as an enforceable lien on property as of January 1st.

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

**Restricted Assets:** Restricted assets consist of those funds expendable for operating purposes but restricted by donors or other outside agencies as to the specific purpose for which they may be expended.

**Capital Assets:** Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are included as part of the governmental capital assets reported in the government wide statements. Information Technology Equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5). Donated capital assets are recorded at estimated fair market value at the date of donation.

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

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 1. Summary of Significant Accounting Policies** (continued)

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

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

Property, plant, and equipment of the primary government are not depreciated by the County.

**Accrued Expenses:** Accrued expenses are comprised of the payroll expenditures based on amounts earned by the employees through June 30, 2008, along with applicable PERA, FICA, and Medicare payable.

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

**Compensated Absences:** Qualified employees are entitled to accumulate annual leave of ten to thirty days per year according to a graduated leave schedule, the number of days accumulated depends on length of service. Employees may accumulate up to two hundred eighty hours (thirty-five days) of annual leave and carry that leave forward from calendar year to calendar year. Upon termination, employees will be paid for up to two hundred eighty hours of accrued annual leave.

Qualified employees are entitled to accumulate sick leave at a rate of ten days per year. Sick leave can be carried over from year to year at no limitation. Upon terminations, employees receive no pay for sick time accumulated. Accrued sick leave greater than two hundred forty hours may be converted to cash at a percentage based upon the number of years the employee has worked for the County.

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. In prior years, substantially all of the related expenditures have been liquidated by the general fund. 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.

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 1. Summary of Significant Accounting Policies** (continued)

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

**Long-term Obligations:** In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, will be deferred and amortized over the life of the bonds using the effective interest method for bonds issued after the County implemented GASB 34 in FY 2004, per GASB 34 paragraph 146 and Bonds Payable will be reported net of the applicable bond premium or discount. For fund financial reporting, bond premiums, discounts as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

**Fund Equity:** In the fund financial statements, governmental funds report reservation of fund balance that are not available for appropriations or are legally restricted by outside parties for use for a specific purpose, unless, use of the separate fund itself communicates the “legal segregation for a specific future use.” Designations of fund balance represent tentative management plans that are subject to change.

**Equity Classifications:**

*Government-Wide Statements*

Equity is classified as net assets and displayed in three components:

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

**Interfund Transactions:** Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for 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 non-routine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

**Estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Reclassifications:** Certain amounts included in the financial statements have been reclassified to conform to the current year presentation.

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 2. Stewardship, Compliance and Accountability**

*Budgetary Information*

Annual budgets of the County are prepared prior to June 1 and must be approved by resolution of the County Commissioners, and submitted to the Department of Finance and Administration for State approval. Once the budget has been formally approved, any amendments must also be approved by the County Commissioners and the Department of Finance and Administration. A separate budget is prepared for each fund. Line items within each budget may be over-expended; however, it is not legally permissible to over-expend any budget in total by fund.

These budgets are prepared on the Non-GAAP budgetary basis. Budgetary basis expenditures exclude encumbrances. The budget secures appropriations of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year.

The budgetary information presented in these financial statements has been properly amended by County Commissioners in accordance with the above procedures.

	Excess (deficiency) of revenues over expenditures	
	Original Budet	Final Budget
Budgeted Funds:		
General Fund	\$ 66,133	\$ 279,665
Road Special Revenue Fund	\$ 13,268	\$ 1,763
Boys and Girls Club Fund	\$ 395,000	\$ -
Other Governmental Funds	\$ (105,566)	\$ (172,973)

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

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) a reconciliation of resultant basis, perspective, equity and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2008 is presented. Reconciliations between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis by fund can be found on each individual budgetary statement.

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 3. Deposits and Investments**

State statutes authorize the investment of County funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the County properly followed State investment requirements as of June 30, 2008.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the County. Deposits may be made to the extent that they are insured by an agency of the United States or collateralized as required by statute.

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

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

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

*Custodial Credit Risk – Deposits.* Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). As of June 30, 2008, \$5,177,352 of the County's bank balance of \$5,491,210 was exposed to custodial credit risk; \$5,177,352 was uninsured but collateralized by collateral held by the pledging bank's trust department, not in the County's name.

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 3. Deposits and Investments (continued)**

	<u>First State Bank</u>	<u>Wells Fargo Bank</u>	<u>Bank of America</u>	<u>Total</u>
Amount of deposits	\$ 5,069,352	\$ 13,858	\$ 408,000	\$ 5,491,210
FDIC Coverage	(200,000)	(13,858)	(100,000)	\$ (313,858)
Total uninsured public funds	<u>4,869,352</u>	<u>-</u>	<u>308,000</u>	<u>5,177,352</u>
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the County's name	<u>6,143,784</u>	<u>204,630</u>	<u>393,502</u>	<u>6,741,916</u>
Uninsured and uncollateralized	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Collateral requirement (50% of uninsured funds)	\$ 2,434,676	\$ -	\$ 154,000	\$ 2,588,676
Pledged Collateral	<u>6,143,784</u>	<u>204,630</u>	<u>393,502</u>	<u>6,741,916</u>
Over (Under) collateralized	<u>\$ 3,709,108</u>	<u>\$ 204,630</u>	<u>\$ 239,502</u>	<u>\$ 4,153,240</u>

The collateral pledged is listed on Schedule I of this report. The types of collateral are limited to direct obligations of the United States Government and all bonds issued by any agency, District, or political subdivision of the State of New Mexico.

**Investments**

Credit Risk

As of June 30, 2008, the County's investment in the State Treasurer Local Government Investment Pool was rated as AAAM by Standard & Poor's.

The New MexiGROW Local Government Investment Pool's (LGIP) investments are valued at fair value based on quoted market prices as of the valuation date. The LGIP is not SEC registered. The New Mexico State Treasurer is authorized to invest the short-term investment funds, with the advice and consent of the State Board of Finance, in accordance with Sections 6-10-10 I through 6-10-10 P and Sections 6-10-10.1 A and E, NMSA 1978. The pool does not have unit shares. Per Section 6-10-10.1F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the fund amounts were invested. Participation in the LGIP is voluntary.



**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 3. Deposits and Investments (continued)**

As of June 30, 2008, the County had the following investments and maturities:

<u>Investment Type</u>	<u>Weighted Average Maturities</u>	<u>Fair Value</u>	<u>Rating</u>
New MexiGROW LGIP	24-day	\$ 154,354	AAAm
U.S. Treasury MM Mutual Fund	<1 year	82,572	AAA
Wells Fargo Brokered CD	<1 year	211,597	AAA
Wells Fargo Money Market Mutual Fund	<1 year	732,057	AAA
		<u>\$ 1,180,580</u>	

The investments are listed on Schedule II of this report.

*Interest Rate Risk – Investments.* The County does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

*Concentration Credit Risk – Investments.* For an investment, concentration credit risk is when any one issuer is 5% or more of the investment portfolio of the County. The investments in the New MexiGROW LGIP, U.S. Treasury Money Market Mutual Funds, Wells Fargo Brokered CD, and Wells Fargo Money Markey Mutual Fund represent 13.1%, 7.0%, 17.9%, and 62.0%, respectively, of the investment portfolio. Since the County only purchases investments with the highest credit rating, the additional concentration is not viewed to be an additional risk by the County. The County’s policy related to concentration credit risk is to comply with the state statute as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978).

The County utilized pooled accounts for their funds. The General, Special Revenue, Capital Projects, and Agency Funds are all in multiple accounts. Separate accounts also exist for Sheriff’s Office confiscated funds.

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 3. Deposits and Investments (continued)**

**Reconciliation of Cash and Cash Equivalents**

Reconciliation of Statement of Net Assets - Primary Government

Cash and cash equivalents per Exhibit A-1	\$ 3,109,446
Restricted investments per Exhibit A-1	82,572
Cash - Statement of Fiduciary Assets and Liabilities per Exhibit D-1	496,318
Investments per Exhibit A-1	<u>2,506,007</u>
 Total cash and cash equivalents	 6,194,343
Add: outstanding checks and other reconciling items	487,583
Less: deposits in transit and other reconciling items	(9,806)
Less: investments held in New Mexico State Treasurer's local investment pool	(154,354)
Less: investments in U.S. Treasury MM mutual fund	(82,573)
Less: investments in Wells Fargo brokered CD	(211,597)
Less: investments in Wells Fargo MM mutual fund	(732,056)
Less: petty cash	<u>(330)</u>
 Bank balance of deposits	 <u><u>\$ 5,491,210</u></u>

**NOTE 4. Receivables**

Receivables as of June 30, 2008, are as follows:

	<u>General</u>	<u>Road</u>	<u>Total Nonmajor Funds</u>	<u>Total</u>
Property taxes	\$ 847,711	\$ -	\$ -	\$ 847,711
Other taxes:				
Gross receipts taxes	67,141	-	-	67,141
Motor Vehicle	40,767	-	-	40,767
Gasoline and oil taxes	-	18,420	-	18,420
Other taxes	-	-	11,974	11,974
Other receivables:				
Intergovernmental-grants:				
State	115,628	-	172,340	287,968
Federal	-	-	12,325	12,325
 Totals by category	 <u><u>\$ 1,071,247</u></u>	 <u><u>\$ 18,420</u></u>	 <u><u>\$ 196,639</u></u>	 <u><u>\$ 1,286,306</u></u>

All of the above receivables are deemed to be fully collectible.

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 5. Interfund Receivables, Payables, and Transfers**

Net operating transfers, made to close out funds and to supplement other funding sources, were as follows:

<b>Governmental Activities</b>	<b><u>Transfers In</u></b>	<b><u>Transfers Out</u></b>
General Fund	\$ 623,537	\$ 115,627
Nonmajor Governmental Funds	<u>479,592</u>	<u>703,930</u>
Total Governmental Transfers	<u><u>\$ 1,103,129</u></u>	<u><u>\$ 819,557</u></u>

For the year ended June 30, 2008, “transfers in” and “transfers out” amounts did not balance by \$283,572. Refer to finding FS 08-8 in the Schedule of Findings and Responses. The County does not have adequate records to balance the transfers. The transfers were to cover cash shortage in various funds. No additional detailed information is available.

<b>Major Funds</b>	<b><u>Due from other funds</u></b>	<b><u>Due to other funds</u></b>
General Fund	\$ 290,973	\$ -
Boys and Girls Club Capital Projects Fund	-	61,306
<b>Nonmajor Governmental Funds</b>		
DWI Grant Special Revenue Fund	-	5,610
Legislative Appropriations Capital Projects Fund	-	95,887
Rio Abajo Library Capital Projects Fund	-	307
Northern Medical Center Capital Projects Fund	-	16,483
Detention Center Capital Projects Fund	-	100,000
Sabinal and Abeytas Center Capital Projects Fund	-	11,234
La Joya Community Center Capital Projects Fund	<u>-</u>	<u>146</u>
Total Governmental Transfers	<u><u>\$ 290,973</u></u>	<u><u>\$ 290,973</u></u>

All interfund receivables are repaid in a short period of time, always less than a year.

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 6. Capital Assets**

The following is a summary of capital assets and changes occurring during the year ended June 30, 2008. Land is not subject to depreciation.

	Balance June 30, 2007	Additions	Deletions	Balance June 30, 2008
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 656,667	\$ -	\$ -	\$ 656,667
Construction in progress	-	-	-	-
Total capital assets not being depreciated	<u>656,667</u>	<u>-</u>	<u>-</u>	<u>656,667</u>
Capital assets being depreciated:				
Buildings and improvements	3,845,669	544,960	250,000	4,140,629
Furniture, fixtures and equipment	<u>9,798,338</u>	<u>537,934</u>	<u>-</u>	<u>10,336,272</u>
Total capital assets being depreciated	<u>13,644,007</u>	<u>1,082,894</u>	<u>250,000</u>	<u>14,476,901</u>
Less accumulated depreciation:				
Buildings and improvements	-	-	-	-
Furniture, fixtures and equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total accumulated depreciation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total capital assets, net of depreciation	<u>\$ 14,300,674</u>	<u>\$ 1,082,894</u>	<u>\$ 250,000</u>	<u>\$ 15,133,568</u>

The County did not maintain a capital asset inventory or disclose non-depreciable assets as of June 30, 2008; as a result, lives, methods and historical cost are not available to record depreciation expense for the year ended June 30, 2008.

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 7. Long-term Debt**

During the year ended June 30, 2008, the following changes occurred in the liabilities reported in the government-wide statement of net assets:

	Balance June 30, 2007	Additions	Retirements	Balance June 30, 2008	Due Within One Year
General Obligation Bonds	\$ 2,100,000	\$ -	\$ 225,000	\$ 1,875,000	\$ 225,000
Notes Payables	1,242,719	70,000	120,814	1,191,905	142,961
Capital Leases	430,092	-	77,810	352,282	143,797
Landfill Closure and Post-Closure Liability	100,500	-	4,250	96,250	-
Compensated Absences	99,879	86,573	62,732	123,720	62,732
<b>Total Long-Term Debt</b>	<b>\$ 3,973,190</b>	<b>\$ 156,573</b>	<b>\$ 490,606</b>	<b>\$ 3,639,157</b>	<b>\$ 574,490</b>

The associated debt service funds, as identified in the combining statements, are usually used to pay the long-term debt obligations. Typically, the general fund has been used to liquidate the compensated absences.

The annual requirements to amortize the Bonds as of June 30, 2008, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2009	\$ 225,000	\$ 84,263	\$ 309,263
2010	250,000	74,250	324,250
2011	275,000	63,000	338,000
2012	275,000	50,625	325,625
2013	275,000	38,250	313,250
2014-2018	575,000	39,355	614,355
	<b>\$ 1,875,000</b>	<b>\$ 349,743</b>	<b>\$ 2,224,743</b>

Bonds outstanding at June 30, 2008, consisted of the following issue:

General Obligation Bonds

1999 General Obligation Bonds, dated June 1, 1999,  
principal due June 1, 2000 through 2015 having  
approximate yields of 4.50% to 6.00%

\$ 1,875,000

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 7. Long-term Debt** (continued)

The annual requirements to amortize notes payable as of June 30, 2008, including interest payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2009	\$ 142,961	\$ 15,917	\$ 158,878
2010	144,822	14,295	159,117
2011	127,457	12,578	140,035
2012	114,208	11,113	125,321
2013	98,427	9,563	107,990
2014-2018	308,038	25,374	333,412
2019-2023	138,405	11,485	149,890
2024-2028	117,587	3,613	121,200
	<u>\$ 1,191,905</u>	<u>\$ 103,938</u>	<u>\$ 1,295,843</u>

The County has obtained financing from the New Mexico Finance Authority and the State of New Mexico Taxation and Revenue Department for the purposes of 1) acquisition of land for a County Administrative Facility, 2) acquisition of firefighting equipment, and 3) property re-evaluation.

Notes payable outstanding at June 30, 2008, consisted of the following issues:

NM Finance Authority Loan, dated December 20, 1999, principal due May 1, 2001 through 2010 having approximate yields of 3.00%	\$ 14,931
State of New Mexico Tax and Revenue Loan, dated May 23, 2000, principal due December 31, 2001 through 2010 having approximate yields of 0.00%	45,000
NM Finance Authority Loan, dated September 20, 2002, principal due May 1, 2004 through 2010 having approximate yields of 1.97% to 4.14%	37,167
NM Finance Authority Loan, dated October 17, 2003, principal due May 1, 2004 through 2014 having no yield	42,505
NM Finance Authority Loan, dated October 17, 2003, principal due May 1, 2004 through 2014 having no yield	93,076
State of NM Taxation and Revenue Loan, dated May 23, 2000, principal due December 31, 2001 through 2015 having approximate yields of 0.00%	42,199
New Mexico Finance Authority, dated March 3, 2006, principal due May 1, 2006 through 2016 having approximate yields of 3.14% to 3.63%	182,550
NM Finance Authority Loan, dated May 19, 2006, principal due May 1, 2007 through 2016 having approximate yields of 3.00%	153,793
New Mexico Finance Authority, dated July 28, 2006, principal due May 1, 2007 through 2027 having approximate yields of 3.28% to 4.18%	257,180
New Mexico Finance Authority, February 16, 2007, principal due May 1, 2008 through 2027 having approximate yields of 3.29% to 3.83%	253,504

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 7. Long-term Debt** (continued)

New Mexico Finance Authority, November 16, 2007, principal due November 1, 2008 through 2011 having approximate yields of 0.00%	70,000
Total Notes Payable	\$ 1,191,905

Capital Leases

The County leases vehicles and other equipment under various capital leases. The economic substance of the leases is that the County is financing the acquisition of the assets through the leases and, accordingly, they are recorded as County assets and liabilities. The obligations under capital leases have been recorded in the accompanying financial statements at the present value of future minimum lease payments, discounted at interest rates as stated in the individual contracts.

The annual requirements to amortize the capital leases outstanding as of June 30, 2008, including interest payments are as follows.

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2009	\$ 143,797	\$ 9,053	\$ 152,850
2010	208,485	4,124	212,609
	\$ 352,282	\$ 13,177	\$ 365,459

In prior years, the general fund was typically used to liquidate long-term liabilities other than bonds which are paid by debt services.

Landfills – The County monitors the closures of three landfills as required by State and Federal laws. During fiscal year June 30, 2008, landfill liabilities decreased \$4,250 from the prior year.

Compensated Absences – Employees of the County are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2008, compensated absences increased \$23,841 over the prior year accrual.

**NOTE 8. Risk Management**

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

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

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 9. Other Required Individual Fund Disclosures**

Generally accepted accounting principles require disclosures of certain information concerning individual funds including:

- A. Deficit fund balance of individual funds. The following funds reflected a deficit fund balance as of June 30, 2008:

<b>Major Funds</b>	
Boys and Girls Club Capital Projects Fund	\$ (307,647)
Total Major Funds	(307,647)
<b>Nonmajor Funds</b>	
DWI Grant Special Revenue Fund	(8,211)
Legislative Appropriations Capital Projects Fund	(109,149)
Rio Abajo Library Capital Projects Fund	(307)
Northern Medical Center Capital Projects Fund	(16,483)
Detention Center Capital Projects Fund	(100,000)
Sabinal and Abeytas Center Capital Projects Fund	(11,234)
La Joya Community Center Capital Projects Fund	(146)
Total Nonmajor Funds	(245,530)
<b>Total Governmental Funds</b>	<b>\$ (553,177)</b>

According to DFA the County was in compliance with cash balances as of June 30, 2008. The County will take action to correct this problem in the future. However, this problem was repeated for cash balances ending June 30, 2009.

- B. Excess of expenditures over appropriations. There are not any funds with expenditures in excess of appropriations.
- C. Designated cash appropriations in excess of available balances. The following funds exceeded approved budgetary authority for the year ended June 30, 2008:

	<b>Designated Cash</b>	<b>Beginning Year Cash &amp; AR Available</b>	<b>Cash Appropriation in excess of available</b>
Law Enforcement Protection Special Revenue Fund	\$ 300	\$ -	\$ (300)
VLA EMS Special Revenue Fund	2,000	388	(1,612)
Hop Canyon Fire Special Revenue Fund	16,923	15,368	(1,555)

The new finance director is now aware of this situation. However, this problem did occur in the new FY 2009-2010 original budget



**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 10. PERA Pension Plan**

*Plan Description.* Substantially all of Socorro County's full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11 NMSA 1978.) The Public Employee Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing, multiple-employer defined benefit retirement plan. The plan provides for retirement, 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 is also available on PERA's website at [www.pera.state.nm.us](http://www.pera.state.nm.us)

*Funding Policy.* Plan members are required to contribute 9.15% for municipal employees and 7.00% of gross salaries for law enforcement employees. The County is required to contribute 15.0% for law enforcement plan members and 9.15% for municipal plan members. The contribution requirements of plan members and Socorro 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 June 30, 2008, 2007 and 2006 were \$217,413, \$196,442, and \$198,264, respectively.

**NOTE 11. Post-Employment Benefit**

Socorro County did not participate in the Retiree Health Care Plan provided under the Retiree Health Care Act (10-7c-1 to 10-7c-17, NMSA 1978) during the year ended June 30, 2008.

**NOTE 12. Landfill Closure and Post-Closure Care Costs**

State and federal laws and regulations require that Socorro County place a final cover on its landfills and perform certain maintenance and monitoring functions at the landfill sites for thirty years after closure. The landfills were closed in 1995 and 1996. The recognition of post-closure care costs for these landfills are based on the Closure and Post-Closure Plan prepared by Engineers, Inc., Socorro, NM prior to the closing of each of the landfills. An expense provision and related liability have been recognized based on the estimated post-closure care costs. The original estimated post-closure cost was \$165,000. The post-closure period was estimated at thirty years beginning in 1996. Because of 1) changes in regulations, 2) the necessary maintenance and monitoring functions, and 3) the assumption upon which the post closure costs are estimated, the actual liability and costs may differ from the estimated liability and costs. The liability for the post-closure costs as reflected in the government-wide financial statements is \$96,250 which is an estimate of the remaining liability through June 30, 2008 for post-closure costs.

**NOTE 13. Federal and State Grants**

Socorro County participated in a number of federal, state, and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, Socorro County may be required to reimburse the grantor government. As of June 30, 2008, significant amounts of grant expenditures have not been audited by the grantor agencies. Management believes that any disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of Socorro County.

**NOTE 14. Contingent Liabilities**

The County is party to various claims and lawsuits arising in the normal course of business. The County is insured through the New Mexico County Insurance Authority. In the opinion of management, the outcome of these matters will not have a material effect on the financial position of the County.

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 15. Commitments**

The County's commitments as of June 30, 2008 are as follows:

<u>Project</u>	<u>Year Ending</u>	<u>Amount</u>
Park Improvement	2009	\$ 729,967
Road Construction	2009	878,532
Road Equipment	2009	147,959
BLM Building Renovation	2009	69,400
Lemitar Water System	2009	13,615
Vehicles	2009	135,000
Socorro County Community Center	2009	110,000
Polvadera Water System Improvement	2009	475,000
Veguita Northern Socorro Clinic	2009	50,000
Abeytas Fire Department Water Storage	2009	35,000
Alamo Senior Center	2009	80,000
Sabinal/Abeytas Multi-pupose Center Improvements	2009	<u>60,000</u>
Total commitments		<u>\$ 2,784,473</u>

**NOTE 16. Joint Powers Agreements**

**Routine Maintenance and Roadwork of County Road**

Participants	Socorro County Sierra County
Responsible Party	Both Counties
Description	Routine maintenance and roadwork of Socorro County road 250 and Sierra County road 33 by the other County.
Term of agreement	Until Terminated
Amount of project	Unknown
County contributions	Not estimated
Audit Responsibility	None

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 16. Joint Powers Agreements (continued)**

**Periodic Maintenance of Village Roads**

Participants	Socorro County Village of Magdalena
Responsible Party	Socorro County
Description	Periodic maintenance of the Village of Magdalena's unpaved streets and other needs.
Term of agreement	Until Terminated
Amount of project	Unknown
County contributions	Not estimated
Audit Responsibility	None

**Water Well Improvement**

Participants	Socorro County New Mexico Indian Affairs Department (IAD)
Responsible Party	IAD
Description	Implementation of water well improvement project for Alamo Chapter in Socorro, New Mexico
Term of agreement	Terms will expire on September 19, 2008
Amount of project	Estimated to be \$190,000
County contributions	Not estimated
Audit Responsibility	IAD

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 17. Restricted Net Assets**

The government-wide statement of net assets reports \$1,930,145 of restricted net assets, all of which is restricted by enabling legislation. For descriptions of the related enabling legislation for special revenue, debt service, and capital project funds, see pages 24, and 47-49.

**NOTE 18. Subsequent Events**

The County received an NMFA loan in the amount of \$127,652 for the purchase of a bulldozer. Payments for this loan are not due until the 2009 fiscal year. Payments for this loan will be made through the Debt Service fund by way of transfers from the General Fund.

The County received an NMFA loan in the amount of \$333,898 for the purchase of a Fire Pumper/Tanker for the Abeytas Fire Department. Payments for this loan are not due until the 2010 fiscal year. Payments for this loan will be made through the Debt Service fund by way of transfers from the General Fund.

The County received an NMFA loan in the amount of \$446,069 for the construction of a new fire station for the San Antonio Fire Department. Payments for this loan are not due until the 2010 fiscal year. Payments for this loan will be made through the Debt Service fund by way of transfers from the General Fund.

**LGIP Investment in the Reserve Primacy Fund**

The New Mexico State Treasurer's Office invested a portion of the LGIP in The Reserve Primary Fund ("the Fund"), a money market fund, in fiscal years 2006, 2007, 2008 and 2009. On September 15, 2008, the balance of the LGIP's investment in the Fund was \$381.7 million. On September 16, 2008, The Reserve Primary Fund's net asset value fell below \$1.00 and holdings in the Fund were frozen. Since September 2008, The Reserve Primary Fund has returned approximately \$0.90 per share to shareholders. On February 26, 2009, The Reserve Primary Fund announced that it was withholding \$3.5 billion of the Fund's assets for anticipated and pending litigation against it, which amount could increase or decrease as the Fund evaluates information related to such litigation. As a result, the State Treasurer's Office cannot anticipate what the actual loss to the LGIP from The Reserve Primary Fund may be or when the actual loss may be realized. No actual loss has been realized to date. The total remaining Reserve Primary Fund position as of June 30, 2009, is \$39.5 million. The LGIP's remaining position in The Reserve Primary Fund is a non-performing asset.

On May 5, 2009, the U.S. Securities and Exchange Commission ("SEC") filed a civil lawsuit in federal court against the operators of The Reserve Primary Fund, alleging fraud; seeking the pro rata distribution of the remaining the Fund's assets; and seeking the release of the \$3.5 billion currently being withheld from investors pending the outcome of the lawsuits against The Reserve Primary Fund. The court is scheduled to hold a hearing on the SEC's proposed plan of distribution on September 23, 2009.

On May 20, 2009, the New Mexico Attorney General filed a civil complaint and injunction petition in state district court against The Reserve Primary Fund. The Attorney General's complaint alleges that the Fund setting aside \$3.5 billion to pay legal fees and expenses is a willful and intentional conversion of the investors' assets and a breach of contract. The complaint further alleges that the Fund's failure to honor redemption requests on September 16, 2008, is a breach of contract. Additionally, the Attorney General's injunction petition seeks the release of the investors' pro rata share of the \$3.5 billion The Reserve Primary Fund set aside for its anticipated and pending legal costs.

The New Mexico State Treasurer's Office believes that The Reserve Primary Fund will ultimately end up distributing between 98.38% and 98.77% of the balance that the LGIP had in The Reserve Primary Fund as of September 15, 2008. This means that of the remaining undistributed balance as of June 30, 2009, it is expected the LGIP is to recover between 83.84% and 87.78%. Uncertainty remains, however, as to the timing of these distributions.

**STATE OF NEW MEXICO**  
Socorro County  
Notes to the Financial Statements  
June 30, 2008

**NOTE 19. Restatement**

The County has restated prior year budget basis fund balances. Adjustments were made to the following funds:

**Major Funds**

General Fund	<u>\$ 85,532</u>
Total Major Funds	<u>\$ 85,532</u>

**Nonmajor Funds**

Midway Fire Special Revenue Fund	\$ 735
San Antonio Fire Special Revenue Fund	3,114
Veguita Fire Special Revenue Fund	906
Abeytas Fire Special Revenue Fund	75
La Joya Fire Special Revenue Fund	1,074
Alamo EMS Special Revenue Fund	1,827
Property Administration Special Revenue Fund	5,332
VLA EMS Special Revenue Fund	260
Midway EMS Special Revenue Fund	7,947
DWI Grant Special Revenue Fund	7,310
Parks Department Special Revenue Fund	1,525
San Antonio EMS Special Revenue Fund	11,429
Senior Center Special Revenue Fund	9,077
2003 Legislative Appropriations Special Revenue Fund	6,647
Wildland Grant Special Revenue Fund	6,767
Telecommunications Special Revenue Fund	560
Hop Canyon Fire Special Revenue Fund	17,603
NMFA San Antonio #2 Debt Service Fund	(28,162)
Escondida Lake Capital Projects Fund	<u>30,122</u>
Totan Nonmajor Funds	<u>\$ 84,148</u>

<b>Total Governmental Funds</b>	<u><u>\$ 169,680</u></u>
---------------------------------	--------------------------

These adjustments were made to properly restate prior year ended budget basis fund balances in these funds. These balances were incorrectly stated due to incorrect entries by the County to fund balance.

The County has restated prior year government-wide net assets in order to record delinquent property taxes of \$751,367 not collected by the County.

(This page intentionally left blank)

**SUPPLEMENTARY INFORMATION**

(This page intentionally left blank)



**NONMAJOR GOVERNMENTAL FUNDS**

(This page intentionally left blank)

**STATE OF NEW MEXICO**  
Socorro County  
Nonmajor Governmental Funds  
June 30, 2008

**SPECIAL REVENUE FUNDS**

**Forest Reserve Title III** - To account for the funds received for forest reserve school purposes fund, expenditure for roads and building of roads. This fund was created by authority of 6-11-3, NMSA 1978.

**Farm and Range Improvement** – To account for the operations and maintenance of county-owned recreation facilities. Financing is provided by the County’s share of cigarette tax. State law requires the use of these cigarette taxes to be used for recreation purposes. The authority to create this fund was given by 6-11-6 NMSA 1978.

**Recreation Fund** - To account for revenues received from the County and Municipality Recreational Fund and which should be used for recreational facilities and salaries of instructors and other employees necessary for the operation of recreation facilities for the use of all persons, juveniles and elderly shall not be excluded. Funds are provided by the State shared cigarette tax. The fund was created by 7-12-15, NMSA 1978.

**Fire District Funds** - To account for state funds received and expenditures incurred in providing fire protection to residents of Midway, San Antonio, Veguita, Abeytas, LaJoya and Hop Canyon. The authority to create this fund was given by 59A-53-1, NMSA 1978.

**EMS (Emergency Medical Service) Funds** - To account for revenues, grants received, and expenditures incurred in providing and enhancing local emergency and trauma medical services to residents of Alamo, VLA, Midway, and San Antonio. The authority to create this fund was given by 24-10A-6, NMSA 1978.

**Fire Excise Tax** - To account for funds received pursuant to the County’s Fire Excise Ordinance as authorized by New Mexico Statute 7-20E-15. Funds are used to supplement the County’s fire districts and cannot be used to pay salaries, compensation or remuneration to any employee of the State, County or Independent Fire District.

**Law Enforcement Protection** - To account for planning, training and purchasing equipment to enhance the efficiency and effectiveness of law enforcement services. The authority to create this fund was given by 29-13-1 to 9, NMSA 1978.

**Property Administration** - To account for fees received and expenditures incurred for the County Assessor’s office. Fees received are one percent of the property taxes collected. The authority to create this fund was given by 7-38-38.1, NMSA 1978.

**Clerk Filing Fees** - To account for the two dollar fee assessed on each recorded document in the County Clerk’s office. Proceeds are used to purchase and maintain equipment used for recording and reproducing documents. The authority to create this fund was given by 14-8-12.2, NMSA 1978.

**DWI Grant** – To account for revenues, grants received, and expenditures incurred in providing DWI program activities to residents of Socorro County including: (1) prevention, (2) Teen Court, (3) screening, assessment, and supervised probation, and (4) intensive outpatient treatment. The authority to create this fund was given by 31-12-7, NMSA 1978.

**Parks Department** – To account for the funds used in the operations of, and ongoing improvements to, Socorro County parks.

**Re-Evaluation Assessors** – To account for funds used to provide valuation services to the County and other local entities. Funding is provided through a 1% administrative charge on property taxes collected. The fund was created by the authority of 7-38-38.1, NMSA 1978.

**Technology Purchases 2005** – This fund was a legislative appropriation for the purchase of information technology software and hardware.

**Senior Center** – To account for funds used to provide feeding of senior citizens, senior companion program and other senior citizens services. Funding is provided by Federal and State grants. The authority to create this fund was given by Chapter 354, NMSA 1978.

**STATE OF NEW MEXICO**  
Socorro County  
Nonmajor Governmental Funds  
June 30, 2008

**SPECIAL REVENUE FUNDS (continued)**

**2003 Legislative Appropriation** – To account for legislative funds received for the planning, development, and construction of a new senior center in Magdalena.

**Wildland Grant** – To account for funds received for protecting and preserving the County's surrounding wildland areas.

**Telecommunications Fund** – To account for funds received and expended for reviewing and analyzing applications for wireless telecommunications facilities within the County. The authority to create this fund was given by 63-9F-12, NMSA 1978.

**Confiscated Funds** – To account for funds received through the law enforcement. The Special Fund was established by the County Commission. The authority to create this fund was given by 30-27-7, NMSA 1978.

**DEBT SERVICE FUNDS**

**General Obligation Bond** - The General Obligation Bond Fund is used to account for Property Taxes collected and Gross Receipts Taxes intercepted to be used to reduce the County's outstanding G.O. Bond issue. The GO Bonds issue was authorized by Socorro County resolution 99-032.

**NMFA Fire District Funds** - To account for funds received from NMFA for the purchase of equipment and/or construction/remodeling of buildings for fire Districts throughout the County. Fire Districts with outstanding loans are San Antonio Fire, Abeytas Fire, Midway, San Antonio #3 Pumper, San Antonio #2, Veguita, Abeytas #2 and Hop Canyon Station.

**NMFA Loan County-** To account for funds received from NMFA for the purchase of the County Manager's building and for purchasing computers for the County.

**NMFA BLM Building Purchase** – To account for funds received from NMFA for the balance due on the purchase of the Socorro County Annex Building. Locally known as the old BLM (Bureau of Land Management) Building.

**NMFA Sheriff's Department Vehicles** – To account for funds received from NMFA to reimburse the General Fund for the purchase of six vehicles for the Sheriff's office.

**CAPITAL PROJECTS FUNDS**

**Legislative Appropriations Fund** – To account for all legislative appropriations given to the County, beginning in 2007, in order for the County to track appropriations easier. This fund was created by, and is utilized at the discretion of, the Board of County Commissioners.

**Rio Abajo Library** - Socorro County is the fiscal intermediary for two GO Bonds awarded in 2004 and 2006 by the New Mexico State Library. This fund was created by, and is utilized at the discretion of, the Board of County Commissioners.

**Detention Center Fund** – To account for funds received for the construction and improvement of the County's Detention facility. This fund was created by, and is utilized at the discretion of, the Board of County Commissioners.

**Northern Medical Center** – To account for legislative funds received for the construction of a medical center in the northern part of the County. This fund was created by, and is utilized at the discretion of, the Board of County Commissioners.

**Repair and Maintenance Fund** – To account for funds for the repair or replacement of County equipment, infrastructure, and buildings. This fund was created by, and is utilized at the discretion of, the Board of County Commissioners.

**Sabinal and Abeytas Center Fund** – To account for legislative funds received to plan, design, construct, and equip a Community Center in Abeytas in Socorro County. This fund was created by, and is utilized at the discretion of, the Board of County Commissioners.

**STATE OF NEW MEXICO**  
Socorro County  
Nonmajor Governmental Funds  
June 30, 2008

**CAPITAL PROJECTS FUNDS (continued)**

**Alamo Water Improvement Project** – To account for legislative funds received for the construction and improvement of wells and water deliver systems for the Alamo Chapter of the Navajo Nation. This fund was created by, and is utilized at the discretion of, the Board of County Commissioners.

**La Joya Community Center** - To account for funds received for the improvement of the community center in La Joya, New Mexico. This fund was created by, and is utilized at the discretion of, the Board of County Commissioners.

**Escondida Lake Fund** - To account for the improvements to the Escondida Lake Recreation Area. The project is to be funded in part by state grants and local contributions. This fund was created by, and is utilized at the discretion of, the Board of County Commissioners.

**STATE OF NEW MEXICO**  
Socorro County  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2008

<b>ASSETS</b>	Special Revenue Funds			
	Forest Reserve Title III	Farm and Range Improvement	Recreation Fund	Midway Fire
<i>Current assets</i>				
Cash and cash equivalents	\$ 30,606	\$ 19,463	\$ 6,674	\$ 768
Investments	-	-	-	-
Accounts receivable				
Other taxes	-	-	-	-
Intergovernmental	-	-	-	-
<i>Total current assets</i>	<u>\$ 30,606</u>	<u>\$ 19,463</u>	<u>\$ 6,674</u>	<u>\$ 768</u>
 <b>LIABILITIES AND FUND BALANCES</b>				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	-
<i>Total current liabilities</i>	-	-	-	-
<i>Fund balances</i>				
Reserved for:				
Future debt service payments	-	-	-	-
Subsequent year's expenditures	-	-	-	-
Unreserved, reported in:				
Special revenue	30,606	19,463	6,674	768
Debt service	-	-	-	-
Capital projects	-	-	-	-
<i>Total fund balances</i>	30,606	19,463	6,674	768
<i>Total liabilities and fund balances</i>	<u>\$ 30,606</u>	<u>\$ 19,463</u>	<u>\$ 6,674</u>	<u>\$ 768</u>

The accompanying notes are an integral part of these financial statements

Special Revenue Funds

San Antonio Fire	Veguita Fire	Abeytas Fire	La Joya Fire	Alamo EMS	Fire Excise Tax
\$ 57,623	\$ 19,588	\$ 28,491	\$ 43,756	\$ 7,594	\$ 241,707
-	-	-	-	-	-
-	-	-	-	-	11,974
-	-	-	-	-	-
<u>\$ 57,623</u>	<u>\$ 19,588</u>	<u>\$ 28,491</u>	<u>\$ 43,756</u>	<u>\$ 7,594</u>	<u>\$ 253,681</u>
\$ 3,967	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,967</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
53,656	19,588	28,491	43,756	7,594	253,681
-	-	-	-	-	-
-	-	-	-	-	-
<u>53,656</u>	<u>19,588</u>	<u>28,491</u>	<u>43,756</u>	<u>7,594</u>	<u>253,681</u>
\$ 57,623	\$ 19,588	\$ 28,491	\$ 43,756	\$ 7,594	\$ 253,681

**STATE OF NEW MEXICO**  
Socorro County  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2008

<b>ASSETS</b>	Special Revenue Funds			
	Law Enforcement Protection	Property Administration	VLA EMS	Clerk Filing Fees
<i>Current assets</i>				
Cash and cash equivalents	\$ -	\$ 81,758	\$ 4,181	\$ 65,501
Investments	-	-	-	-
Accounts receivable				
Other taxes	-	-	-	-
Intergovernmental	10,271	-	-	-
<i>Total current assets</i>	\$ 10,271	\$ 81,758	\$ 4,181	\$ 65,501
 <b>LIABILITIES AND FUND BALANCES</b>				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ 521	\$ -	\$ -
Accrued payroll	-	957	-	-
Due to other funds	-	-	-	-
<i>Total current liabilities</i>	-	1,478	-	-
<i>Fund balances</i>				
Reserved for:				
Future debt service payments	-	-	-	-
Subsequent year's expenditures	-	20,750	-	-
Unreserved, reported in:				
Special revenue	10,271	59,530	4,181	65,501
Debt service	-	-	-	-
Capital projects	-	-	-	-
<i>Total fund balances</i>	10,271	80,280	4,181	65,501
<i>Total liabilities and fund balances</i>	\$ 10,271	\$ 81,758	\$ 4,181	\$ 65,501

The accompanying notes are an integral part of these financial statements



Special Revenue Funds

Midway EMS	DWI Grant	Parks Department	San Antonio EMS	Re-Evaluation Assessors	Technology Purchases 2005
\$ 135	\$ -	\$ 12,220	\$ 8,500	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	8,559	-	-	-	123,991
<u>\$ 135</u>	<u>\$ 8,559</u>	<u>\$ 12,220</u>	<u>\$ 8,500</u>	<u>\$ -</u>	<u>\$ 123,991</u>
\$ -	\$ 7,635	\$ -	\$ -	\$ -	\$ -
-	3,525	-	-	-	-
-	5,610	-	-	-	-
-	16,770	-	-	-	-
-	-	-	-	-	-
-	-	9,000	-	-	-
135	(8,211)	3,220	8,500	-	123,991
-	-	-	-	-	-
-	-	-	-	-	-
<u>135</u>	<u>(8,211)</u>	<u>12,220</u>	<u>8,500</u>	<u>-</u>	<u>123,991</u>
<u>\$ 135</u>	<u>\$ 8,559</u>	<u>\$ 12,220</u>	<u>\$ 8,500</u>	<u>\$ -</u>	<u>\$ 123,991</u>

**STATE OF NEW MEXICO**  
Socorro County  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2008

<b>ASSETS</b>	Special Revenue Funds			
	Senior Center	2003 Legislative Appropriation	Wildland Grant	Telecommunications Fund
<i>Current assets</i>				
Cash and cash equivalents	\$ 16,484	\$ -	\$ 22,112	\$ 47,870
Investments	-	-	-	-
Accounts receivable				
Other taxes	-	-	-	-
Intergovernmental	41,844	-	-	-
<i>Total current assets</i>	\$ 58,328	\$ -	\$ 22,112	\$ 47,870
 <b>LIABILITIES AND FUND BALANCES</b>				
<i>Current liabilities</i>				
Accounts payable	\$ 3,938	\$ -	\$ 543	\$ -
Accrued payroll	8,637	-	-	-
Due to other funds	-	-	-	-
<i>Total current liabilities</i>	12,575	-	543	-
<i>Fund balances</i>				
Reserved for:				
Future debt service payments	-	-	-	-
Subsequent year's expenditures	-	-	-	-
Unreserved, reported in:				
Special revenue	45,753	-	21,569	47,870
Debt service	-	-	-	-
Capital projects	-	-	-	-
<i>Total fund balances</i>	45,753	-	21,569	47,870
<i>Total liabilities and fund balances</i>	\$ 58,328	\$ -	\$ 22,112	\$ 47,870

The accompanying notes are an integral part of these financial statements

Special Revenue Funds		Debt Service Funds			
Hop Canyon Fire	Confiscated Funds	General Obligation Bond	NMFA San Antonio Fire	NMFA Abeytas Fire	NMFA Midway
\$ 21,624	\$ -	\$ 125,303	\$ -	\$ -	\$ -
-	-	-	723	303	230
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 21,624</u>	<u>\$ -</u>	<u>\$ 125,303</u>	<u>\$ 723</u>	<u>\$ 303</u>	<u>\$ 230</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	723	303	230
-	-	81,803	-	-	-
21,624	-	-	-	-	-
-	-	43,500	-	-	-
-	-	-	-	-	-
<u>21,624</u>	<u>-</u>	<u>125,303</u>	<u>723</u>	<u>303</u>	<u>230</u>
<u>\$ 21,624</u>	<u>\$ -</u>	<u>\$ 125,303</u>	<u>\$ 723</u>	<u>\$ 303</u>	<u>\$ 230</u>

**STATE OF NEW MEXICO**  
Socorro County  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2008

<b>ASSETS</b>	Debt Service Funds			
	NMFA San Antonio #3 Pumper	NMFA Loan County	NMFA San Antonio #2	NMFA Veguita
<i>Current assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Investments	24,260	-	608	298
Accounts receivable				
Other taxes	-	-	-	-
Intergovernmental	-	-	-	-
<i>Total current assets</i>	\$ 24,260	\$ -	\$ 608	\$ 298
 <b>LIABILITIES AND FUND BALANCES</b>				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to other funds	-	-	-	-
<i>Total current liabilities</i>	-	-	-	-
<i>Fund balances</i>				
Reserved for:				
Future debt service payments	24,260	-	608	298
Subsequent year's expenditures	-	-	-	-
Unreserved, reported in:				
Special revenue	-	-	-	-
Debt service	-	-	-	-
Capital projects	-	-	-	-
<i>Total fund balances</i>	24,260	-	608	298
<i>Total liabilities and fund balances</i>	\$ 24,260	\$ -	\$ 608	\$ 298

The accompanying notes are an integral part of these financial statements

Debt Service Funds				Capital Projects Funds	
NMFA Abeytas #2	NMFA Hop Canyon Station	NMFA BLM Building Purchase	NMFA Sheriff Department Vehicle	Legislative Appropriations Fund	Rio Abajo Library
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19,054	17,857	19,050	189	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 19,054</u>	<u>\$ 17,857</u>	<u>\$ 19,050</u>	<u>\$ 189</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ 13,262	\$ -
-	-	-	-	-	-
-	-	-	-	95,887	307
-	-	-	-	109,149	307
19,054	17,857	19,050	189	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	(109,149)	(307)
<u>19,054</u>	<u>17,857</u>	<u>19,050</u>	<u>189</u>	<u>(109,149)</u>	<u>(307)</u>
<u>\$ 19,054</u>	<u>\$ 17,857</u>	<u>\$ 19,050</u>	<u>\$ 189</u>	<u>\$ -</u>	<u>\$ -</u>

**STATE OF NEW MEXICO**  
Socorro County  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2008

<b>ASSETS</b>	Capital Projects Funds			
	Northern Medical Center	Detention Center Fund	Repair and Replacement Fund	Sabinal and Abeytas Center
<i>Current assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ 306,735	\$ -
Investments	-	-	-	-
Accounts receivable				
Other taxes	-	-	-	-
Intergovernmental	-	-	-	-
<i>Total current assets</i>	\$ -	\$ -	\$ 306,735	\$ -
 <b>LIABILITIES AND FUND BALANCES</b>				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Due to other funds	16,483	100,000	-	11,234
<i>Total current liabilities</i>	16,483	100,000	-	11,234
<i>Fund balances</i>				
Reserved for:				
Future debt service payments	-	-	-	-
Subsequent year's expenditures	-	-	-	-
Unreserved, reported in:				
Special revenue	-	-	-	-
Debt service	-	-	-	-
Capital projects	(16,483)	(100,000)	306,735	(11,234)
<i>Total fund balances</i>	(16,483)	(100,000)	306,735	(11,234)
<i>Total liabilities and fund balances</i>	\$ -	\$ -	\$ 306,735	\$ -

The accompanying notes are an integral part of these financial statements

Capital Projects Funds				
Alamo Water Improvement Project	La Joya Community Center	Escondida Lake	Totals	
\$ -	\$ -	\$ -	\$	1,168,693
-	-	-		82,572
-	-	-		11,974
-	-	-		184,665
<hr/>				
\$ -	\$ -	\$ -	\$	1,447,904
<hr/>				
\$ -	\$ -	\$ -	\$	29,866
-	-	-		13,119
-	146	-		229,667
<hr/>				
-	146	-		272,652
<hr/>				
-	-	-		82,572
-	-	-		111,553
-	-	-		868,211
-	-	-		43,500
-	(146)	-		69,416
<hr/>				
-	(146)	-		1,175,252
<hr/>				
\$ -	\$ -	\$ -	\$	1,447,904
<hr/>				

**STATE OF NEW MEXICO**  
Socorro County  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2008

	Special Revenue Funds			
	Forest Reserve Title III	Farm and Range Improvement	Recreation Fund	Midway Fire
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Other	-	-	796	-
Intergovernmental:				
Federal operating grants	-	22,616	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	46,804
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>22,616</u>	<u>796</u>	<u>46,804</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	49,941
Culture and recreation	-	20,000	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	35,891
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond Issuance Cost	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>85,832</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>2,616</u>	<u>796</u>	<u>(39,028)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	44,285
Operating transfers (out)	-	-	-	(5,816)
Loan proceeds	-	-	-	-
Proceeds from disposition of assets	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,469</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>2,616</u>	<u>796</u>	<u>(559)</u>
<i>Fund balances - beginning of year</i>	<u>30,606</u>	<u>16,847</u>	<u>5,878</u>	<u>1,327</u>
<i>Fund balances - end of year</i>	<u>\$ 30,606</u>	<u>\$ 19,463</u>	<u>\$ 6,674</u>	<u>\$ 768</u>

The accompanying notes are an integral part of these financial statements



Special Revenue Funds

San Antonio Fire	Veguita Fire	Abeytas Fire	La Joya Fire	Alamo EMS	Fire Excise Tax
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	97,897
-	-	-	-	-	-
-	-	-	-	-	-
158,642	65,400	60,877	39,032	17,600	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
158,642	65,400	60,877	39,032	17,600	97,897
-	-	-	-	-	-
54,907	25,435	346,669	19,445	16,536	-
-	-	-	-	-	-
-	-	-	-	-	-
10,110	51,598	40,795	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
65,017	77,033	387,464	19,445	16,536	-
93,625	(11,633)	(326,587)	19,587	1,064	97,897
-	-	-	-	-	-
13,892	44,001	192,790	1	-	-
(55,429)	(8,714)	(21,146)	-	-	(239,423)
-	-	-	-	-	-
-	-	-	-	-	-
(41,537)	35,287	171,644	1	-	(239,423)
52,088	23,654	(154,943)	19,588	1,064	(141,526)
1,568	(4,066)	183,434	24,168	6,530	395,207
\$ 53,656	\$ 19,588	\$ 28,491	\$ 43,756	\$ 7,594	\$ 253,681

**STATE OF NEW MEXICO**  
Socorro County  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2008

	Special Revenue Funds			
	Law Enforcement Protection	Property Administration	VLA EMS	Clerk Filing Fees
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	10,271	-	5,435	-
State capital grants	-	-	-	-
Licenses and fees	-	65,007	-	16,280
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>10,271</u>	<u>65,007</u>	<u>5,435</u>	<u>16,280</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	3,483
Public safety	-	-	1,382	-
Culture and recreation	-	-	-	-
Public works	-	47,813	-	-
Capital outlay	-	5,875	-	5,368
Debt Service				
Principal	-	15,000	-	-
Interest	-	-	-	-
Bond Issuance Cost	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>68,688</u>	<u>1,382</u>	<u>8,851</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>10,271</u>	<u>(3,681)</u>	<u>4,053</u>	<u>7,429</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(26,600)	-	-	-
Loan proceeds	-	-	-	-
Proceeds from disposition of assets	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(26,600)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(16,329)	(3,681)	4,053	7,429
<i>Fund balances - beginning of year</i>	<u>26,600</u>	<u>83,961</u>	<u>128</u>	<u>58,072</u>
<i>Fund balances - end of year</i>	<u>\$ 10,271</u>	<u>\$ 80,280</u>	<u>\$ 4,181</u>	<u>\$ 65,501</u>

The accompanying notes are an integral part of these financial statements

Special Revenue Funds					
Midway EMS	DWI Grant	Parks Department	San Antonio EMS	Re-Evaluation Assessors	Technology Purchases 2005
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	131,620	-	-	-	-
-	-	-	-	-	123,836
-	13,288	8,027	-	-	-
-	156,410	-	-	-	-
-	-	-	-	-	-
-	-	975	-	-	-
-	301,318	9,002	-	-	123,836
-	-	-	-	-	-
1,089	287,240	-	382	-	-
-	-	18,073	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,089	287,240	18,073	382	-	-
(1,089)	14,078	(9,071)	(382)	-	123,836
1,224	-	-	-	3,447	-
(284)	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
940	-	-	-	3,447	-
(149)	14,078	(9,071)	(382)	3,447	123,836
284	(22,289)	21,291	8,882	(3,447)	155
\$ 135	\$ (8,211)	\$ 12,220	\$ 8,500	\$ -	\$ 123,991

**STATE OF NEW MEXICO**  
Socorro County  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2008

	Special Revenue Funds			
	Senior Center	2003 Legislative Appropriation	Wildland Grant	Telecommunications Fund
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	78,793	-	-	-
Federal capital grants	-	-	-	-
State operating grants	335,367	-	146,250	63,500
State capital grants	-	1	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	11	-	-	-
Miscellaneous	2,980	-	-	-
<i>Total revenues</i>	<u>417,151</u>	<u>1</u>	<u>146,250</u>	<u>63,500</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	420,351	-	104,079	38,772
Public works	-	-	-	-
Capital outlay	-	-	32,828	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond Issuance Cost	-	-	-	-
<i>Total expenditures</i>	<u>420,351</u>	<u>-</u>	<u>136,907</u>	<u>38,772</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(3,200)</u>	<u>1</u>	<u>9,343</u>	<u>24,728</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	5,041	-	22,203	-
Operating transfers (out)	(27,766)	(1)	(55,055)	(3,585)
Loan proceeds	-	-	-	-
Proceeds from disposition of assets	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(22,725)</u>	<u>(1)</u>	<u>(32,852)</u>	<u>(3,585)</u>
Net change in fund balances	(25,925)	-	(23,509)	21,143
<i>Fund balances - beginning of year</i>	<u>71,678</u>	<u>-</u>	<u>45,078</u>	<u>26,727</u>
<i>Fund balances - end of year</i>	<u>\$ 45,753</u>	<u>\$ -</u>	<u>\$ 21,569</u>	<u>\$ 47,870</u>

The accompanying notes are an integral part of these financial statements

Special Revenue Funds		Debt Service Funds			
Hop Canyon Fire	Confiscated Funds	General Obligation Bond	NMFA San Antonio Fire	NMFA Abeytas Fire	NMFA Midway
\$ -	\$ -	\$ 276,048	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
82,886	-	-	-	-	5,636
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	713	295	227
-	-	-	-	-	-
<u>82,886</u>	<u>-</u>	<u>276,048</u>	<u>713</u>	<u>295</u>	<u>5,863</u>
-	-	500	-	-	-
24,680	-	-	138	54	120
-	-	-	-	-	-
-	-	-	-	-	-
73,735	-	-	-	-	-
-	-	225,000	18,091	7,140	5,968
-	-	94,050	896	607	-
-	-	-	-	-	-
<u>98,415</u>	<u>-</u>	<u>319,550</u>	<u>19,125</u>	<u>7,801</u>	<u>6,088</u>
<u>(15,529)</u>	<u>-</u>	<u>(43,502)</u>	<u>(18,412)</u>	<u>(7,506)</u>	<u>(225)</u>
54,004	-	-	17,088	6,213	-
(14,616)	(19,408)	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>39,388</u>	<u>(19,408)</u>	<u>-</u>	<u>17,088</u>	<u>6,213</u>	<u>-</u>
23,859	(19,408)	(43,502)	(1,324)	(1,293)	(225)
<u>(2,235)</u>	<u>19,408</u>	<u>168,805</u>	<u>2,047</u>	<u>1,596</u>	<u>455</u>
<u>\$ 21,624</u>	<u>\$ -</u>	<u>\$ 125,303</u>	<u>\$ 723</u>	<u>\$ 303</u>	<u>\$ 230</u>

**STATE OF NEW MEXICO**  
Socorro County  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2008

	Debt Service Funds			
	NMFA San Antonio #3 Pumper	NMFA Loan County	NMFA San Antonio #2	NMFA Veguita
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	1,839	58	601	294
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,839</u>	<u>58</u>	<u>601</u>	<u>294</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	508	-	268	1,498
Culture and recreation	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt Service				
Principal	20,460	-	14,682	6,727
Interest	4,623	-	1,464	-
Bond Issuance Cost	-	-	-	-
<i>Total expenditures</i>	<u>25,591</u>	<u>-</u>	<u>16,414</u>	<u>8,225</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(23,752)</u>	<u>58</u>	<u>(15,813)</u>	<u>(7,931)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	23,395	-	14,946	7,513
Operating transfers (out)	-	(4,196)	-	-
Loan proceeds	-	-	-	-
Proceeds from disposition of assets	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>23,395</u>	<u>(4,196)</u>	<u>14,946</u>	<u>7,513</u>
Net change in fund balances	(357)	(4,138)	(867)	(418)
<i>Fund balances - beginning of year</i>	<u>24,617</u>	<u>4,138</u>	<u>1,475</u>	<u>716</u>
<i>Fund balances - end of year</i>	<u>\$ 24,260</u>	<u>\$ -</u>	<u>\$ 608</u>	<u>\$ 298</u>

The accompanying notes are an integral part of these financial statements

Debt Service Funds				Capital Projects Funds	
NMFA Abeytas #2	NMFA Hop Canyon Station	NMFA BLM Building Purchase	NMFA Sheriff Department Vehicle	Legislative Appropriations Fund	Rio Abajo Library
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,554
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	14,392	-	-	-
-	-	-	-	109,191	-
-	-	-	-	-	-
-	-	-	-	-	-
4,522	1,321	1,016	302	-	-
-	-	-	-	-	-
<u>4,522</u>	<u>1,321</u>	<u>15,408</u>	<u>302</u>	<u>109,191</u>	<u>7,554</u>
-	-	-	-	-	-
408	1,172	801	-	-	-
-	-	-	-	-	2,879
-	-	-	-	-	-
-	-	-	-	218,340	-
11,487	9,471	11,788	-	-	-
4,487	4,548	2,851	-	-	-
-	-	-	3,500	-	-
<u>16,382</u>	<u>15,191</u>	<u>15,440</u>	<u>3,500</u>	<u>218,340</u>	<u>2,879</u>
<u>(11,860)</u>	<u>(13,870)</u>	<u>(32)</u>	<u>(3,198)</u>	<u>(109,149)</u>	<u>4,675</u>
14,933	14,616	-	-	-	-
(148,790)	(2,825)	-	(66,613)	-	(3,663)
-	-	-	70,000	-	-
-	-	-	-	-	-
<u>(133,857)</u>	<u>11,791</u>	<u>-</u>	<u>3,387</u>	<u>-</u>	<u>(3,663)</u>
(145,717)	(2,079)	(32)	189	(109,149)	1,012
<u>164,771</u>	<u>19,936</u>	<u>19,082</u>	<u>-</u>	<u>-</u>	<u>(1,319)</u>
<u>\$ 19,054</u>	<u>\$ 17,857</u>	<u>\$ 19,050</u>	<u>\$ 189</u>	<u>\$ (109,149)</u>	<u>\$ (307)</u>

**STATE OF NEW MEXICO**  
Socorro County  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2008

	Capital Projects Funds			
	Northern Medical Center	Detention Center Fund	Repair and Replacement Fund	Sabinal and Abeytas Center
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	6,500	-
<i>Total revenues</i>	-	-	6,500	-
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Public works	-	-	-	-
Capital outlay	16,483	100,000	-	11,234
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond Issuance Cost	-	-	-	-
<i>Total expenditures</i>	16,483	100,000	-	11,234
<i>Excess (deficiency) of revenues over expenditures</i>	(16,483)	(100,000)	6,500	(11,234)
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Loan proceeds	-	-	-	-
Proceeds from disposition of assets	-	-	250,000	-
<i>Total other financing sources (uses)</i>	-	-	250,000	-
Net change in fund balances	(16,483)	(100,000)	256,500	(11,234)
<i>Fund balances - beginning of year</i>	-	-	50,235	-
<i>Fund balances - end of year</i>	\$ (16,483)	\$ (100,000)	\$ 306,735	\$ (11,234)

The accompanying notes are an integral part of these financial statements



Capital Projects Funds			
Alamo Water Improvement Project	LaJoya Community Center	Escondida Lake	Totals
\$ -	\$ -	\$ -	\$ 283,602
-	-	-	98,693
-	-	-	101,409
65,942	-	-	65,942
-	-	-	1,183,712
-	99,403	70,405	402,836
-	-	-	102,602
-	-	-	156,410
-	-	-	11,199
-	-	-	10,455
65,942	99,403	70,405	2,416,860
-	-	-	3,983
-	-	-	832,673
-	-	40,283	644,437
-	-	-	47,813
65,942	99,549	-	767,748
-	-	-	345,814
-	-	-	113,526
-	-	-	3,500
65,942	99,549	40,283	2,759,494
-	(146)	30,122	(342,634)
-	-	-	479,592
-	-	-	(703,930)
-	-	-	70,000
-	-	-	250,000
-	-	-	95,662
-	(146)	30,122	(246,972)
-	-	(30,122)	1,422,224
\$ -	\$ (146)	\$ -	\$ 1,175,252

STATE OF NEW MEXICO

Statement B-1

Socorro County  
 Forest Reserve Title III - Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>30,606</u>	<u>30,606</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,606</u>	<u>\$ 30,606</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-2

Socorro County  
 Farm and Range Improvement - Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	27,000	27,000	22,616	(4,384)
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>27,000</u>	<u>27,000</u>	<u>22,616</u>	<u>(4,384)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	27,000	27,000	20,000	7,000
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>27,000</u>	<u>27,000</u>	<u>20,000</u>	<u>7,000</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>2,616</u>	<u>2,616</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	2,616	2,616
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>16,847</u>	<u>16,847</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,463</u>	<u>\$ 19,463</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 2,616
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 2,616</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-3

Socorro County  
 Recreation Fund - Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	500	500	796	296
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>500</u>	<u>500</u>	<u>796</u>	<u>296</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	1,000	1,000	-	1,000
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(500)</u>	<u>(500)</u>	<u>796</u>	<u>1,296</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	500	500	-	(500)
<i>Total other financing sources (uses)</i>	<u>500</u>	<u>500</u>	<u>-</u>	<u>(500)</u>
<i>Net change in fund balance</i>	-	-	796	796
<i>Fund balance - beginning of year</i>	-	-	5,878	5,878
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,674</u>	<u>\$ 6,674</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 796
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 796</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**Socorro County**  
**Midway Fire - Special Revenue Fund**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended June 30, 2008**

Statement B-4

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
<i>Taxes</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental</i>				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	40,773	43,773	46,804	3,031
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>40,773</u>	<u>43,773</u>	<u>46,804</u>	<u>3,031</u>
<i>Expenditures</i>				
<i>Current</i>				
General government	-	-	-	-
Public safety	22,380	25,380	27,041	(1,661)
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	62,600	59,526	3,074
<i>Debt service</i>				
Principal	6,082	6,082	5,636	446
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>28,462</u>	<u>94,062</u>	<u>92,203</u>	<u>1,859</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>12,311</u>	<u>(50,289)</u>	<u>(45,399)</u>	<u>4,890</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	44,000	44,105	105
Operating transfers out	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	(12,311)	6,289	-	(6,289)
<i>Total other financing sources (uses)</i>	<u>(12,311)</u>	<u>50,289</u>	<u>44,105</u>	<u>(6,184)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(1,294)</u>	<u>(1,294)</u>
<i>Fund balance - beginning of year, as originally stated</i>	-	-	1,327	1,327
<i>Restatement</i>	-	-	735	735
<i>Fund balance - beginning of year, as restated</i>	-	-	2,062	2,062
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 768</u>	<u>\$ 768</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (1,294)
No adjustments to revenues				-
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				<u>735</u>
Net change in fund balance (GAAP)				<u>\$ (559)</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-5

Socorro County  
 San Antonio Fire - Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
<i>Taxes</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental</i>				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	143,770	143,770	158,642	14,872
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>143,770</u>	<u>143,770</u>	<u>158,642</u>	<u>14,872</u>
<i>Expenditures</i>				
<i>Current</i>				
General government	-	-	-	-
Public safety	62,000	62,000	51,580	10,420
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	10,000	54,000	12,584	41,416
<i>Debt service</i>				
Principal	61,130	61,130	55,429	5,701
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>133,130</u>	<u>177,130</u>	<u>119,593</u>	<u>57,537</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>10,640</u>	<u>(33,360)</u>	<u>39,049</u>	<u>72,409</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	44,000	13,892	(30,108)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	(10,640)	(10,640)	-	10,640
<i>Total other financing sources (uses)</i>	<u>(10,640)</u>	<u>33,360</u>	<u>13,892</u>	<u>(19,468)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>52,941</u>	<u>52,941</u>
<i>Fund balance - beginning of year, as originally stated</i>	-	-	1,568	1,568
<i>Restatement</i>	-	-	3,114	3,114
<i>Fund balance - beginning of year, as restated</i>	-	-	4,682	4,682
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,623</u>	<u>\$ 57,623</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 52,941
No adjustments to revenues				-
Adjustments to expenditures for payables, payroll taxes, prepaid expenses, other accruals and reclassifications				(853)
Net change in fund balance (GAAP)				<u>\$ 52,088</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**Socorro County**  
**Veguita Fire - Special Revenue Fund**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended June 30, 2008**

Statement B-6

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
<i>Taxes</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental</i>				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	40,773	40,773	65,400	24,627
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>40,773</u>	<u>40,773</u>	<u>65,400</u>	<u>24,627</u>
<i>Expenditures</i>				
<i>Current</i>				
General government	-	-	-	-
Public safety	19,500	19,500	24,441	(4,941)
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	62,000	53,498	8,502
<i>Debt service</i>				
Principal	8,226	8,226	7,513	713
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>27,726</u>	<u>89,726</u>	<u>85,452</u>	<u>4,274</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>13,047</u>	<u>(48,953)</u>	<u>(20,052)</u>	<u>28,901</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	44,000	42,800	(1,200)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	(13,047)	4,953	-	(4,953)
<i>Total other financing sources (uses)</i>	<u>(13,047)</u>	<u>48,953</u>	<u>42,800</u>	<u>(6,153)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>22,748</u>	<u>22,748</u>
<i>Fund balance - beginning of year, as originally stated</i>	-	-	(4,066)	(4,066)
<i>Restatement</i>	-	-	906	906
<i>Fund balance - beginning of year, as restated</i>	<u>-</u>	<u>-</u>	<u>(3,160)</u>	<u>(3,160)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,588</u>	<u>\$ 19,588</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 22,748
No adjustments to revenues				-
Adjustments to expenditures for payables, payroll taxes, prepaid expenses, other accruals and reclassifications				906
Net change in fund balance (GAAP)				<u>\$ 23,654</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**Socorro County**  
**Abeytas Fire - Special Revenue Fund**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended June 30, 2008**

Statement B-7

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
<i>Taxes</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental</i>				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	56,875	56,875	60,877	4,002
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>56,875</u>	<u>56,875</u>	<u>60,877</u>	<u>4,002</u>
<i>Expenditures</i>				
<i>Current</i>				
General government	-	-	-	-
Public safety	30,000	30,000	35,891	(5,891)
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	95,000	394,000	361,478	32,522
<i>Debt service</i>				
Principal	24,184	24,184	21,146	3,038
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>149,184</u>	<u>448,184</u>	<u>418,515</u>	<u>29,669</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(92,309)</u>	<u>(391,309)</u>	<u>(357,638)</u>	<u>33,671</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	204,000	202,620	(1,380)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	92,309	187,309	-	(187,309)
<i>Total other financing sources (uses)</i>	<u>92,309</u>	<u>391,309</u>	<u>202,620</u>	<u>(188,689)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(155,018)</u>	<u>(155,018)</u>
<i>Fund balance - beginning of year, as originally stated</i>	-	-	183,434	183,434
<i>Restatement</i>	-	-	75	75
<i>Fund balance - beginning of year, as restated</i>	<u>-</u>	<u>-</u>	<u>183,509</u>	<u>183,509</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,491</u>	<u>\$ 28,491</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (155,018)
No adjustments to revenues				-
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				<u>75</u>
Net change in fund balance (GAAP)				<u>\$ (154,943)</u>

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
**Socorro County**  
**La Joya Fire - Special Revenue Fund**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended June 30, 2008**

Statement B-8

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
<i>Taxes</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental</i>				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	36,478	36,478	39,032	2,554
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>36,478</u>	<u>36,478</u>	<u>39,032</u>	<u>2,554</u>
<i>Expenditures</i>				
<i>Current</i>				
General government	-	-	-	-
Public safety	24,085	24,085	13,989	10,096
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	10,000	54,000	6,530	47,470
<i>Debt service</i>				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>34,085</u>	<u>78,085</u>	<u>20,519</u>	<u>57,566</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>2,393</u>	<u>(41,607)</u>	<u>18,513</u>	<u>60,120</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	44,000	1	(43,999)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	(2,393)	(2,393)	-	2,393
<i>Total other financing sources (uses)</i>	<u>(2,393)</u>	<u>41,607</u>	<u>1</u>	<u>(41,606)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>18,514</u>	<u>18,514</u>
<i>Fund balance - beginning of year, as originally stated</i>	-	-	24,168	24,168
<i>Restatement</i>	-	-	1,074	1,074
<i>Fund balance - beginning of year, as restated</i>	<u>-</u>	<u>-</u>	<u>25,242</u>	<u>25,242</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,756</u>	<u>\$ 43,756</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 18,514
No adjustments to revenues				-
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				<u>1,074</u>
Net change in fund balance (GAAP)				<u>\$ 19,588</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Socorro County  
 Alamo EMS - Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

Statement B-9

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	10,000	10,000	17,600	7,600
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	10,000	10,000	17,600	7,600
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	9,880	15,880	15,856	24
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	1,500	1,500	681	819
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	11,380	17,380	16,537	843
<i>Excess (deficiency) of revenues over expenditures</i>	(1,380)	(7,380)	1,063	8,443
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	(1,826)	(1,826)
Bond proceeds	-	-	-	-
Designated cash	1,380	7,380	-	(7,380)
<i>Total other financing sources (uses)</i>	1,380	7,380	(1,826)	(9,206)
<i>Net change in fund balance</i>	-	-	(763)	(763)
<i>Fund balance - beginning of year, as originally stated</i>	-	-	6,530	6,530
<i>Restatement</i>	-	-	1,827	1,827
<i>Fund balance - beginning of year, as restated</i>	-	-	8,357	8,357
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ 7,594	\$ 7,594
Net change in fund balance (non-GAAP budgetary basis)				\$ (763)
No adjustments to revenues				-
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				1,827
Net change in fund balance (GAAP)				\$ 1,064

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-10

Socorro County  
 Fire Excise Tax - Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	130,000	120,082	(9,918)
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>130,000</u>	<u>120,082</u>	<u>(9,918)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>130,000</u>	<u>120,082</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	(297,600)	(239,423)	58,177
Bond proceeds	-	-	-	-
Designated cash	-	(130,000)	-	130,000
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(427,600)</u>	<u>(239,423)</u>	<u>188,177</u>
<i>Net change in fund balance</i>	-	(297,600)	(119,341)	178,259
<i>Fund balance - beginning of year</i>	-	-	361,048	361,048
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ (297,600)</u>	<u>\$ 241,707</u>	<u>\$ 539,307</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (119,341)
Adjustments to revenue for accruals, earnings on investments, and other deferrals and accruals				(22,185)
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (141,526)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-11

Socorro County  
 Law Enforcement Protection - Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
<i>Taxes</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental</i>				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	27,200	27,200	26,600	(600)
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>27,200</u>	<u>27,200</u>	<u>26,600</u>	<u>(600)</u>
<i>Expenditures</i>				
<i>Current</i>				
General government	-	-	-	-
Public safety	27,500	27,200	-	27,200
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service</i>				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>27,500</u>	<u>27,200</u>	<u>-</u>	<u>27,200</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(300)</u>	<u>-</u>	<u>26,600</u>	<u>26,600</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	(26,600)	(26,600)
Bond proceeds	-	-	-	-
Designated cash	300	-	-	-
<i>Total other financing sources (uses)</i>	<u>300</u>	<u>-</u>	<u>(26,600)</u>	<u>(26,600)</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ -
Adjustments to revenue for accruals, earnings on investments, and other deferrals and accruals				(16,329)
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (16,329)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-12

Socorro County  
 Property Administration - Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	53,000	63,000	65,007	2,007
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>53,000</u>	<u>63,000</u>	<u>65,007</u>	<u>2,007</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	65,969	76,776	48,759	28,017
Capital outlay	-	-	23,783	(23,783)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>65,969</u>	<u>76,776</u>	<u>72,542</u>	<u>4,234</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(12,969)</u>	<u>(13,776)</u>	<u>(7,535)</u>	<u>6,241</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	12,969	13,776	-	(13,776)
<i>Total other financing sources (uses)</i>	<u>12,969</u>	<u>13,776</u>	<u>-</u>	<u>(13,776)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(7,535)</u>	<u>(7,535)</u>
<i>Fund balance - beginning of year, as originally stated</i>	-	-	83,961	83,961
<i>Restatement</i>	-	-	5,332	5,332
<i>Fund balance - beginning of year, as restated</i>	-	-	89,293	89,293
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 81,758</u>	<u>\$ 81,758</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (7,535)
No adjustments to revenues				-
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				3,854
Net change in fund balance (GAAP)				<u>\$ (3,681)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-13

Socorro County

VLA EMS - Special Revenue Fund

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
<i>Taxes</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental</i>				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	5,100	5,100	5,435	335
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>5,100</u>	<u>5,100</u>	<u>5,435</u>	<u>335</u>
<i>Expenditures</i>				
<i>Current</i>				
General government	-	-	-	-
Public safety	6,600	4,900	897	4,003
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	500	500	745	(245)
<i>Debt service</i>				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>7,100</u>	<u>5,400</u>	<u>1,642</u>	<u>3,758</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,000)</u>	<u>(300)</u>	<u>3,793</u>	<u>4,093</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	2,000	300	-	(300)
<i>Total other financing sources (uses)</i>	<u>2,000</u>	<u>300</u>	<u>-</u>	<u>(300)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>3,793</u>	<u>3,793</u>
<i>Fund balance - beginning of year, as originally stated</i>	-	-	128	128
<i>Restatement</i>	-	-	260	260
<i>Fund balance - beginning of year, as restated</i>	-	-	388	388
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,181</u>	<u>\$ 4,181</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 3,793
No adjustments to revenues				-
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				260
Net change in fund balance (GAAP)				<u>\$ 4,053</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Socorro County  
 Clerk Filing Fees - Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

Statement B-14

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
<i>Taxes</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental</i>				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	18,000	18,000	16,280	(1,720)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>18,000</u>	<u>18,000</u>	<u>16,280</u>	<u>(1,720)</u>
<i>Expenditures</i>				
<i>Current</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	10,000	10,000	8,851	1,149
<i>Debt service</i>				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>10,000</u>	<u>10,000</u>	<u>8,851</u>	<u>1,149</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>8,000</u>	<u>8,000</u>	<u>7,429</u>	<u>(571)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	(8,000)	(8,000)	-	8,000
<i>Total other financing sources (uses)</i>	<u>(8,000)</u>	<u>(8,000)</u>	<u>-</u>	<u>8,000</u>
<i>Net change in fund balance</i>	-	-	7,429	7,429
<i>Fund balance - beginning of year</i>	-	-	58,072	58,072
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 65,501</u>	<u>\$ 65,501</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 7,429
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 7,429</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**Socorro County**  
**Midway EMS - Special Revenue Fund**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended June 30, 2008**

Statement B-15

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	1,889	1,089	800
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,889</u>	<u>1,089</u>	<u>800</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(1,889)</u>	<u>(1,089)</u>	<u>800</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	1,605	1,224	(381)
Operating transfers (out)	-	-	(8,231)	(8,231)
Bond proceeds	-	-	-	-
Designated cash	-	284	-	(284)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>1,889</u>	<u>(7,007)</u>	<u>(8,896)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(8,096)</u>	<u>(8,096)</u>
<i>Fund balance - beginning of year, as originally stated</i>	-	-	284	284
<i>Restatement</i>	-	-	7,947	7,947
<i>Fund balance - beginning of year, as restated</i>	<u>-</u>	<u>-</u>	<u>8,231</u>	<u>8,231</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 135</u>	<u>\$ 135</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (8,096)
No adjustments to revenues				-
No adjustments to expenditures				<u>7,947</u>
Net change in fund balance (GAAP)				<u>\$ (149)</u>

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
**Socorro County**  
**DWI Grant - Special Revenue Fund**  
**Statement of Revenues, Expenditures and Changes in**  
**Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual**  
**For the Year Ended June 30, 2008**

Statement B-16

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
<i>Taxes</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental</i>				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	163,680	265,031	171,044	(93,987)
State capital grants	-	-	-	-
Licenses and fees	3,400	3,400	13,288	9,888
Charges for services	150,000	150,000	156,410	6,410
Investment income	-	-	-	-
Miscellaneous	11,250	11,250	-	(11,250)
	<u>328,330</u>	<u>429,681</u>	<u>340,742</u>	<u>(88,939)</u>
<i>Total revenues</i>				
<i>Expenditures</i>				
<i>Current</i>				
General government	-	-	-	-
Public safety	296,234	313,755	282,790	30,965
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	6,400	1,500	600	900
<i>Debt service</i>				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
	<u>302,634</u>	<u>315,255</u>	<u>283,390</u>	<u>31,865</u>
<i>Total expenditures</i>				
<i>Excess (deficiency) of revenues over expenditures</i>				
	<u>25,696</u>	<u>114,426</u>	<u>57,352</u>	<u>(57,074)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	(25,696)	(114,426)	-	114,426
	<u>(25,696)</u>	<u>(114,426)</u>	<u>-</u>	<u>114,426</u>
<i>Total other financing sources (uses)</i>				
	<u>-</u>	<u>-</u>	<u>57,352</u>	<u>57,352</u>
<i>Net change in fund balance</i>				
<i>Fund balance - beginning of year, as originally stated</i>				
	-	-	(70,272)	(70,272)
<i>Restatement</i>				
	-	-	7,310	7,310
<i>Fund balance - beginning of year, as restated</i>				
	-	-	(62,962)	(62,962)
<i>Fund balance - end of year</i>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,610)</u>	<u>\$ (5,610)</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 57,352
Adjustments to revenue for accruals, earnings on investments, and other deferrals and accruals				(39,424)
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				<u>(3,850)</u>
Net change in fund balance (GAAP)				<u>\$ 14,078</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-17

Socorro County  
 Parks Department - Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	6,000	6,000	8,027	2,027
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	1,500	1,500	975	(525)
<i>Total revenues</i>	<u>7,500</u>	<u>7,500</u>	<u>9,002</u>	<u>1,502</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	15,133	20,133	19,461	672
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>15,133</u>	<u>20,133</u>	<u>19,461</u>	<u>672</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(7,633)</u>	<u>(12,633)</u>	<u>(10,459)</u>	<u>2,174</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	(137)	(137)
Bond proceeds	-	-	-	-
Designated cash	7,633	12,633	-	(12,633)
<i>Total other financing sources (uses)</i>	<u>7,633</u>	<u>12,633</u>	<u>(137)</u>	<u>(12,770)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(10,596)</u>	<u>(10,596)</u>
<i>Fund balance - beginning of year, as originally stated</i>	-	-	21,291	21,291
<i>Restatement</i>	-	-	1,525	1,525
<i>Fund balance - beginning of year, as restated</i>	-	-	22,816	22,816
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,220</u>	<u>\$ 12,220</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (10,596)
No adjustments to revenues				-
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				1,525
Net change in fund balance (GAAP)				<u>\$ (9,071)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-18

Socorro County  
 San Antonio EMS - Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	500	382	118
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>500</u>	<u>382</u>	<u>118</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(500)</u>	<u>(382)</u>	<u>118</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	(11,429)	(11,429)
Bond proceeds	-	-	-	-
Designated cash	-	500	-	(500)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>500</u>	<u>(11,429)</u>	<u>(11,929)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(11,811)</u>	<u>(11,811)</u>
<i>Fund balance - beginning of year, as originally stated</i>	-	-	8,882	8,882
<i>Restatement</i>	-	-	11,429	11,429
<i>Fund balance - beginning of year, as restated</i>	<u>-</u>	<u>-</u>	<u>20,311</u>	<u>20,311</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,500</u>	<u>\$ 8,500</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (11,811)
No adjustments to revenues				-
No adjustments to expenditures				<u>11,429</u>
Net change in fund balance (GAAP)				<u>\$ (382)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-19

Socorro County  
 Re-Evaluation Assessors - Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	3,447	3,447
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>3,447</u>	<u>3,447</u>
<i>Net change in fund balance</i>	-	-	3,447	3,447
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(3,447)</u>	<u>(3,447)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 3,447
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 3,447</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-20

Socorro County  
 Technology Purchases 2005 - Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	181,110	181,110
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>181,110</u>	<u>181,110</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>181,110</u>	<u>181,110</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	181,110	181,110
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(181,110)</u>	<u>(181,110)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 181,110
Adjustments to revenue for accruals, earnings on investments, and other deferrals and accruals				(57,274)
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 123,836</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-21

Socorro County

Senior Center - Special Revenue Fund

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	80,492	80,492	78,618	(1,874)
Federal capital grants	-	-	-	-
State operating grants	344,928	338,548	326,258	(12,290)
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	11	11
Miscellaneous	-	-	2,980	2,980
<i>Total revenues</i>	<u>425,420</u>	<u>419,040</u>	<u>407,867</u>	<u>(11,173)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	425,409	432,877	423,843	9,034
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	549	(549)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>425,409</u>	<u>432,877</u>	<u>424,392</u>	<u>8,485</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>11</u>	<u>(13,837)</u>	<u>(16,525)</u>	<u>(2,688)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	5,041	5,041
Operating transfers (out)	-	-	(27,766)	(27,766)
Bond proceeds	-	-	-	-
Designated cash	(11)	13,837	-	(13,837)
<i>Total other financing sources (uses)</i>	<u>(11)</u>	<u>13,837</u>	<u>(22,725)</u>	<u>(36,562)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(39,250)</u>	<u>(39,250)</u>
<i>Fund balance - beginning of year, as originally stated</i>	-	-	46,657	46,657
<i>Restatement</i>	-	-	9,077	9,077
<i>Fund balance - beginning of year, as restated</i>	-	-	55,734	55,734
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,484</u>	<u>\$ 16,484</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (39,250)
Adjustments to revenue for accruals, earnings on investments, and other deferrals and accruals				9,284
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				4,041
Net change in fund balance (GAAP)				<u>\$ (25,925)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-22

Socorro County  
 2003 Legislative Appropriation - Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	55,711	55,711
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>55,711</u>	<u>55,711</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>55,711</u>	<u>55,711</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	(12,358)	(12,358)
Bond proceeds	-	-	-	-
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(12,358)</u>	<u>(12,358)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>43,353</u>	<u>43,353</u>
<i>Fund balance - beginning of year, as originally stated</i>	-	-	(50,000)	(50,000)
<i>Restatement</i>	-	-	6,647	6,647
<i>Fund balance - beginning of year, as restated</i>	<u>-</u>	<u>-</u>	<u>(43,353)</u>	<u>(43,353)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 43,353
Adjustments to revenue for accruals, earnings on investments, other deferrals, other accruals and reclassifications				(43,353)
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-23

Socorro County  
Wildland Grant - Special Revenue Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	40,773	95,723	146,250	50,527
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>40,773</u>	<u>95,723</u>	<u>146,250</u>	<u>50,527</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	467	(467)
Culture and recreation	13,700	48,650	86,513	(37,863)
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	26,773	95,073	49,851	45,222
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>40,473</u>	<u>143,723</u>	<u>136,831</u>	<u>6,892</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>300</u>	<u>(48,000)</u>	<u>9,419</u>	<u>57,419</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	20,000	26,000	22,203	(3,797)
Operating transfers (out)	(55,055)	(63,955)	(61,355)	2,600
Bond proceeds	-	-	-	-
Designated cash	(20,300)	22,000	-	(22,000)
<i>Total other financing sources (uses)</i>	<u>(55,355)</u>	<u>(15,955)</u>	<u>(39,152)</u>	<u>(23,197)</u>
<i>Net change in fund balance</i>	<u>(55,055)</u>	<u>(63,955)</u>	<u>(29,733)</u>	<u>34,222</u>
<i>Fund balance - beginning of year, as originally stated</i>	-	-	45,078	45,078
<i>Restatement</i>	-	-	6,767	6,767
<i>Fund balance - beginning of year, as restated</i>	-	-	51,845	51,845
<i>Fund balance - end of year</i>	<u>\$ (55,055)</u>	<u>\$ (63,955)</u>	<u>\$ 22,112</u>	<u>\$ 86,067</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (29,733)
No adjustments to revenues				-
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				<u>6,224</u>
Net change in fund balance (GAAP)				<u>\$ (23,509)</u>

The accompanying notes are an integral part of these financial statements



STATE OF NEW MEXICO

Statement B-24

Socorro County  
 Telecommunications Fund - Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	70,000	69,447	(553)
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>70,000</u>	<u>69,447</u>	<u>(553)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	45,000	38,772	6,228
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>45,000</u>	<u>38,772</u>	<u>6,228</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>25,000</u>	<u>30,675</u>	<u>5,675</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	(10,092)	(10,092)
Bond proceeds	-	-	-	-
Designated cash	-	(25,000)	-	25,000
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(25,000)</u>	<u>(10,092)</u>	<u>14,908</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>20,583</u>	<u>20,583</u>
<i>Fund balance - beginning of year, as originally stated</i>	-	-	26,727	26,727
<i>Restatement</i>	-	-	560	560
<i>Fund balance - beginning of year, as restated</i>	<u>-</u>	<u>-</u>	<u>27,287</u>	<u>27,287</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 47,870</u>	<u>\$ 47,870</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 20,583
Adjustments to revenue for accruals, earnings on investments, and other deferrals and accruals				-
No adjustments to expenditures				560
Net change in fund balance (GAAP)				<u>\$ 21,143</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-25

Socorro County  
Hop Canyon Fire - Special Revenue Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
<i>Taxes</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental</i>				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	36,478	36,478	112,886	76,408
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>36,478</u>	<u>36,478</u>	<u>112,886</u>	<u>76,408</u>
<i>Expenditures</i>				
<i>Current</i>				
General government	-	-	-	-
Public safety	29,750	27,750	20,951	6,799
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	8,459	99,344	77,464	21,880
<i>Debt service</i>				
Principal	15,192	15,192	14,616	576
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>53,401</u>	<u>142,286</u>	<u>113,031</u>	<u>29,255</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(16,923)</u>	<u>(105,808)</u>	<u>(145)</u>	<u>105,663</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	51,600	36,401	(15,199)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	16,923	54,208	-	(54,208)
<i>Total other financing sources (uses)</i>	<u>16,923</u>	<u>105,808</u>	<u>36,401</u>	<u>(69,407)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>36,256</u>	<u>36,256</u>
<i>Fund balance - beginning of year, as originally stated</i>	-	-	(32,235)	(32,235)
<i>Restatement</i>	-	-	17,603	17,603
<i>Fund balance - beginning of year, as restated</i>	<u>-</u>	<u>-</u>	<u>(14,632)</u>	<u>(14,632)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,624</u>	<u>\$ 21,624</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 36,256
Adjustments to revenue for accruals, earnings on investments, and other deferrals and accruals				(30,000)
Adjustments to expenditures for payables, payroll taxes, prepaid expenses, other accruals and reclassifications				<u>17,603</u>
Net change in fund balance (GAAP)				<u>\$ 23,859</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-26

Socorro County  
 Confiscated Funds - Special Revenue Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	(20,400)	(19,408)	992
Bond proceeds	-	-	-	-
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(20,400)</u>	<u>(19,408)</u>	<u>992</u>
<i>Net change in fund balance</i>	-	(20,400)	(19,408)	992
<i>Fund balance - beginning of year</i>	-	-	19,408	19,408
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ (20,400)</u>	<u>\$ -</u>	<u>\$ 20,400</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (19,408)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (19,408)</u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
 Socorro County  
 General Obligation Bond Fund - Debt Service Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

Statement B-27

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ 264,000	\$ 264,000	\$ 276,048	\$ 12,048
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>264,000</u>	<u>264,000</u>	<u>276,048</u>	<u>12,048</u>
<i>Expenditures</i>				
Current				
General government	500	500	500	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	225,000	225,000	225,000	-
Interest	94,050	94,050	94,050	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>319,550</u>	<u>319,550</u>	<u>319,550</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(55,550)</u>	<u>(55,550)</u>	<u>(43,502)</u>	<u>12,048</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	55,550	55,550	-	(55,550)
<i>Total other financing sources (uses)</i>	<u>55,550</u>	<u>55,550</u>	<u>-</u>	<u>(55,550)</u>
<i>Net change in fund balances</i>	-	-	(43,502)	(43,502)
<i>Fund balances - beginning of year</i>	-	-	168,805	168,805
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 125,303</u>	<u>\$ 125,303</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (43,502)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (43,502)</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-28

Socorro County  
 NMFA San Antonio Fire - Debt Service Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	19,125	19,125	17,088	(2,037)
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	800	800	713	(87)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	19,925	19,925	17,801	(2,124)
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	138	138	138	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	18,091	18,091	18,091	-
Interest	896	896	896	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	19,125	19,125	19,125	-
<i>Excess (deficiency) of revenues over expenditures</i>	800	800	(1,324)	(2,124)
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	(800)	(800)	-	800
<i>Total other financing sources (uses)</i>	(800)	(800)	-	800
<i>Net change in fund balances</i>	-	-	(1,324)	(1,324)
<i>Fund balances - beginning of year</i>	-	-	2,047	2,047
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 723	\$ 723
Net change in fund balance (non-GAAP budgetary basis)				\$ (1,324)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				\$ (1,324)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
 Socorro County  
 NMFA Abeytas Fire - Debt Service Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

Statement B-29

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	7,802	7,802	6,213	(1,589)
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	300	300	295	(5)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>8,102</u>	<u>8,102</u>	<u>6,508</u>	<u>(1,594)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	55	55	54	1
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	7,140	7,140	7,140	-
Interest	607	607	607	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>7,802</u>	<u>7,802</u>	<u>7,801</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>300</u>	<u>300</u>	<u>(1,293)</u>	<u>(1,593)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	(300)	(300)	-	300
<i>Total other financing sources (uses)</i>	<u>(300)</u>	<u>(300)</u>	<u>-</u>	<u>300</u>
<i>Net change in fund balances</i>	-	-	(1,293)	(1,293)
<i>Fund balances - beginning of year</i>	-	-	1,596	1,596
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 303</u>	<u>\$ 303</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (1,293)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (1,293)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
 Socorro County  
 NMFA Midway - Debt Service Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

Statement B-30

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		(Negative)
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	6,082	6,082	5,636	(446)
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	200	200	227	27
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>6,282</u>	<u>6,282</u>	<u>5,863</u>	<u>(419)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	120	120	120	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	5,962	5,968	5,968	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>6,082</u>	<u>6,088</u>	<u>6,088</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>200</u>	<u>194</u>	<u>(225)</u>	<u>(419)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	(200)	(194)	-	194
<i>Total other financing sources (uses)</i>	<u>(200)</u>	<u>(194)</u>	<u>-</u>	<u>194</u>
<i>Net change in fund balances</i>	-	-	(225)	(225)
<i>Fund balances - beginning of year</i>	-	-	455	455
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 230</u>	<u>\$ 230</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (225)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (225)</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-31

Socorro County  
 NMFA San Antonio #3 Pumper- Debt Service Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	25,590	25,590	23,395	(2,195)
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	500	500	1,839	1,339
Miscellaneous	-	-	-	-
<i>Total revenues</i>	26,090	26,090	25,234	(856)
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	508	508	508	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	20,460	20,460	20,460	-
Interest	4,623	4,623	4,623	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	25,591	25,591	25,591	-
<i>Excess (deficiency) of revenues over expenditures</i>	499	499	(357)	(856)
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	(499)	(499)	-	499
<i>Total other financing sources (uses)</i>	(499)	(499)	-	499
<i>Net change in fund balances</i>	-	-	(357)	(357)
<i>Fund balances - beginning of year</i>	-	-	24,617	24,617
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 24,260	\$ 24,260
Net change in fund balance (non-GAAP budgetary basis)				\$ (357)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				\$ (357)

The accompanying notes are an integral part of these financial statements



## STATE OF NEW MEXICO

Statement B-32

Socorro County  
 NMFA Loan County - Debt Service Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	58	58
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	58	58
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	58	58
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	(4,196)	(4,196)
Bond proceeds	-	-	-	-
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	(4,196)	(4,196)
<i>Net change in fund balances</i>	-	-	(4,138)	(4,138)
<i>Fund balances - beginning of year</i>	-	-	4,138	4,138
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (non-GAAP budgetary basis)				\$ (4,138)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				\$ (4,138)

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-33

Socorro County  
 NMFA San Antonio #2 - Debt Service Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	16,414	16,414	14,946	(1,468)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	700	700	601	(99)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	17,114	17,114	15,547	(1,567)
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	268	268	268	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	14,682	14,682	14,682	-
Interest	1,464	1,464	1,464	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	16,414	16,414	16,414	-
<i>Excess (deficiency) of revenues over expenditures</i>	700	700	(867)	(1,567)
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	(700)	(700)	-	700
<i>Total other financing sources (uses)</i>	(700)	(700)	-	700
<i>Net change in fund balances</i>	-	-	(867)	(867)
<i>Fund balance - beginning of year, as originally stated</i>	-	-	29,637	29,637
<i>Restatement</i>	-	-	(28,162)	(28,162)
<i>Fund balances - beginning of year, as restated</i>	-	-	1,475	1,475
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 608	\$ 608
Net change in fund balance (non-GAAP budgetary basis)				\$ (867)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				\$ (867)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
 Socorro County  
 NMFA Veguita - Debt Service Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

Statement B-34

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	8,226	8,226	7,513	(713)
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	300	300	294	(6)
Miscellaneous	-	-	-	-
	8,526	8,526	7,807	(719)
<i>Total revenues</i>				
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	127	127	126	1
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	6,727	6,727	6,727	-
Interest	1,372	1,372	1,372	-
Bond issuance costs	-	-	-	-
	8,226	8,226	8,225	1
<i>Total expenditures</i>				
<i>Excess (deficiency) of revenues over expenditures</i>				
	300	300	(418)	(718)
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	(300)	(300)	-	300
	(300)	(300)	-	300
<i>Total other financing sources (uses)</i>				
<i>Net change in fund balances</i>				
	-	-	(418)	(418)
<i>Fund balances - beginning of year</i>				
	-	-	716	716
<i>Fund balances - end of year</i>				
	\$ -	\$ -	\$ 298	\$ 298
Net change in fund balance (non-GAAP budgetary basis)				
				\$ (418)
No adjustments to revenues				
				-
No adjustments to expenditures				
				-
Net change in fund balance (GAAP)				
				\$ (418)

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-35

Socorro County  
 NMFA Abeytas #2 - Debt Service Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	16,382	55,667	14,933	(40,734)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	4,000	4,000	4,522	522
Miscellaneous	-	-	-	-
	20,382	59,667	19,455	(40,212)
<i>Total revenues</i>				
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	408	408	408	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	11,487	11,487	11,487	-
Interest	4,487	4,487	4,487	-
Bond issuance costs	-	-	-	-
	16,382	16,382	16,382	-
<i>Total expenditures</i>				
<i>Excess (deficiency) of revenues over expenditures</i>				
	4,000	43,285	3,073	(40,212)
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	160,000	(148,790)	(308,790)
Bond proceeds	-	-	-	-
Designated cash	(4,000)	(43,285)	-	43,285
	(4,000)	116,715	(148,790)	(265,505)
<i>Total other financing sources (uses)</i>				
<i>Net change in fund balances</i>				
	-	160,000	(145,717)	(305,717)
<i>Fund balances - beginning of year</i>				
	-	-	164,771	164,771
<i>Fund balances - end of year</i>				
	\$ -	\$ 160,000	\$ 19,054	\$ (140,946)
Net change in fund balance (non-GAAP budgetary basis)				
				(145,717)
No adjustments to revenues				
				-
No adjustments to expenditures				
				-
Net change in fund balance (GAAP)				
				\$ (145,717)

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-36

Socorro County  
 NMFA Hop Canyon- Debt Service Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	15,192	15,192	14,616	(576)
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	4,500	4,500	1,321	(3,179)
Miscellaneous	-	-	-	-
	19,692	19,692	15,937	(3,755)
<i>Total revenues</i>				
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	1,172	1,172	1,172	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	9,471	9,471	9,471	-
Interest	4,548	4,548	4,548	-
Bond issuance costs	-	-	-	-
	15,191	15,191	15,191	-
<i>Total expenditures</i>				
<i>Excess (deficiency) of revenues over expenditures</i>				
	4,501	4,501	746	(3,755)
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	(2,825)	(2,825)
Loan proceeds	-	-	-	-
Designated cash	(4,501)	(4,501)	-	4,501
	(4,501)	(4,501)	(2,825)	1,676
<i>Total other financing sources (uses)</i>				
<i>Net change in fund balances</i>				
	-	-	(2,079)	(2,079)
<i>Fund balances - beginning of year</i>				
	-	-	19,936	19,936
<i>Fund balances - end of year</i>				
	\$ -	\$ -	\$ 17,857	\$ 17,857
Net change in fund balance (non-GAAP budgetary basis)				
				\$ (2,079)
No adjustments to revenues				
				-
No adjustments to expenditures				
				-
Net change in fund balance (GAAP)				
				\$ (2,079)

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-37

Socorro County  
 NMFA BLM Building Purchase - Debt Service Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	15,381	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	15,381	14,392	(989)
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	300	300	1,016	716
Miscellaneous	-	-	-	-
<i>Total revenues</i>	15,681	15,681	15,408	(273)
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	788	801	801	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	11,788	11,788	11,788	-
Interest	2,805	2,852	2,851	1
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	15,381	15,441	15,440	1
<i>Excess (deficiency) of revenues over expenditures</i>	300	240	(32)	(272)
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Loan proceeds	-	-	-	-
Designated cash	(300)	(240)	-	240
<i>Total other financing sources (uses)</i>	(300)	(240)	-	240
<i>Net change in fund balances</i>	-	-	(32)	(32)
<i>Fund balances - beginning of year</i>	-	-	19,082	19,082
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 19,050	\$ 19,050
Net change in fund balance (non-GAAP budgetary basis)				\$ (32)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				\$ (32)

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-38

Socorro County

NMFA Sheriff Department Vehicles Fund - Debt Service Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	70,000	70,000	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	302	302	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	70,302	70,302	-
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	70,302	70,302	-
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	(70,115)	(70,113)	2
Loan proceeds	-	-	-	-
Designated cash	-	(70,302)	-	70,302
<i>Total other financing sources (uses)</i>	-	(140,417)	(70,113)	70,304
<i>Net change in fund balances</i>	-	(70,115)	189	70,304
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ (70,115)	\$ 189	\$ 70,304
Net change in fund balance (non-GAAP budgetary basis)				\$ 189
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				\$ 189

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-39

Socorro County

Legislative Appropriations - Capital Projects Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	1,549,800	109,191	(1,440,609)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,549,800</u>	<u>109,191</u>	<u>(1,440,609)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	1,549,800	205,078	1,344,722
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,549,800</u>	<u>205,078</u>	<u>1,344,722</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(95,887)</u>	<u>(95,887)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(95,887)</u>	<u>(95,887)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (95,887)</u>	<u>\$ (95,887)</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (95,887)
No adjustments to revenues				-
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				<u>(13,262)</u>
Net change in fund balance (GAAP)				<u>\$ (109,149)</u>

The accompanying notes are an integral part of these financial statements



## STATE OF NEW MEXICO

Statement B-40

Socorro County

Rio Abajo Library - Capital Projects Fund

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

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	1,801	(1,801)
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	11,428	1,078	10,350
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>11,428</u>	<u>2,879</u>	<u>8,549</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(11,428)</u>	<u>(2,879)</u>	<u>8,549</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	(3,663)	(3,663)
Bond proceeds	-	-	7,554	7,554
Designated cash	-	11,428	-	(11,428)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>11,428</u>	<u>3,891</u>	<u>(7,537)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>1,012</u>	<u>1,012</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(1,319)</u>	<u>(1,319)</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (307)</u>	<u>\$ (307)</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 1,012
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 1,012</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
 Socorro County  
 Northern Medical Center Fund - Capital Projects Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

Statement B-41

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	273,250	-	(273,250)
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	273,250	-	(273,250)
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	273,250	16,483	256,767
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	-	273,250	16,483	256,767
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(16,483)	(16,483)
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(16,483)	(16,483)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (16,483)	\$ (16,483)
Net change in fund balance (non-GAAP budgetary basis)				\$ (16,483)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				\$ (16,483)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO  
 Socorro County  
 Detention Center Fund - Capital Projects Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

Statement B-42

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
<i>Taxes</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental</i>				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	100,000	-	(100,000)
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>(100,000)</u>
<i>Total revenues</i>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>(100,000)</u>
<i>Expenditures</i>				
<i>Current</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	100,000	100,000	-
<i>Debt service</i>				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
<i>Total expenditures</i>	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (100,000)</u>	<u>\$ (100,000)</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (100,000)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (100,000)</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-43

Socorro County  
 Repair and Replacement Fund - Capital Projects Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	6,500	6,500
<i>Total revenues</i>	-	-	6,500	6,500
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	6,500	6,500
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	250,000	250,000
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	250,000	250,000
<i>Net change in fund balances</i>	-	-	256,500	256,500
<i>Fund balances - beginning of year</i>	-	-	50,235	50,235
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 306,735	\$ 306,735
Net change in fund balance (non-GAAP budgetary basis)				\$ 256,500
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				\$ 256,500

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-44

Socorro County

Sabinal and Abeytas Center Fund - Capital Projects Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	300,000	11,234	288,766
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>300,000</u>	<u>11,234</u>	<u>288,766</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(300,000)</u>	<u>(11,234)</u>	<u>288,766</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	-	300,000	-	(300,000)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>300,000</u>	<u>-</u>	<u>(300,000)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>(11,234)</u>	<u>(11,234)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11,234)</u>	<u>\$ (11,234)</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (11,234)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (11,234)</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-45

Socorro County

Alamo Water Improvement Project Fund - Capital Projects Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	65,942	65,942
State operating grants	-	-	-	-
State capital grants	-	345,000	-	(345,000)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>345,000</u>	<u>65,942</u>	<u>(279,058)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	331,728	65,942	265,786
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>331,728</u>	<u>65,942</u>	<u>265,786</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>13,272</u>	<u>-</u>	<u>(13,272)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	-	(13,272)	-	13,272
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(13,272)</u>	<u>-</u>	<u>13,272</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ -
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-46

Socorro County  
 Boys and Girls Club Fund - Capital Projects Fund  
 Statement of Revenues, Expenditures and Changes in  
 Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
 For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
<i>Taxes</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental</i>				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	395,000	395,000	7,499	(387,501)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>395,000</u>	<u>395,000</u>	<u>7,499</u>	<u>(387,501)</u>
<i>Expenditures</i>				
<i>Current</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	395,000	68,805	326,195
<i>Debt service</i>				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>395,000</u>	<u>68,805</u>	<u>326,195</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>395,000</u>	<u>-</u>	<u>(61,306)</u>	<u>(61,306)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	(395,000)	-	-	-
<i>Total other financing sources (uses)</i>	<u>(395,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(61,306)	(61,306)
<i>Fund balances - beginning of year</i>	-	-	7,499	7,499
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (53,807)</u>	<u>\$ (53,807)</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (61,306)
Adjustments to revenue for accruals, earnings on investments, and other deferrals and accruals				-
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				<u>(246,341)</u>
Net change in fund balance (GAAP)				<u>\$ (307,647)</u>

The accompanying notes are an integral part of these financial statements

## STATE OF NEW MEXICO

Statement B-47

Socorro County

La Joya Community Center Fund - Capital Projects Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
<i>Taxes</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental</i>				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	100,000	99,403	(597)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	100,000	99,403	(597)
<i>Expenditures</i>				
<i>Current</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	100,000	99,549	451
<i>Debt service</i>				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	-	100,000	99,549	451
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(146)	(146)
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	(146)	(146)
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ (146)	\$ (146)
Net change in fund balance (non-GAAP budgetary basis)				\$ (146)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				\$ (146)

The accompanying notes are an integral part of these financial statements



## STATE OF NEW MEXICO

Statement B-48

Socorro County  
Escondida Lake - Capital Projects Fund  
Statement of Revenues, Expenditures and Changes in  
Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual  
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	70,405	70,405	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	70,405	70,405	-
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	46,416	40,283	6,133
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	-	46,416	40,283	6,133
<i>Excess (deficiency) of revenues over expenditures</i>	-	23,989	30,122	6,133
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	(32,865)	(32,865)
Bond proceeds	-	-	-	-
Designated cash	-	(23,989)	-	23,989
<i>Total other financing sources (uses)</i>	-	(23,989)	(32,865)	(8,876)
<i>Net change in fund balances</i>	-	-	(2,743)	(2,743)
<i>Fund balance - beginning of year, as originally stated</i>	-	-	(30,122)	(30,122)
<i>Restatement</i>	-	-	30,122	30,122
<i>Fund balances - beginning of year, as restated</i>	-	-	2,743	2,743
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (non-GAAP budgetary basis)				\$ (2,743)
Adjustments to revenue for accruals, earnings on investments, other deferrals, other accruals and reclassifications				2,743
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				30,122
Net change in fund balance (GAAP)				\$ 30,122

The accompanying notes are an integral part of these financial statements

(This page intentionally left blank)

**SUPPORTING SCHEDULES**

(This page intentionally left blank)

**STATE OF NEW MEXICO**  
Socorro County  
Schedule of Collateral Pledged by Depository  
For Public Funds  
June 30, 2008

Schedule I

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity</u>	<u>CUSIP Number</u>	<u>Fair Market Value June 30, 2008</u>	<u>Name and Location of Safekeeper</u>
<b>First State Bank</b>					
	FFCB NON CBL	8/22/2019	31331V2J4	\$ 518,993	Federal Reserve Bank of Boston
	US Treasury Notes	11/15/2016	912810DX3	1,229,021	Federal Reserve Bank of Boston
	Ruidoso Gross Receipts Tax	6/1/2022	781336AS1	215,000	Bank of America, Charlotte NC
	Socorro Cons SD #1 (ST AID WITH)	8/1/2013	83368PBPO	75,000	Bank of America, Charlotte NC
	FFCB NON CBL	8/23/2021	31331XX64	1,042,720	Federal Reserve Bank of Boston
	FFCB NON CBL	8/27/2014	3133M9SD5	1,144,810	Federal Reserve Bank of Boston
	FFCB NON CBL	12/9/2022	3133XN4B2	1,515,147	Federal Reserve Bank of Boston
	US Treasury Notes	8/15/2017	912810DZ8	403,093	Federal Reserve Bank of Boston
	<b>Total First State Bank</b>			<u>6,143,784</u>	
<b>Wells Fargo Bank</b>					
	FGIOG0H00895	6/1/2037	3128MS7G9	<u>204,630</u>	WFBG Minneapolis, MN
	<b>Total Wells Fargo Bank</b>			<u>204,630</u>	
<b>Bank of America</b>					
	FNCL 555743	9/1/2033	31385XLY1	<u>393,502</u>	Bank of America, Charlotte, NC
	<b>Total Bank of America</b>			<u>393,502</u>	
	<b>Total Pledged Collateral</b>			<u>\$ 6,741,916</u>	

See accompanying independent auditor's report

**STATE OF NEW MEXICO**  
Socorro County  
Schedule of Deposit and Investment Accounts  
June 30, 2008

Bank Account Type/Name	Deposits		
	First State Bank	Wells Fargo Bank	Bank of America
Checking - Operating Account	\$ 4,069,352	\$ -	\$ -
Certificate of Deposit	1,000,000	-	-
Checking - Senior Center	-	13,858	-
Certificate of Deposit	-	-	408,000
Investment	-	943,654	-
Total on deposit	5,069,352	957,512	408,000
Reconciling items	(477,777)	-	-
Reconciled balance June 30, 2008	<u>\$ 4,591,575</u>	<u>\$ 957,512</u>	<u>\$ 408,000</u>

Petty cash  
Less: investments per Exhibit A-1  
Less: restricted cash and cash equivalents  
Less agency funds cash per Exhibit D-1

Total cash and cash equivalent per Exhibit A-1

See accompanying independent auditors' report

Investments	Restricted Investments	
LGIP	Bank of Albuquerque	Totals
\$ -	\$ -	\$ 4,069,352
-	-	1,000,000
-	-	13,858
-	-	408,000
154,354	82,572	1,180,580
154,354	82,572	6,671,790
-	-	(477,777)
\$ 154,354	\$ 82,572	\$ 6,194,013
		330
		(2,506,007)
		(82,572)
		(496,318)
		\$ 3,109,446

(This page intentionally left blank)



**STATE OF NEW MEXICO**  
 Socorro County  
 Schedule Of Changes in Fiduciary Assets And Liabilities-Agency Funds  
 June 30, 2008

Schedule III

	<u>Balance July 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2008</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 461,950	\$ 34,368	\$ -	\$ 496,318
Total assets	<u>\$ 461,950</u>	<u>\$ 34,368</u>	<u>\$ -</u>	<u>\$ 496,318</u>
<b>LIABILITIES</b>				
Due to other taxing entities	\$ 461,950	\$ 34,368	\$ -	\$ 496,318
Total liabilities	<u>\$ 461,950</u>	<u>\$ 34,368</u>	<u>\$ -</u>	<u>\$ 496,318</u>

NOTE: This statement should include property taxes receivable due to other taxing entities and the off-setting liability; however, that information is unavailable due to the inadequacies in the County's records.

See accompanying independent auditor's report.

(This page intentionally left blank)

**COMPLIANCE SECTION**

(This page intentionally left blank)



## **Accounting & Consulting Group, LLP**

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

Hector Balderas  
New Mexico State Auditor and  
County Manager and County Commissioners  
Socorro County  
Socorro, New Mexico

We were engaged to audit the financial statements of the governmental activities, each major fund, the budgetary comparisons for the General Fund and major special revenue fund and the aggregate remaining fund information of Socorro County (County), as of and for the year ended June 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents, and have issued our report thereon dated September 10, 2009. We were also engaged to audit the financial statements of each of the County's nonmajor governmental funds and budgetary comparison statements for the major capital projects fund and remaining nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ending June 30, 2008 as listed in the table of contents. Due to the County's omission of its discretely presented component unit and lack of adequate accounting records relating to its property tax receivable, revenues and deferred revenues, interfund balances, capital assets, accumulated depreciation, and depreciation expense, the scope of our work was not sufficient to enable us to express, and we did not express, opinions on these opinion units.

#### Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we 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 entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control. We consider the deficiencies described in the accompanying schedule of findings and responses to be significant deficiencies in internal control over financial reporting as items: FS-02-1, FS 02-2, FS 02-13, FS 02-14, FS 04-8, FS 06-3, FS 07-5, FS 07-8, FS 07-10, FS 08-1, FS 08-2, FS 08-3, FS 08-4, FS 08-5, FS 08-6, FS 08-7, and FS 08-8.

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.

*Certified Public Accountants*

2700 San Pedro Northeast [87110-333] – P.O. Box 3130, Albuquerque, New Mexico 87190-3130  
866.307.2727 – 505.883.2727 – Fax 505.884.6719 – [albuquerque.office@acgnm.com](mailto:albuquerque.office@acgnm.com) – [www.acgnm.com](http://www.acgnm.com)

**Alamogordo – Albuquerque – Carlsbad – Clovis – Hobbs – Lubbock**

Our 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, we consider items FS 02-01, FS 02-13, FS 02-14, FS-06-03, FS 07-8, FS 08-1, FS 08-4, FS 08-5, and FS 08-6 to be material weaknesses.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items FS 02-1, FS 02-2, FS 02-13, FS 04-8, FS 06-3, FS 07-5, FS 08-2, FS 08-3, and FS 08-8.

We noted certain matters that are required to be reported under *Government Auditing Standards January 2007 Revision* paragraphs 5.14 and 5.16, and Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of finding and responses as item FS 08-3.

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

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

*Accounting & Consulting Group, L.L.P.*

Accounting & Consulting Group, LLP  
Albuquerque, New Mexico  
September 10, 2009

**SECTION I – FINANCIAL STATEMENT FINDINGS AND RESPONSES**

**FS 02-1 — Lack of Maintaining Capital Assets Listing (Repeated)**

*Condition:* For the year ended June 30, 2008, the County did not maintain a capital asset listing that was reconciled to the general ledger or a depreciation schedule for all capital assets owned by the County.

*Criteria:* The County must have a capital assets management policy to provide accountability for the safeguarding of and proper financial reporting of assets in accordance with Generally Accepted Accounting Principles (GAAP) and the *Governmental Accounting Standards Board* (GASB) Statement No. 34 and NMSA 1978 Section 12-6-10.

*Cause:* The County has not adopted a formal capital assets management policy with the intent to comply with GASB No. 34 financial reporting requirements.

*Effect:* Lack of sufficient records results in assets that are not properly safeguarded. Asset identification and location are essential in the prevention of theft and loss of assets due to fraudulent activity. Capital assets cannot be depreciated due to the lack of information that is being maintained. As a result, the financial statements of the County are materially misstated because the balances of capital assets and accumulated depreciation are materially misstated.

*Auditor's Recommendations:* The County must conduct a physical inventory of its capital assets in accordance with state statute and update the inventory annually. The inventory report must include asset identification, location and historical cost. This process will also assist the County in the determination of obsolete equipment. Finally, a complete and updated capital assets inventory listing is necessary in order for the County to record capital assets in accordance with GAAP.

*Management's Response:* The County of Socorro is aware of this issue and intends on correcting it starting fiscal year 2009. This process will take time and may not be fully corrected in the upcoming 2009 audit.

**FS 02-2 — Late Audit Report (Repeated)**

*Condition:* The County did not issue its audit report by the November 15, 2008 deadline.

*Criteria:* The County and the Socorro County Housing Authority (component unit) were required to submit their audit reports for the year ended June 30, 2008 on or before November 15 subsequent to the entities' fiscal year end in accordance with State Statute (Chapter 12, Section 6: NMSA 1978) and Section 2.2.2.9.A (1) of NMAC.

*Cause:* The County was unable to submit the June 30, 2008 audit report on a timely basis because the prior year audit was late, and certain items held up the submission of the 2008 audit report.

*Effect:* The County could be affected by a late submission by not catching problems in a timely fashion to correct findings. The financial statements are not available for use by the County in a timely fashion for purposes such as debt applications.

*Auditor's Recommendations:* The County must ensure that all future audit reports are filed in a timely manner. The County should ensure this process is timely in the future through communication with the auditor and timely close out at year end.

*Management's Response:* The County of Socorro is aware of this issue. The late audit reports were due to the fact that we were behind in audits. This issue should be corrected this upcoming audit depending on when our 2008 audit concludes.

**SECTION I – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)**

**FS 02-13: Lack of Maintaining Tax Roll Reconciliation Schedule-Treasurer's Office (Repeated/Modified)**

*Condition:* The County was not able to obtain sufficient information from its property tax records to prepare and present the County Treasurer's Property Tax Schedule and the Tax Roll Reconciliation of Changes in the County Treasurer's Property Taxes Receivable for the year ended June 30, 2008.

*Criteria:* According to the State of New Mexico, Office of the State Auditor, Audit Rule 2007, Section 2.2.2.12 D, as well as State Statute, Section 7-38-81(c), NMSA 1978, County Governments are required to prepare and present a schedule titled "Tax Roll Reconciliation of Changes in the County Treasurer's Property Taxes Receivable." The schedule must show the June 30th receivable balance with an additional breakout of the receivable for the past ten years.

*Cause:* For the year ended June 30, 2008, the County did not maintain information in sufficient detail to prepare the schedule as required by the State Auditor Rule, Section 2.2.2.12D and State Statute, Section 7-38-81(c), NMSA 1978.

*Effect:* Accurate accounting of property tax amounts: levied; remitted to legally authorized recipients; and remaining amounts uncollected is the only basis upon which the County can demonstrate compliance with applicable laws and determine its own taxes receivable, deferred revenue, and other related account balances. Without such accurate accounting, the County cannot demonstrate compliance with the law or support its assertions about its own property tax account balances. The County has not complied with the Audit Rule recommendation to present this information.

*Auditor's Recommendations:* The County must maintain information sufficient to complete the Tax Roll Reconciliation of Changes in the County Treasurer's Property Taxes Receivable in accordance with the State Audit Rule.

*Management's Response:* The Tax Roll reconciliation is for Tax Years 1999 thru 2008. I understand that prior to our taking office in Jan 2005, reports were submitted to the proper agencies; however, original tax records and documents were released to the investigating agencies for the years in question and it was very difficult to determine the validity of the data prior to 2005. The data from Jan 2005 thru June 30, 2008 was provided and can be verified as to its accuracy.



**SECTION I – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)**

**FS 02-14 — Lack of Maintaining Property Tax Records (Repeated)**

*Condition:* The County has not maintained records sufficient to ensure property tax revenues and receivables are recorded in accordance with *Governmental Accounting Standards Board (GASB) Statement No. 33*.

*Criteria:* According to GASB No. 33, imposed non-exchange revenue transactions, i.e. property taxes, and their related receivable should be recognized assets when the enforceable legal claim arises or when the resources are received, whichever occurs first.

*Cause:* The County has been unable to maintain sufficient and complete property tax records in prior years to support the County's account receivable balances for property taxes.

*Effect:* The County is unable to track the property taxes levied, the property taxes collected and disbursed, and can not determine the amount of property taxes that are receivable at June 30, 2008.

*Auditor's Recommendations:* The County must record property tax revenues in accordance with GASB No. 33 in future years.

*Management's Response:* Since January 2005, all internal procedures have changed to ensure that all property tax payments are posted daily, also daily reports are generated to cross-check all data for that day's activity.

Since January 2005, all tax roll variances are verified and documented by both the Assessor's office and the Treasurer's office prior to any changes being entered. Our office continually verifies data being reported to ensure accuracy and modifies programs accordingly if funding is allocated.

The receivables encompass a ten-year period (1999 thru 2008) so it is difficult to verify the accuracy of the reports prior to January 2005.

The data from Jan 2005 thru June 30, 2008 was provided and can be verified as to its accuracy.

**SECTION I – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)**

**FS 04-8 — Lack of Internal Control Processes for Payroll (Repeated/Modified)**

*Condition:* The Payroll Clerk performs all the duties and functions that are required to process payroll with little or no supervision or review. Some examples we noticed include:

- The Payroll Clerk does a final review of payroll by checking the payroll register for its accuracy. There is no final review of payroll by upper management.

*Criteria:* Segregation of duties in payroll and other processes as indicated in NMSA 1978 Section 6-6-3 is required to maintain proper and sufficient internal controls which reduces the risk of fraudulent activities.

*Cause:* Due to limited resources, the County relies on the expertise of one individual to process the County's payroll. The County Manager has the knowledge and ability to perform payroll reviews but has not established a process to do so. The sole reliance on the Payroll Clerk creates a lack of segregation of duties.

*Effect:* Without adequate segregation of duties or a formal review process, errors or intentional misstatements may be made without detection.

*Auditor's Recommendations:* The County needs to develop a formal review process for the payroll transaction cycle.

*Management's Response:* The County of Socorro plans on putting a procedure in place for internal controls concerning payroll, accounts payable, financial statements, and treasurer reports and also including the county commission in on internal controls. As far as internal controls for payroll; the County plans on having the county manager or the finance director check the register against the timesheets before checks are printed and initialing and dating when this is done.

**SECTION I – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)**

**FS 06-3 Failure to Maintain Adequate Property Tax Billing Records (Repeated)**

*Condition:* We noted that tax bill partial payments are not being distributed according to the authorized percentages. While all percentages vary depending on parcel number corresponding to location, partial payments are not being allocated correctly. The general fund is receiving a higher percentage in the early stages of property tax payments than it should be collecting leaving all other funds to receive less than the correct amount.

*Criteria:* New Mexico State Statute 6-6-3.A, NMSA 1978 requires every local public body to keep all book, records, and accounts in their respective offices in the form prescribed by the local government division

*Cause:* The General Fund is being given a higher percentage of the property tax payment in the early stages of payment.

*Effect:* If the county does not collect 100% of the property tax payment and the tax bill becomes delinquent then the General Fund has received too much of the funding and is leaving all other funds underfunded.

*Auditor's Recommendations:* The County should distribute all stages of the tax payment according to the percentages corresponding to each parcel of land.

*Management's Response:* The County Commissioners, County Manager, County Attorney, DFA and NM Taxation and Revenue were notified many times of the problem; however, it took a district court decision (writ of mandamus) for the Commission to allocate sufficient funding to pay the licensing fee and upgrade our current database (DataNow- DOS version) to a DataNow (Windows). Although, the Commission appealed the District Court ruling, they did partially comply with the writ so our database was upgraded in October 2008 and the problem has been resolved.

**SECTION I – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)**

**FS 07-5: Unable to Provide Changes in Assets and Liabilities – Agency Funds (Repeated)**

*Condition:* The County was not able to obtain sufficient information from its records to prepare and present the Schedule of Changes in Assets and Liabilities – Agency Funds for the year ended June 30, 2008. The County also pools all of its agency cash with the operating bank account so it cannot distinguish between County cash and Agency cash.

*Criteria:* State of New Mexico, Office of the State Auditor, Audit Rule 2004, Section 2.2.2.10BB, requires that a Schedule of Changes in Assets and Liabilities for the Agency Funds be included as supplemental information for all agencies that have Agency Funds.

*Cause:* The County does not have adequate internal controls over record keeping and financial reporting.

*Effect:* The County is unable to track payments or cash to the agencies. The County could be underfunding or overfunding the agencies in which they are responsible.

*Auditor's Recommendations:* In the future, the County must maintain information sufficient to complete the Schedule of Changes in Assets and Liabilities for the Agency Funds in accordance with the State Audit Rule.

*Management's Response:* Treasurer's Office: Since January 2005, all internal procedures have changed to ensure that all property tax payments are posted daily and daily reports are generated to cross-check all data for that day's activity. Additions and Deletions to the Tax Roll may affect tax years 1999 thru 2008; however, being unable to verify the validity of data from 1999 thru Dec 2008, we can only verify accuracy of data for Jan 2005 thru June 30, 2008. Every year a new tax roll is generated, the 1<sup>st</sup> delinquent tax year becomes the 11<sup>th</sup> tax year and according to State Law must be removed from the tax roll. In prior years, the 11<sup>th</sup> year was deleted from all records as opposed to being moved to history. Any additions or deletions to the tax roll or any tax payments or corrections have been deleted and are not retrievable. We are able to extract data for 1999 thru 2008; however, we have not been able to find any supporting documents to certify that extracted data is good data.

Since January 2005, all tax roll variances are verified and documented by both the Assessor's office and the Treasurer's office prior to any changes being entered. Our office continually verifies data being reported to ensure accuracy and modifies programs accordingly if funding is allocated.

The data from Jan 2005 thru June 30, 2008 was provided and can be verified as to its accuracy.

**SECTION I – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)**

**FS 07-8 –Lack of Proper Internal Controls (Repeated/Modified)**

*Condition:* The County's internal control structure is inadequate. The County does not have a comprehensive documented internal control system over financial information. The County does not maintain proper oversight or monitoring in regards to the County's accounting activities. The County has not taken the proper counter measures to monitor and mitigate the risk for fraud, misappropriation of assets, or misstatement of financial statements.

*Criteria:* Per Codification of Statements on Auditing Standards (SAS AU) Section 110.03, the financial statements are management's responsibility. Management is responsible for adopting sound accounting policies and for establishing and maintaining internal control that will, among other things, initiate, authorize, record, process and report transactions (as well as events and conditions) consistent with management's assertions embodied in the financial statements.

The SAS No. 112 Appendix lists the following circumstances as possible control deficiency, significant deficiency, or material weakness, "inadequate documentation of the components of internal control." SAS 112 paragraph 19 states that ineffective oversight of the agency's financial reporting and internal control by those charged with governance should be regarded as at least a significant deficiency and a strong indicator of a material weakness in internal control.

*Cause:* For the fiscal year 2008 management did not have a documented policy in place to follow to ensure internal controls over financial information were in place and working properly. Also, the governing body was unaware of requirements under SAS 112 to provide effective oversight of internal control and the financial reporting process.

*Effect:* Because the internal control structure is inadequate and not documented, management and staff are unsure about what procedures and processes to follow or what key controls are in place to properly safeguard assets. Adequate controls are not in place to prevent or detect intentional misstatements of accounting information.

*Auditors' Recommendations:* The County should ensure that a comprehensive internal control structure over financial information is designed, documented, and implemented. The County Commission is charged with governance and should provide effective oversight of the internal control and financial reporting process.

*Management's Response:* The County of Socorro is in the process of putting together internal control policies.

**SECTION I – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)**

**FS 07-10 — Incorrect Comp Time Accrual (Repeated/Modified)**

*Condition:* During our test work, it was noted that the County is accruing sick time at 3.7 times the regular rate, when the correct accrual rate would be 3.07.

*Criteria:* According to Socorro County's Personnel Policy Ordinance #05-001, Section 9.8, employees shall accrue a maximum of eighty (80) hours of sick leave with pay annually. According to Socorro County's Personnel Policy Ordinance #05-001, Section 9.10, upon voluntary leave accrued sick time greater than 240 hours may be converted into cash at a percentage based upon the numbers of years the employee has worked for the County.

*Cause:* The County is not monitoring their accrued compensated absences balance and the rates that are being used on the report.

*Effect:* The County is over-accruing their comp time balance. This could lead to an overpayment to employees upon termination.

*Auditor's Recommendations:* The County needs to correct their accrual report to only include those amounts that will be paid out to employees when employment is terminated. This involves recording vacation and sick time at the correct rate and removing all sick time that will not be paid out from the report.

*Management Response:* The County of Socorro has fixed this issue when were made aware of it in June of 2009.

**SECTION I – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)**

**FS 08-1 Preparation of Financial Statements**

*Condition:* The financial statements and related disclosures are not being prepared by the County. Also, the County failed to propose all necessary adjustments to fairly present the financial statements in accordance with Generally Accepted Accounting Principles.

*Criteria:* According to the American Institute of Certified Public Accountants' Statement on Auditing Standards No. 112, a system of internal control over financial reporting does not stop at the general ledger. Well designed systems include controls over financial statement preparation, including footnote disclosures.

*Cause:* The County's personnel do not have the time and have not been adequately trained in understanding the elements of external financial reporting including the preparation of financial statements and related footnote disclosures.

*Effect:* When sufficient controls over the preparation of financial statements and related disclosures are not designed, implemented and operating effectively, an entity's ability to prevent or detect a misstatement in its financial statements is limited.

*Auditors' Recommendations:* We recommend County management and personnel receive training on understanding the requirements of external financial reporting.

The training should include, but not be limited to:

- Selection of appropriate accounting policies:
  - Governmental Accounting Standards Board (GASB)
  - Generally Accepted Accounting Principles (specifically as applied to governmental units)
  - Financial Accounting Standards Board (FASB)
- Understanding the financial reporting entity
- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements
- Required supplementary information
  - Management's discussion and analysis
- Supplementary information required by the Office of the State Auditor

In addition, we recommend that the County develop and implement policies and procedures designed to prevent or detect possible misstatements in its financial statements and related footnote disclosures.

*Management's Response:* The County of Socorro would be interested in taking a class that provides useful information on financial statements for governmental accounting. This would be helpful in understanding how to detect and prevent possible misstatements in financial statements.

**SECTION I – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)**

**FS 08-2 — Payroll Bonuses Paid to Employees**

*Condition:* The County paid a one time bonus to all salaried County employees during the year totaling \$56,813 from the General Fund.

*Criteria:* According to the NM Constitution, Article IX, Section 14, neither the state nor any county, school district, or municipality shall directly or indirectly make any donation to or in aid of any person, association or public or private corporation. A donation for purposes of the anti-donation clause is a gift. A retroactive salary increase or performance bonus is, by its nature, additional pay for services already performed by an employee and, as such is a gift of public money.

*Cause:* The County decided to give their employees a one time pay increase.

*Effect:* The County is paying employees for services that were not performed.

*Auditor’s Recommendations:* We recommend that the County follow the NM State Constitution and refrain from paying employee bonuses.

*Management Response:* December of 2008 is the last time the County issued one-time pay increases. However, according to DFA in 2008 we were allowed to give these one-time pay increases if and I quote “...consistent with the constitution, pay its employees a bonus or one-time salary increases if the bonus or increase and the criteria for receiving it were included in the employees’ compensation plan or agreement before the services were rendered.” In 2007 the County did not stipulate a certain time frame for employees who are in County service, but in 2008 the County did stipulate a time frame of September 24, 2008 thru November 16, 2008. DFA no longer allows one-time pay increases and the County does not intend to give them in the future.

**FS 08-3 — Cash Appropriations in Excess of Available Cash Balances**

*Condition:* The County rebudgeted “cash balances” in excess of available cash balances in the following funds:

	<b>Designated Cash</b>	<b>Beginning Year Cash &amp; AR Available</b>	<b>Cash Appropriation in excess of available</b>
Law Enforcement Protection Special Revenue Fund	\$ 300	\$ -	\$ (300)
VLA EMS Special Revenue Fund	2,000	388	(1,612)
Hop Canyon Fire Special Revenue Fund	16,923	15,368	(1,555)

*Criteria:* Per Section 6-6-11 NMSA, it is unlawful for any board of county commissioners, municipal governing body...for any purpose whatsoever to become indebted or contract any debts of any kind or mature whatsoever during any current year which, at the end of such current year, is not and cannot then be paid out of the money actually collected and belonging to that current year.

*Cause:* Inadequate monitoring of ending cash balances and budgeting are the cause of this problem.

*Effect:* The County has budgeted cash balances that do not exist. If the County expends all budgeted expenditures it could incur debt if the budgeted designated cash does not exist.

*Auditor’s Recommendations:* The budget should be reviewed to insure all funds have adequate budget authority and cash balances for budgeted expenditures. Greater attention should be given to the budget monitoring process end-of-the-year cash balance estimates.

*Management Response:* The new finance director is now aware of this situation. However, this problem did occur in the new FY 2009-2010 original budget.



**STATE OF NEW MEXICO**  
 Socorro County  
 Schedule of Findings and Responses  
 For the Year Ended June 30, 2008

**SECTION I – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)**

**FS 08-4 — Negative Cash Balances**

*Condition:* The County had negative cash balances in the following funds at June 30, 2008:

**Major Funds**

Boys and Girls Club Capital Projects Fund	<u>\$ (307,647)</u>
Total Major Funds	<u>\$ (307,647)</u>

**Nonmajor Funds**

DWI Grant Special Revenue Fund	\$ (8,211)
Legislative Appropriations Capital Projects Fund	(109,149)
Rio Abajo Library Capital Projects Fund	(307)
Northern Medical Center Capital Projects Fund	(16,483)
Detention Center Capital Projects Fund	(100,000)
Sabinal and Abeytas Center Capital Projects Fund	(11,234)
La Joya Community Center Capital Projects Fund	<u>(146)</u>
Totan Nonmajor Funds	<u>\$ (245,530)</u>

**Total Governmental Funds** \$ (553,177)

*Criteria:* Cash loaned between funds should be recorded as interfund receivables and payables per GASB No. 34 paragraph 112 (a)(1).

*Cause:* The County was not recording interfund loans properly in the general ledger because it was unaware of the GASB No. 34 and Department of Finance and Accounting requirements.

*Effect:* The auditors had to recommend an adjustment to move the cash between funds and record due to and due from accounts. The County cannot properly monitor fund cash balances during the fiscal year if the interfund receivables and payables are not posted correctly.

*Auditor's Recommendations:* We recommend that the County post interfund loans between funds as required by GASB No. 34, IX A, eliminate negative cash balances and set up due to and due from accounts.

*Management's Response:* According to DFA the County was in compliance with cash balances as of June 30, 2008. The County will take action to correct this problem in the future. However, this problem was repeated for cash balances ending June 30, 2009.

**SECTION I – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)**

**FS 08-5 – Lack of Supporting Documentation Over Non-Standard Journal Entries**

*Condition:* During the year ended June 30, 2008, the County posted numerous non-standard journal entries to miscellaneous adjustment accounts in the total amount of \$428,209. The County did not have sufficient supporting documentation or understanding of the journal entries to support the posting of these journal entries. The County had to call a former employee to inquire about what the journal entries and why they were posted.

*Criteria:* Good accounting practices require that non-standard journal entries be supported by adequate documentation and understanding of the journal entry and authorized and reviewed by someone other than the person initiating the adjusting entry.

*Cause:* The County was trying to correct their incorrect cash balances and restore cash balances for stale dated checks.

*Effect:* Without proper understanding and supporting documentation of journal entries, there is a greater risk that improper adjustments could be made. Improper adjustments result in balances being materially misstated. Also, the risk of fraudulent acts increases without proper understanding and supporting documentation of journal entries.

*Auditors' Recommendations:* We recommend the County update their policies and procedures regarding the posting of non-standard journal entries. We recommend that the County does not post journal entries without a proper understanding of the journal entry or without adequate supporting documentation and that the documentation accompanies the Journal Entries.

*Management's Response:* The majority of the cash balance disagreement with the general ledger was found by the previous finance director. These journal entries were a one time entry and the County does not plan on using the misc. adjustments again.

**SECTION I – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)**

**FS 08-6 – Lack of Internal Control over Credit Cards**

*Condition:* During our audit, it was brought to our attention that the County's gas credit card was being used to buy gas for personal use by one of the County employees. Over the course of a calendar year, \$5,518 of gas was purchased for personal use.

*Criteria:* Good accounting practices require that internal control procedures be established to prevent fraud from occurring.

*Cause:* The County does not have proper internal controls in place to monitor credit card use.

*Effect:* A County employee used the County's gas credit card to buy gas for personal use.

*Auditors' Recommendations:* We recommend the City establish proper internal control procedures over credit cards to prevent misuse of County Assets. We recommend that the County relieve the employee of their duties and seek restitution from the employee. We also recommend that the County notify the State Auditor immediately, in writing, upon discovery of any possible criminal violation as required by Section 2.2.2.10.K(3) of NMAC.

*Management's Response:* The County of Socorro implemented a fuel card policy on June 23, 2009. This policy includes signatures from every employee using the card and a vehicle log that states what vehicle was used, the mileage at purchase, fuel type, filling station, cost per gallon, total cost, and driver's initials. Every month these logs will be turned in to accounts payable and accounts payable will reconcile with the monthly statement.

**FS 08-7 – PERA Reconciliation**

*Condition:* The County was unable to provide a reconciliation of total wages paid in fiscal year ended June 30, 2008 to reported PERA wages for the same period.

*Criteria:* Section 2.2.2.10G(7) NMAC (Audit Rule) requires that total wages paid by a public entity must be reported for the Public Employees Retirement Act.

*Cause:* The County is not accurately reconciling total wages to total wages subject to PERA withholding.

*Effect:* Total contributions due to the Public Employees Retirement Fund may not have been accurately reported or remitted.

*Auditor's Recommendations:* We recommend the County perform a reconciliation of total wages paid per pay period to the total wages subject to PERA withholding per pay period.

*Management's Response:* The County of Socorro is currently working with DataNow on a report that will satisfy this request. The County is also looking at outsourcing the payroll.

**SECTION I – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)**

**FS 08-8 – Interfund Activity**

*Condition:* The County's transfers were out of balance by \$283,572 for the year under audit and the County did not record interfund receivables/payables for deficit cash balance timely.

*Criteria:* GASB No. 34, paragraph 112 requires that all interfund receivables/payables be recorded properly, in a timely manner.

*Cause:* The County was trying to balance its cash balances and transfers were made to cover cash shortages, however, the County does not have adequate records to balance the transfers.

*Effect:* The County could lose track of its cash balances and where cash transfers have been made.

*Auditor's Recommendations:* We recommend the County determine and post the interfund activity journal entries correctly and timely.

*Management's Response:* This was a one-time problem due to miscellaneous adjustments made to general ledger to reconcile cash balances. This problem should be corrected for FY 2009.

**SECTION II – PRIOR YEAR AUDIT FINDINGS**

- FS 02-1 – Lack of Maintaining Capital Assets Listing – Repeated
- FS 02-2 – Late Audit Report - Repeated
- FS 02-5 – Lack of Preparation of Bank Reconciliations - Resolved
- FS 02-6 – Tax Roll Maintenance Schedule-Treasurer’s Office – Repeated (Combined with FS 02-13)
- FS 02-8 – Expenditures in Excess of Budget – Resolved
- FS 02-13 – Lack of Maintaining Tax Roll Reconciliation Schedule-Treasurer’s Office – Repeated/Modified
- FS 02-14 – Lack of Maintaining Property Tax Records - Repeated
- FS 04-8 – Lack of Internal Control Processes for Payroll – Repeated/Modified
- FS 06-1 – Bank Reconciliation for Inmate Trust Account - Resolved
- FS 06-3 – Failure to Maintain Adequate Property Tax Billing Records - Repeated
- FS 06-4 – Travel & Per Diem – Lack of Supporting Documentation - Resolved
- FS 07-1 – Failure to Locate Supporting Documents for Disbursements - Resolved
- FS 07-2 – Failure to Comply With State Regulation Regarding Payment From Treasury - Resolved
- FS 07-3 – Failure to Develop IT Contingency Plan(s) - Resolved
- FS 07-4 – Failure to Have Adequate Physical Controls in Place for IT Equipment - Resolved
- FS-07-5 – Unable to Provide Changes in Assets and Liabilities – Agency Funds - Repeated
- FS 07-6 – Failure to Maintain Complete Personnel Files - Resolved
- FS 07-7 – Payroll-Lack of Supporting Documentation - Resolved
- FS 07-8 – Lack of Proper Internal Controls – Repeated/Modified
- FS 07-9 – Stale Dated Checks – Resolved
- FS 07-10 – Comp Time Accrued for Overtime – Repeated/Modified
- FS 07-11 – Travel and Per Diem – Reimbursed for Personal Use of Vehicle While Using County Vehicle - Resolved

(This page intentionally left blank)

**STATE OF NEW MEXICO**  
Socorro County  
Other Disclosures  
For the Year Ended June 30, 2008

**OTHER DISCLOSURES**

**Exit Conference**

An exit conference was held on September 10, 2009. In attendance were the following:

**Representing Socorro County:**

Rosalind F. "Rosie" Tripp, County Commission Chairman  
Delilah Walsh, County Manager  
Roberta Smith, Finance Director  
Genevie Baca, County Treasurer  
Tina Lujan, Deputy Treasurer

**Representing Accounting & Consulting Group, LLP:**

Jeff McWhorter, CPA, Audit Director

**Auditor Prepared Financial Statements**

Although it would be preferred and desirable for the County to prepare its own financial statements, the County's personnel did not have the time to prepare them. Accounting and Consulting Group, LLP prepared the financial statements of Socorro County from the original books and records provided to them by the management of the County. The responsibility for the financial statements remains with the County.