

STATE OF NEW MEXICO
SOCORRO COUNTY
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2009

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STATE AUDITOR

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INTRODUCTORY SECTION

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STATE OF NEW MEXICO

Socorro County

June 30, 2009

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STATE OF NEW MEXICO
Socorro County
Official Roster
June 30, 2009

<u>Name</u>	<u>County Commission</u>	<u>Title</u>
Rosalind F. "Rosie" Tripp		Chair, District I
Daniel P. Monette		Vice-Chair, District IV
Rumaldo J. Griego		Commissioner, District II
Phillip A. Anaya, Jr.		Commissioner, District III
Juan Jose Gutierrez		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

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FINANCIAL SECTION



Accounting & Consulting Group, LLP

Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Hector Balderas
New Mexico State Auditor
The Office of Management and Budget
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, 2009, 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, 2009 as listed in the table of contents. These financial statements are the responsibility of the County's management. We did not audit the financial statements of the Socorro County Housing Authority or Socorro Village, discretely presented component units for the year ended June 30, 2009. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included for the Socorro County Housing Authority and Socorro Village, is based solely on the reports of the other auditors.

The County has not maintained adequate accounting records relating to its cash, property tax receivable, revenues and deferred revenues, or expenses as of June 30, 2009. Evidence supporting property tax assessments, adjustments and collections 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, 2008 or the depreciation expense for the fiscal year ended June 30, 2009. The County's records do not permit the application of other auditing procedures to its cash, property tax receivable, revenues and deferred revenues, expenses, capital assets, accumulated depreciation, and depreciation expense accounts.

Because we were unable to obtain adequate supporting documentation for the County's cash, property tax receivable, revenues and deferred revenues, expenses, 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, 2009, 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, 2009 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 our opinion, based on the report of other auditors, the financial statements of the Socorro County Housing Authority referred to above, present fairly, in all material respects, the financial position and the results of the operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 15, 2010 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 Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. 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 or the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements and the remaining nonmajor governmental fund financial statements. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on it.

Accounting & Consulting Group, L.L.P.

Accounting & Consulting Group, LLP
Albuquerque, New Mexico
June 15, 2010

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**BASIC
FINANCIAL STATEMENTS**

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STATE OF NEW MEXICO
 Socorro County
 Statement of Net Assets
 June 30, 2009

Exhibit A-1

	Governmental Activities	Component Units	
		Housing Authority	Socorro Village
ASSETS			
Current assets			
Cash and cash equivalents	\$ 7,013,715	\$ 433,534	\$ 12,145
Investments	408,000	-	-
Accounts receivable:			
Property taxes	1,600,705	-	-
Other taxes	416,618	-	-
Intergovernmental	593,367	-	-
Other receivables	3,750	63,679	10,640
Restricted deposits and funded reserves	-	-	358,553
Prepaid expenses	-	58,308	2,111
Total current assets	<u>10,036,155</u>	<u>555,521</u>	<u>383,449</u>
Noncurrent assets			
Restricted investments	399,463	-	-
Capital assets	16,800,391	222,897	1,392,955
Less: accumulated depreciation	-	(126,364)	(795,408)
Bond issuance costs, net of accumulated amortization	13,199	-	-
Total noncurrent assets	<u>17,213,053</u>	<u>96,533</u>	<u>597,547</u>
Total assets	<u>\$ 27,249,208</u>	<u>\$ 652,054</u>	<u>\$ 980,996</u>
LIABILITIES			
Current liabilities			
Accounts payable	\$ 192,389	\$ 20,003	\$ 26,869
Accrued payroll	120,518	6,692	-
Current portion of accrued compensated absences	-	2,944	-
Accrued interest	18,031	276	294
Current portion of long-term obligations	457,321	5,319	-
Restricted deposits - tenant security deposits	-	-	6,892
Restricted deposits - construction payables	-	-	102,272
Total current liabilities	<u>788,259</u>	<u>35,234</u>	<u>136,327</u>
Noncurrent liabilities:			
Noncurrent portion of long-term obligations	3,119,127	36,051	458,546
Noncurrent portion of accrued compensated absences	111,293	-	-
Landfill liability	90,750	-	-
Total noncurrent liabilities	<u>3,321,170</u>	<u>36,051</u>	<u>458,546</u>
Total liabilities	<u>4,109,429</u>	<u>71,285</u>	<u>594,873</u>
NET ASSETS			
Invested in capital assets, net of related debt	13,223,943	55,163	-
Restricted for:			
Debt service	36,006	-	-
Capital projects	1,278,947	-	-
Other purposes - special revenue	2,715,716	-	-
Unrestricted	5,885,167	525,606	386,123
Total net assets	<u>23,139,779</u>	<u>580,769</u>	<u>386,123</u>
Total liabilities and net assets	<u>\$ 27,249,208</u>	<u>\$ 652,054</u>	<u>\$ 980,996</u>

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, 2009

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 4,020,689	\$ 327,454	\$ 2,992,054	\$ 367,980
Public safety	2,323,811	819,781	646,125	1,618,756
Culture and recreation	951,647	6,662	697,076	367,500
Health and welfare	112,500	-	112,500	-
Public works	1,621,126	176,444	1,051,584	-
Interest and other charges	115,915	-	-	-
<i>Total governmental activities</i>	<u>\$ 9,145,688</u>	<u>\$ 1,330,341</u>	<u>\$ 5,499,339</u>	<u>\$ 2,354,236</u>
Component Units				
Housing Authority	<u>\$ 1,904,293</u>	<u>\$ 206,622</u>	<u>\$ 1,526,835</u>	<u>\$ -</u>
Socorro Village	<u>\$ 153,421</u>	<u>\$ 153,819</u>	<u>\$ -</u>	<u>\$ 96,690</u>

General revenues:

Taxes:

Property taxes

Gross receipts taxes

Gasoline and motor vehicle taxes

Other taxes

Miscellaneous revenue

Unrestricted investment earnings

Total general revenues and transfers

Change in net assets

Beginning net assets

Ending net assets

The accompanying notes are an integral part of these financial statements

Net Revenue (Expense) and Changes in Net Assets	Component Units	
	Housing Authority	Socorro Village
\$ (333,201)	\$ -	\$ -
760,851	-	-
119,591	-	-
-	-	-
(393,098)	-	-
(115,915)	-	-
<u>38,228</u>	<u>-</u>	<u>-</u>
-	(170,836)	-
-	-	97,088
2,985,907	-	-
1,097,487	-	-
793,735	-	-
186,682	-	-
43,098	-	-
73,591	897	-
<u>5,180,500</u>	<u>897</u>	<u>-</u>
5,218,728	(169,939)	97,088
<u>17,921,051</u>	<u>750,708</u>	<u>289,035</u>
<u>\$ 23,139,779</u>	<u>\$ 580,769</u>	<u>\$ 386,123</u>

STATE OF NEW MEXICO

Socorro County
Balance Sheet
Governmental Funds
June 30, 2009

	General Fund	Road Fund	Legislative Appropriations Capital Projects Fund
<i>Assets</i>			
Cash and cash equivalents	\$ 5,170,715	\$ 307,445	\$ -
Investments	408,000	-	-
Accounts receivable			
Property taxes	1,600,705	-	-
Other taxes	190,902	90,375	-
Intergovernmental	-	1,449	398,583
Other receivables	1,400	-	-
Due from other funds	374,491	-	-
	<u>\$ 7,746,213</u>	<u>\$ 399,269</u>	<u>\$ 398,583</u>
<i>Total assets</i>			
	<u>\$ 7,746,213</u>	<u>\$ 399,269</u>	<u>\$ 398,583</u>
 <i>Liabilities and fund balance</i>			
<i>Liabilities</i>			
Accounts payable	\$ 119,213	\$ 15,384	\$ 14,622
Accrued payroll	86,991	17,735	-
Deferred revenues			
Property taxes	1,338,312	-	-
Other	40,069	20,597	296,286
Due to other funds	-	-	216,614
	<u>1,584,585</u>	<u>53,716</u>	<u>527,522</u>
<i>Total liabilities</i>			
	<u>1,584,585</u>	<u>53,716</u>	<u>527,522</u>
 <i>Fund balance:</i>			
Reserved for:			
Future debt service payments	-	-	-
Unreserved, reported in:			
General fund	6,161,628	-	-
Special revenue funds	-	345,553	-
Debt service funds	-	-	-
Capital projects funds	-	-	(128,939)
	<u>6,161,628</u>	<u>345,553</u>	<u>(128,939)</u>
<i>Total fund balance</i>			
	<u>6,161,628</u>	<u>345,553</u>	<u>(128,939)</u>
 <i>Total liabilities and fund balance</i>			
	<u>\$ 7,746,213</u>	<u>\$ 399,269</u>	<u>\$ 398,583</u>

The accompanying notes are an integral part of these financial statements

Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,535,555	\$ 7,013,715
399,463	807,463
-	1,600,705
135,341	416,618
193,335	593,367
2,350	3,750
-	374,491
<u>\$ 2,266,044</u>	<u>\$ 10,810,109</u>

\$ 43,170	\$ 192,389
15,792	120,518
-	1,338,312
62,220	419,172
157,877	374,491
<u>279,059</u>	<u>2,444,882</u>

399,463	399,463
-	6,161,628
1,213,626	1,559,179
61,281	61,281
312,615	183,676
<u>1,986,985</u>	<u>8,365,227</u>
<u>\$ 2,266,044</u>	<u>\$ 10,810,109</u>

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STATE OF NEW MEXICO
 Socorro County
 Governmental Funds
 Reconciliation of the Balance Sheet to the Statement of Net Assets
 June 30, 2009

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	\$ 8,365,227
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	16,800,391
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	1,338,312
Reimbursement income 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	419,172
Bond issuance costs, including original issue discounts and premiums are not current financial resources and, therefore, are not reported in the funds	13,199
Certain liabilities, including bonds payable, landfill liabilities and current and long-term portions of accrued compensated absences are not due and payable in the current period and, therefore, are not reported in the funds:	
Accrued interest payable	(18,031)
General obligation and revenue bonds (Note 7)	(1,650,000)
Landfill liability (Notes 7 and 12)	(90,750)
Notes payable and capital leases (Note 7)	(1,926,448)
Current portion of compensated absences (Note 7)	(104,071)
Long-term portion of compensated absences (Note 7)	(7,222)
	(2,836,522)
Total net assets	\$ 23,139,779

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, 2009

	General Fund	Road Fund	Legislative Appropriations Capital Projects Fund
<i>Revenues:</i>			
Taxes:			
Property	\$ 2,151,402	\$ -	\$ -
Gross receipts	1,030,441	-	-
Gasoline and motor vehicle	164,516	586,928	-
Other	2,149	-	-
Intergovernmental:			
Federal operating grants	97,000	550,495	-
State operating grants	2,293,188	914,050	-
State capital grants	-	-	1,322,470
Charges for services	205,506	-	-
Investment income	71,070	-	-
Miscellaneous	41,968	-	-
<i>Total revenues</i>	<u>6,057,240</u>	<u>2,051,473</u>	<u>1,322,470</u>
<i>Expenditures:</i>			
Current:			
General government	3,790,514	-	-
Public safety	40,399	-	-
Culture and recreation	-	-	-
Health and welfare	-	-	-
Public works	-	1,482,659	-
Capital outlay	-	-	1,342,260
Debt service:			
Principal	5,500	352,282	-
Interest	-	4,505	-
Bond issuance cost	-	-	-
<i>Total expenditures</i>	<u>3,836,413</u>	<u>1,839,446</u>	<u>1,342,260</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>2,220,827</u>	<u>212,027</u>	<u>(19,790)</u>
<i>Other financing sources (uses):</i>			
Operating transfers in	315,340	1,722	-
Operating transfers (out)	(1,057,161)	-	-
Loan proceeds	-	-	-
<i>Total other financing sources (uses)</i>	<u>(741,821)</u>	<u>1,722</u>	<u>-</u>
<i>Net change in fund balances</i>	1,479,006	213,749	(19,790)
<i>Fund balances - beginning of year</i>	<u>4,682,622</u>	<u>131,804</u>	<u>(109,149)</u>
<i>Fund balance - end of year</i>	<u>\$ 6,161,628</u>	<u>\$ 345,553</u>	<u>\$ (128,939)</u>

The accompanying notes are an integral part of these financial statements

Nonmajor Governmental Funds	Total Governmental Funds
\$ 247,560	\$ 2,398,962
26,977	1,057,418
23,143	774,587
172,955	175,104
199,395	846,890
1,441,050	4,648,288
735,480	2,057,950
1,076,905	1,282,411
2,521	73,591
1,130	43,098
<u>3,927,116</u>	<u>13,358,299</u>
242,602	4,033,116
2,283,412	2,323,811
951,647	951,647
112,500	112,500
138,467	1,621,126
324,563	1,666,823
403,076	760,858
101,638	106,143
11,698	11,698
<u>4,569,603</u>	<u>11,587,722</u>
<u>(642,487)</u>	<u>1,770,577</u>
1,673,606	1,990,668
(933,507)	(1,990,668)
912,619	912,619
<u>1,652,718</u>	<u>912,619</u>
1,010,231	2,683,196
976,754	5,682,031
<u>\$ 1,986,985</u>	<u>\$ 8,365,227</u>

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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
For the Year Ended June 30, 2009

Exhibit B-2
Page 2 of 2

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

Net change in fund balances - total governmental funds	\$	2,683,196
--	----	-----------

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		1,666,823
----------------------	--	-----------

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenue in the funds:

Change in deferred revenue related to property taxes receivables		586,945
Change in deferred revenue related to other receivables		419,194

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:

Loan proceeds		(912,619)
Capital lease retirements		352,282
Bond issuance cost		11,698
Amortization of bond issuance cost		(1,416)
Notes payable retirements		178,076
Decrease of landfill liability		5,500
Principal payments on bonds		225,000

Expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Decrease in accrued compensated absences		12,427
Increase in accrued interest expense		(8,356)

Changes in net assets	\$	<u>5,218,750</u>
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The accompanying notes are an integral part of these financial statements

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, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes				
Property	\$ 1,652,575	\$ 1,652,575	\$ 1,985,352	\$ 332,777
Gross Receipts	870,000	870,000	993,251	123,251
Gasoline and motor vehicle	169,500	169,500	160,617	(8,883)
Other	1,500	1,500	2,106	606
Intergovernmental income				
Federal operating grants	125,000	125,000	97,000	(28,000)
Federal capital grants	-	-	-	-
State operating grants	1,126,000	2,126,000	2,407,024	281,024
State capital grants	-	-	-	-
Charges for services	244,200	244,200	204,106	(40,094)
Investment income	100,000	100,000	71,070	(28,930)
Miscellaneous	200	200	41,968	41,768
<i>Total revenues</i>	<u>4,288,975</u>	<u>5,288,975</u>	<u>5,962,494</u>	<u>673,519</u>
<i>Expenditures:</i>				
Current				
General government	4,434,416	3,767,499	3,734,719	32,780
Public safety	-	-	399	(399)
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	77,941	77,941	124,275	(46,334)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>4,512,357</u>	<u>3,845,440</u>	<u>3,859,393</u>	<u>(13,953)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(223,382)</u>	<u>1,443,535</u>	<u>2,103,101</u>	<u>659,566</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	43,445	315,340	271,895
Operating transfers (out)	(617,623)	(1,446,800)	(1,057,161)	389,639
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	841,005	(40,180)	-	40,180
<i>Total other financing sources (uses)</i>	<u>223,382</u>	<u>(1,443,535)</u>	<u>(741,821)</u>	<u>701,714</u>
<i>Net change in fund balances</i>	-	-	1,361,280	1,361,280
<i>Fund balances - beginning of year</i>	-	-	4,591,926	4,591,926
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,953,206</u>	<u>\$ 5,953,206</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 1,361,280
Adjustments to revenue for tax accruals and other miscellaneous revenue accruals				94,746
Adjustments to expenditures for payables, payroll taxes, and other accruals				22,980
Net change in fund balances (GAAP)				<u>\$ 1,479,006</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, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross Receipts	-	-	-	-
Gasoline and motor vehicle	626,514	626,514	534,121	(92,393)
Other	-	-	-	-
Intergovernmental				
Federal operating grants	65,500	545,500	550,495	4,995
Federal capital grants	-	-	-	-
State operating grants	476,002	730,329	914,050	183,721
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,168,016</u>	<u>1,902,343</u>	<u>1,998,666</u>	<u>96,323</u>
<i>Expenditures:</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	1,017,365	1,522,931	1,481,618	41,313
Capital outlay	150,000	379,327	357,132	22,195
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>1,167,365</u>	<u>1,902,258</u>	<u>1,838,750</u>	<u>63,508</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>651</u>	<u>85</u>	<u>159,916</u>	<u>159,831</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	1,722	1,722
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(651)	(85)	-	85
<i>Total other financing sources (uses)</i>	<u>(651)</u>	<u>(85)</u>	<u>1,722</u>	<u>1,807</u>
<i>Net change in fund balances</i>	-	-	161,638	161,638
<i>Fund balances - beginning of year</i>	-	-	145,807	145,807
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 307,445</u>	<u>\$ 307,445</u>
Net change in fund balances (non-GAAP budgetary basis)				\$ 161,638
Adjustments to revenue for tax accruals and other miscellaneous revenue accruals				52,807
Adjustments to expenditures for payables, payroll taxes, and other accruals				(696)
Net change in fund balances (GAAP)				<u>\$ 213,749</u>

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

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STATE OF NEW MEXICO
Socorro County
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2009

Exhibit D-1

ASSETS

Cash and cash equivalents \$ 277,970

Total assets \$ 277,970

LIABILITIES

Due to other taxing units \$ 277,970

Total liabilities \$ 277,970

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.

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STATE OF NEW MEXICO
Socorro County
Notes to the Financial Statements
June 30, 2009

NOTE 1. Summary of Significant Accounting Policies

Socorro County (the "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 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 the County is presented to assist in the understanding of the County's financial statements. The financial statements and notes are the representation of the 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 Statements 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, 2009

NOTE 1. Summary of Significant Accounting Policies (continued)

A. Financial Reporting Entity (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. Socorro Village is a component unit of the Authority that should be discretely presented in the Authority's financial statements pursuant to the criteria described above. Additional information regarding the Housing Authority and Socorro Village may be obtained from their administrative office as follows: Housing Authority of Socorro County, PO Box 00, Socorro, NM 87801.

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 levied. 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, 2009

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 Statement 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 *Legislative Appropriations Capital Projects Fund* is used to account for legislative appropriations given to the County for any capital projects, 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.

STATE OF NEW MEXICO
Socorro County
Notes to the Financial Statements
June 30, 2009

NOTE 1. Summary of Significant Accounting Policies (continued)

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

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, 2009 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.

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.

STATE OF NEW MEXICO
Socorro County
Notes to the Financial Statements
June 30, 2009

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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 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 10th 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, however, the County has not included infrastructure and is not compliant with GASB Statement No. 34. 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.

Major outlays for capital assets and improvements are capitalized as projects are constructed. 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.

STATE OF NEW MEXICO
Socorro County
Notes to the Financial Statements
June 30, 2009

NOTE 1. Summary of Significant Accounting Policies (continued)

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

Accrued Expenses: Accrued expenses are comprised of the payroll expenditures based on amounts earned by the employees through June 30, 2009, 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 termination, 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.

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. 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 or straight-line if the difference is inconsequential for bonds issued after the County implemented GASB Statement No. 34 in FY 2004. 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 an other financing source, net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

STATE OF NEW MEXICO
Socorro County
Notes to the Financial Statements
June 30, 2009

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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 invested in capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- 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.

STATE OF NEW MEXICO
Socorro County
Notes to the Financial Statements
June 30, 2009

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 Budget	Final Budget
Budgeted Funds:		
General Fund	\$ (223,382)	\$ 1,443,535
Road Special Revenue Fund	\$ 651	\$ 85
Legislative Appropriations Capital Projects Fund	\$ 81,136	\$ 81,136
Other Governmental Funds	\$ (433,238)	\$ (1,049,321)

The accompanying Statements of Revenues, 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, 2009 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, 2009

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, 2009.

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 \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution. However, on October 14, 2008, the FDIC announced a new Transaction Account Guarantee Program, that provides depositors with unlimited coverage for noninterest-bearing transaction accounts. With regards to this Transaction Account Guarantee Program, noninterest-bearing checking accounts include Demand Deposit Accounts (DDA's) and any other transaction accounts that have unlimited withdrawals and that cannot earn interest. Also included in this program, are low interest NOW accounts that cannot earn more than 0.5% interest. This program was scheduled to end December 31, 2009.

Primary Government

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, 2009, \$158,000 of the County's bank balance of \$8,572,826 was exposed to custodial credit risk; \$158,000 was uninsured but collateralized by collateral held by the pledging bank's trust department, not in the County's name. None of the County's deposits were uninsured and uncollateralized at June 30, 2009.

STATE OF NEW MEXICO
Socorro County
Notes to the Financial Statements
June 30, 2009

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	\$ 7,180,255	\$ 984,571	\$ 408,000	\$ 8,572,826
Transaction Deposit Accounts covered by the "Transactions Account Guarantee Program"	6,930,255	734,571	-	7,664,826
FDIC Coverage	(250,000)	(250,000)	(250,000)	(750,000)
Total uninsured public funds	<u>-</u>	<u>-</u>	<u>158,000</u>	<u>158,000</u>
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the County's name	-	-	158,000	158,000
Uninsured and uncollateralized	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Collateral requirement (50% of uninsured funds)	\$ -	\$ -	\$ 79,000	\$ 79,000
Pledged Collateral	6,469,352	925,714	360,431	7,755,497
Over (Under) collateralized	<u>\$ 6,469,352</u>	<u>\$ 925,714</u>	<u>\$ 281,431</u>	<u>\$ 7,676,497</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

As of June 30, 2009, the County had the following investments and maturities:

<u>Investment Type</u>	<u>Weighted Average Maturities</u>	<u>Fair Value</u>	<u>Rating</u>
U.S. Treasury MM Mutual Fund	<1 year	\$ 399,463	AAA
		<u>\$ 399,463</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.

STATE OF NEW MEXICO
 Socorro County
 Notes to the Financial Statements
 June 30, 2009

NOTE 3. Deposits and Investments (continued)

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 U.S. Treasury Money Market Mutual Fund represent 100 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.

Reconciliation of Cash, Cash Equivalents, and Investments

Reconciliation of Statement of Net Assets - Primary Government

Cash and cash equivalents per Exhibit A-1	\$ 7,013,715
Investments per Exhibit A-1	408,000
Restricted investments per Exhibit A-1	399,463
Cash - Statement of Fiduciary Assets and Liabilities per Exhibit D-1	<u>277,970</u>
Total cash, cash equivalents, and investments	8,099,148
Add: outstanding checks and other reconciling items	877,655
Less: deposits in transit and other reconciling items	(4,184)
Less: investments in U.S. Treasury MM Mutual Fund	(399,463)
Less: petty cash	<u>(330)</u>
Bank balance of deposits	<u><u>\$ 8,572,826</u></u>

STATE OF NEW MEXICO
 Socorro County
 Notes to the Financial Statements
 June 30, 2009

NOTE 4. Receivables

Receivables as of June 30, 2009, are as follows:

	<u>General Fund</u>	<u>Road Fund</u>	<u>Legislative Appropriations Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Property taxes	\$ 1,600,705	\$ -	\$ -	\$ -	\$ 1,600,705
Other taxes:					
Gross receipts taxes	144,400	-	-	118,305	262,705
Motor Vehicle	42,551	-	-	-	42,551
Gasoline and oil taxes	2,116	90,375	-	-	92,491
Other taxes	1,835	-	-	17,036	18,871
Other receivables:					
Intergovernmental-grants:					
State	-	1,449	398,583	193,335	593,367
Miscellaneous	1,400	-	-	2,350	3,750
Totals by category	<u>\$ 1,793,007</u>	<u>\$ 91,824</u>	<u>\$ 398,583</u>	<u>\$ 331,026</u>	<u>\$ 2,614,440</u>

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

NOTE 5. Interfund Receivables, Payables, and Transfers

The County records temporary interfund receivables and payables to enable the funds to operate until grant monies are received. The composition of interfund balances during the year ended June 30, 2009 is as follows:

	<u>Due from other funds</u>	<u>Due to other funds</u>
Major Funds		
General Fund	\$ 374,491	\$ -
Legislative Appropriations Capital Projects Fund	-	216,614
Nonmajor Governmental Funds		
Northern Medical Center Capital Projects Fund	-	4,697
Sabinal and Abeytas Center Capital Projects Fund	-	153,180
Total Governmental Transfers	<u>\$ 374,491</u>	<u>\$ 374,491</u>

All interfund receivables are intended to be repaid within one year.

STATE OF NEW MEXICO
Socorro County
Notes to the Financial Statements
June 30, 2009

NOTE 6. Capital Assets

The following is a summary of capital assets and changes occurring during the year ended June 30, 2009. Land and construction in progress are not subject to depreciation.

Governmental Activities

	Balance June 30, 2008	Additions	Deletions	Balance June 30, 2009
Capital assets not being depreciated:				
Land	\$ 656,667	\$ -	\$ -	\$ 656,667
Construction in progress	-	633,986	-	633,986
Total capital assets not being depreciated	656,667	633,986	-	1,290,653
Capital assets being depreciated:				
Buildings and improvements	4,140,629	378,734	-	4,519,363
Furniture, fixtures and equipment	10,336,272	654,103	-	10,990,375
Total capital assets being depreciated	14,476,901	1,032,837	-	15,509,738
Less accumulated depreciation:				
Buildings and improvements	-	-	-	-
Furniture, fixtures and equipment	-	-	-	-
Total accumulated depreciation	-	-	-	-
Total capital assets, net of depreciation	\$ 15,133,568	\$ 1,666,823	\$ -	\$ 16,800,391

The County did not maintain a capital asset inventory or disclose non-depreciable assets as of June 30, 2009; as a result, lives, methods and historical cost are not available to record depreciation expense for the year ended June 30, 2009.

NOTE 7. Long-term Debt

During the year ended June 30, 2009, the following changes occurred in the liabilities reported in the government-wide statement of net assets:

	Balance June 30, 2008	Additions	Retirements	Balance June 30, 2009	Due Within One Year
General Obligation Bonds	\$ 1,875,000	\$ -	\$ 225,000	\$ 1,650,000	\$ 250,000
Notes Payables	1,191,905	912,619	178,076	1,926,448	207,321
Capital Leases	352,282	-	352,282	-	-
Landfill Closure and Post-Closure Liability	96,250	-	5,500	90,750	-
Compensated Absences	123,720	91,644	104,071	111,293	-
Total Long-Term Debt	\$ 3,639,157	\$ 1,004,263	\$ 864,929	\$ 3,778,491	\$ 457,321

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.

STATE OF NEW MEXICO
 Socorro County
 Notes to the Financial Statements
 June 30, 2009

NOTE 7. Long-term Debt (continued)

The annual requirements to amortize the Bonds as of June 30, 2009, including interest payments are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
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	275,000	25,855	300,855
2015-2019	<u>300,000</u>	<u>13,500</u>	<u>313,500</u>
	<u>\$ 1,650,000</u>	<u>\$ 265,480</u>	<u>\$ 1,915,480</u>

Bonds outstanding at June 30, 2009, 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%

\$ 1,650,000

The annual requirements to amortize notes payable as of June 30, 2009, including interest payments are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2010	\$ 207,321	\$ 46,337	\$ 253,658
2011	182,370	37,319	219,689
2012	186,066	34,423	220,489
2013	171,378	31,267	202,645
2014	175,261	27,870	203,131
2015-2019	525,455	91,199	616,654
2020-2024	255,936	41,681	297,617
2025-2029	<u>222,661</u>	<u>15,729</u>	<u>238,390</u>
	<u>\$ 1,926,448</u>	<u>\$ 325,825</u>	<u>\$ 2,252,273</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.

STATE OF NEW MEXICO
Socorro County
Notes to the Financial Statements
June 30, 2009

NOTE 7. Long-term Debt (continued)

Notes payable outstanding at June 30, 2009, 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%	\$ 7,576
State of New Mexico Taxation and Revenue Loan, dated May 23, 2000, principal due December 31, 2001 through 2010 having approximate yields of 0.00%	15,000
NM Finance Authority Loan, dated September 20, 2002, principal due May 1, 2004 through 2010 having approximate yields of 1.97% to 4.14%	18,756
NM Finance Authority Loan, dated October 17, 2003, principal due May 1, 2004 through 2014 having no yield	35,632
NM Finance Authority Loan, dated October 17, 2003, principal due May 1, 2004 through 2014 having no yield	78,219
State of New Mexico Taxation and Revenue Loan, dated May 23, 2000, principal due December 31, 2001 through 2015 having approximate yields of 0.00%	36,216
New Mexico Finance Authority, dated March 3, 2006, principal due May 1, 2006 through 2016 having approximate yields of 3.14% to 3.63%	161,621
NM Finance Authority Loan, dated May 19, 2006, principal due May 1, 2007 through 2016 having approximate yields of 3.00%	142,094
New Mexico Finance Authority, dated July 28, 2006, principal due May 1, 2007 through 2027 having approximate yields of 3.28% to 4.18%	244,932
New Mexico Finance Authority, dated February 16, 2007, principal due May 1, 2008 through 2027 having approximate yields of 3.29% to 3.83%	241,371
New Mexico Finance Authority, dated November 16, 2007, principal due November 1, 2008 through 2011 having approximate yields of 0.00%	53,117
New Mexico Finance Authority, dated December 19, 2008, principal due May 1, 2009 through 2014 having approximate yields of 2.18% to 3.58%	106,947
New Mexico Finance Authority, dated January 30, 2009, principal due May 1, 2010 through 2019 having approximate yields of 3.05% to 5.46%	338,898
New Mexico Finance Authority, dated January 30, 2009, principal due May 1, 2010 through 2029 having approximate yields of 1.55% to 5.29%	<u>446,069</u>
 Total Notes Payable	 <u>\$ 1,926,448</u>

STATE OF NEW MEXICO
Socorro County
Notes to the Financial Statements
June 30, 2009

NOTE 7. Long-term Debt (continued)

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.

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, 2009, landfill liabilities decreased \$5,500 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, 2009, compensated absences decreased \$12,427 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, 2009

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, 2009:

Major Funds

Legislative Appropriations Capital Projects Fund	\$ (128,939)
Total Major Funds	<u>(128,939)</u>

Nonmajor Funds

Rio Abajo Library Capital Projects Fund	(326)
Northern Medical Center Capital Projects Fund	(4,697)
Sabinal and Abeytas Center Capital Projects Fund	<u>(57,240)</u>
Total Nonmajor Funds	<u>(62,263)</u>

Total Governmental Funds	<u>\$ (191,202)</u>
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The County incurred more expenditures than revenues received in these funds in the current year. The County anticipates these fund balances will not be in a deficit state in subsequent years.

- B. Excess of expenditures over appropriations. The following funds had expenditures in excess of the budget for the year ended June 30, 2009:

Major Funds

General Fund	\$ (13,953)
Total Major Funds	<u>(13,953)</u>

Nonmajor Funds

NMFA Veguita Debt Service Fund	(1,243)
NMFA San Antonio Fire Station Debt Service Fund	(6,592)
NMFA Abeytas Fire Pumper/Tanker Debt Service Fund	<u>(5,008)</u>
Total Nonmajor Funds	<u>(12,843)</u>

Total Governmental Funds	<u>\$ (26,796)</u>
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- C. Designated cash appropriations in excess of available balances. The following fund exceeded approved budgetary authority for the year ended June 30, 2009:

	Designated Cash	Beginning Year Cash & AR Available	Cash Appropriation in excess of available
Rio Abajo Library Capital Projects Fund	\$ 3,153	\$ (307)	\$ (3,460)

STATE OF NEW MEXICO
Socorro County
Notes to the Financial Statements
June 30, 2009

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

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, 2009, 2008 and 2007 were \$238,501, \$217,413, and \$196,442, 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, 2009.

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 \$90,750 which is an estimate of the remaining liability through June 30, 2009 for post-closure costs.

NOTE 13. 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, 2009

NOTE 14. Commitments

The County's commitments as of June 30, 2009 are as follows:

<u>Project</u>	<u>Year Ending</u>	<u>Amount</u>
Alamo Water Project - NMED	2010	\$ 35,000
Annex Building	2010	69,400
Government Center	2010	90,000
Polvadera Lemitar Water Project	2010	71,722
Public Health Office	2010	32,947
Road Department Building	2010	42,568
Sabinal Community Center	2010	34,697
San Antonio Fire Station	2010	200,820
Veguita Fire Station	2010	320,000
Veguita Health Center	2011	298,553
County Road 91	2011	557,576
Parks Improvement	2011	380,943
Polvadera CDBG	2011	<u>473,794</u>
Total commitments		<u>\$ 2,608,020</u>

NOTE 15. 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, 2009

NOTE 15. 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

NOTE 16. Restricted Net Assets

The government-wide statement of net assets reports \$4,030,691 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 projects funds, see pages 35, and 59-61.

NOTE 17. Subsequent Events

The County received a NMFA loan in the amount of \$349,081 for the construction of a new fire station for the Vegueta Fire Department. Payments for this loan are not due until the 2011 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 a Property Valuation loan in the amount of \$76,080 for technical assistance for the valuation of property and the purchase of items necessary for valuation maintenance with the County. Payments for this loan are not due until the 2011 fiscal year. Payments for this loan will be made through the Property Valuation Fund.

STATE OF NEW MEXICO
Socorro County
Notes to the Financial Statements
June 30, 2009

NOTE 18. Fund Balance Restatement

The County has restated prior year fund balances in the fund financial statements as a result of the following:

- Technology Purchases 2005 Special Revenue Fund: (\$123,991) for restatement of prior year accounts receivable that were incorrectly recognized in this fund and not in the Alamo Water Improvement Project Capital Projects Fund.
- Alamo Water Improvement Project Capital Projects Fund: \$123,991 for restatement of the prior year accounts receivable that were incorrectly recognized in the Technology Purchases 2005 Special Revenue Fund.

NOTE 19. Subsequent Pronouncements

In July 2007, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 51, Accounting and Financial Reporting for Intangible Assets, which is effective for periods beginning after June 15, 2009. For governments that were classified as phase 1 or phase 2 governments, retroactive reporting is required for intangible assets acquired in fiscal years ending after June 30, 1980, except for those considered to have indefinite useful lives as of the effective date of this Statement and those that would be considered internally generated. Retroactive reporting of these intangible assets by phase 3 governments is encouraged but not required. Retroactive reporting is not required but is permitted for intangible assets considered to have indefinite useful lives as of the effective date of this Statement and those considered to be internally generated. The objective of this Statement is to establish accounting and financial reporting requirements for intangible assets to reduce these inconsistencies, thereby enhancing the comparability of the accounting and financial reporting of such assets among state and local governments. The County is analyzing the effect that this standard will have on the financial statements, and currently believes it will have no significant effect on the financial statements for the upcoming year.

In March 2009, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, which is effective for financial statements for periods beginning after June 15, 2010 with earlier implementation encouraged. GASB Statement No. 54 distinguishes fund balance between amounts that are considered nonspendable, such as fund balance associated with inventories, and other amounts that are classified based on the relative strength of the constraints that control the purpose for which specific amounts can be spent. This statement is intended to improve the usefulness of information provided to financial report users about fund balance by providing clearer, more structured fund balance classifications, and by clarifying the definitions of existing governmental fund types. The County is analyzing the effect that this standard will have on the financial statements.

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SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

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STATE OF NEW MEXICO
Socorro County
Nonmajor Governmental Funds
June 30, 2009

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, La Joya 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.

Hospital – The Statewide Health Care Act (Chapter 27, Article 10 NMSA 1978) requires counties to contribute to the *County-supported Medicaid* Fund in amounts equivalent to an imposition of a county-wide gross receipts tax at the rate of one-sixteenth of one percent. Each county's obligation may be met by imposition of the *County Health Care Gross Receipts Tax*. These funds are intercepted directly by the State for the benefit of New Mexico Human Services Department. No proceeds or expenditures actually pass through this fund, it is for recorded purposes only. The authority to create this fund was given by 7-20E-18, NMSA 1978.

Detention Center – Proceeds must be used for operating, maintaining, constructing, purchasing, furnishing, equipping, rehabilitating, expanding or improving a judicial-correctional or county correctional facility or the grounds of a judicial-correctional or county correctional facility, including acquiring and improving parking lots, landscaping, transporting or extraditing prisoners or for the payment of principal and interest on revenue bonds. The authority to create this fund was given by 7-20F-1 through 7-20F-12, 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 operation of, and ongoing improvements to, Socorro County parks.

STATE OF NEW MEXICO
Socorro County
Nonmajor Governmental Funds
June 30, 2009

SPECIAL REVENUE FUNDS (continued)

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.

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. This fund is administered by the County Fire Marshall's Office.

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.

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, Hop Canyon Station, San Antonio Fire Station, and Abeytas Fire Pumper/Tanker.

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.

NMFA Bulldozer – To account for a NMFA loan to pay the balance due on the purchase of the Socorro County Caterpillar bulldozer.

CAPITAL PROJECTS FUNDS

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.

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.

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.

Repair and Replacement 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.

STATE OF NEW MEXICO
Socorro County
Nonmajor Governmental Funds
June 30, 2009

CAPITAL PROJECTS FUNDS (continued)

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.

Alamo Water Improvement Project – To account for legislative funds received for the construction and improvement of wells and water delivery 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.

Boys and Girls Club – 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.

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.

STATE OF NEW MEXICO
Socorro County
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2009

ASSETS	Special Revenue Funds			
	Forest Reserve Title III	Farm and Range Improvement	Recreation Fund	Midway Fire
<i>Current assets</i>				
Cash and cash equivalents	\$ 121,277	\$ 20,989	\$ 7,731	\$ 6,575
Investments	-	-	-	-
Accounts receivable				
Other taxes	-	-	22	-
Intergovernmental	-	-	-	930
Other receivables	-	-	-	1,945
<i>Total current assets</i>	<u>\$ 121,277</u>	<u>\$ 20,989</u>	<u>\$ 7,753</u>	<u>\$ 9,450</u>
 LIABILITIES AND FUND BALANCES				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ 402
Accrued payroll	-	-	-	-
Deferred revenue				
Other	-	-	-	1,945
Due to other funds	-	-	-	-
<i>Total current liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,347</u>
<i>Fund balances</i>				
Reserved for:				
Future debt service payments	-	-	-	-
Unreserved, reported in:				
Special revenue	121,277	20,989	7,753	7,103
Debt service	-	-	-	-
Capital projects	-	-	-	-
<i>Total fund balances</i>	<u>121,277</u>	<u>20,989</u>	<u>7,753</u>	<u>7,103</u>
<i>Total liabilities and fund balances</i>	<u>\$ 121,277</u>	<u>\$ 20,989</u>	<u>\$ 7,753</u>	<u>\$ 9,450</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	Hospital
\$ 21,610	\$ 24,909	\$ 150,584	\$ 53,589	\$ 9,538	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
3,017	-	201	-	-	-
-	-	-	-	-	-
<u>\$ 24,627</u>	<u>\$ 24,909</u>	<u>\$ 150,785</u>	<u>\$ 53,589</u>	<u>\$ 9,538</u>	<u>\$ -</u>
\$ 90	\$ 38	\$ 176	\$ 3,600	\$ 539	\$ -
-	-	-	-	-	-
301	-	201	-	-	-
-	-	-	-	-	-
<u>391</u>	<u>38</u>	<u>377</u>	<u>3,600</u>	<u>539</u>	<u>-</u>
-	-	-	-	-	-
24,236	24,871	150,408	49,989	8,999	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>24,236</u>	<u>24,871</u>	<u>150,408</u>	<u>49,989</u>	<u>8,999</u>	<u>-</u>
<u>\$ 24,627</u>	<u>\$ 24,909</u>	<u>\$ 150,785</u>	<u>\$ 53,589</u>	<u>\$ 9,538</u>	<u>\$ -</u>

STATE OF NEW MEXICO
Socorro County
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2009

ASSETS	Special Revenue Funds			
	Detention Center	Fire Excise Tax	Law Enforcement Protection	Property Administration
<i>Current assets</i>				
Cash and cash equivalents	\$ -	\$ 312,300	\$ 10,271	\$ 109,495
Investments	-	-	-	-
Accounts receivable				
Other taxes	93,725	41,594	-	-
Intergovernmental	3,873	-	5,942	-
Other receivables	140	-	-	-
	<u>\$ 97,738</u>	<u>\$ 353,894</u>	<u>\$ 16,213</u>	<u>\$ 109,495</u>
<i>Total current assets</i>				
 LIABILITIES AND FUND BALANCES				
<i>Current liabilities</i>				
Accounts payable	\$ 13,784	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Deferred revenue				
Other	47,930	11,578	-	-
Due to other funds	-	-	-	-
	<u>61,714</u>	<u>11,578</u>	<u>-</u>	<u>-</u>
<i>Total current liabilities</i>				
<i>Fund balances</i>				
Reserved for:				
Future debt service payments	-	-	-	-
Unreserved, reported in:				
Special revenue	36,024	342,316	16,213	109,495
Debt service	-	-	-	-
Capital projects	-	-	-	-
	<u>36,024</u>	<u>342,316</u>	<u>16,213</u>	<u>109,495</u>
<i>Total fund balances</i>				
<i>Total liabilities and fund balances</i>	<u>\$ 97,738</u>	<u>\$ 353,894</u>	<u>\$ 16,213</u>	<u>\$ 109,495</u>

The accompanying notes are an integral part of these financial statements

Special Revenue Funds

VLA EMS	Clerk Filing Fees	Midway EMS	DWI Grant	Parks Department	San Antonio EMS
\$ 7,407	\$ 60,453	\$ -	\$ 1,905	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	47,219	-	-
-	-	-	-	-	-
<u>\$ 7,407</u>	<u>\$ 60,453</u>	<u>\$ -</u>	<u>\$ 49,124</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 256	\$ 5,266	\$ -	\$ 1,016	\$ -	\$ -
-	-	-	3,076	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>256</u>	<u>5,266</u>	<u>-</u>	<u>4,092</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
7,151	55,187	-	45,032	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>7,151</u>	<u>55,187</u>	<u>-</u>	<u>45,032</u>	<u>-</u>	<u>-</u>
<u>\$ 7,407</u>	<u>\$ 60,453</u>	<u>\$ -</u>	<u>\$ 49,124</u>	<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
Socorro County
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2009

ASSETS	Special Revenue Funds			
	Technology Purchases 2005	Senior Center	2003 Legislative Appropriation	Wildland Grant
<i>Current assets</i>				
Cash and cash equivalents	\$ -	\$ 27	\$ -	\$ 44,234
Investments	-	-	-	-
Accounts receivable				
Other taxes	-	-	-	-
Intergovernmental	-	34,826	-	-
Other receivables	-	-	-	265
<i>Total current assets</i>	<u>\$ -</u>	<u>\$ 34,853</u>	<u>\$ -</u>	<u>\$ 44,499</u>
 LIABILITIES AND FUND BALANCES				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ 178	\$ -	\$ 785
Accrued payroll	-	12,716	-	-
Deferred revenue				
Other	-	-	-	265
Due to other funds	-	-	-	-
<i>Total current liabilities</i>	<u>-</u>	<u>12,894</u>	<u>-</u>	<u>1,050</u>
<i>Fund balances</i>				
Reserved for:				
Future debt service payments	-	-	-	-
Unreserved, reported in:				
Special revenue	-	21,959	-	43,449
Debt service	-	-	-	-
Capital projects	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>21,959</u>	<u>-</u>	<u>43,449</u>
<i>Total liabilities and fund balances</i>	<u>\$ -</u>	<u>\$ 34,853</u>	<u>\$ -</u>	<u>\$ 44,499</u>

The accompanying notes are an integral part of these financial statements

Special Revenue Funds		Debt Service Funds			
Telecommunications Fund	Hop Canyon Fire	General Obligation Bond	NMFA San Antonio Fire	NMFA Abeytas Fire	NMFA Midway
\$ 24,350	\$ 112,152	\$ 61,281	\$ -	\$ -	\$ -
-	-	-	192	78	62
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 24,350</u>	<u>\$ 112,152</u>	<u>\$ 61,281</u>	<u>\$ 192</u>	<u>\$ 78</u>	<u>\$ 62</u>
\$ 15,327	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>15,327</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	192	78	62
9,023	112,152	-	-	-	-
-	-	61,281	-	-	-
-	-	-	-	-	-
<u>9,023</u>	<u>112,152</u>	<u>61,281</u>	<u>192</u>	<u>78</u>	<u>62</u>
<u>\$ 24,350</u>	<u>\$ 112,152</u>	<u>\$ 61,281</u>	<u>\$ 192</u>	<u>\$ 78</u>	<u>\$ 62</u>

STATE OF NEW MEXICO
Socorro County
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2009

ASSETS	Debt Service Funds			
	NMFA San Antonio #3 Pumper	NMFA San Antonio #2	NMFA Veguita	NMFA Abeytas #2
<i>Current assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Investments	22,816	163	81	17,870
Accounts receivable				
Other taxes	-	-	-	-
Intergovernmental	-	-	-	-
Other receivables	-	-	-	-
<i>Total current assets</i>	<u>\$ 22,816</u>	<u>\$ 163</u>	<u>\$ 81</u>	<u>\$ 17,870</u>
 LIABILITIES AND FUND BALANCES				
<i>Current liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Deferred revenue				
Other	-	-	-	-
Due to other funds	-	-	-	-
<i>Total current liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Reserved for:				
Future debt service payments	22,816	163	81	17,870
Unreserved, reported in:				
Special revenue	-	-	-	-
Debt service	-	-	-	-
Capital projects	-	-	-	-
<i>Total fund balances</i>	<u>22,816</u>	<u>163</u>	<u>81</u>	<u>17,870</u>
<i>Total liabilities and fund balances</i>	<u>\$ 22,816</u>	<u>\$ 163</u>	<u>\$ 81</u>	<u>\$ 17,870</u>

The accompanying notes are an integral part of these financial statements

Debt Service Funds

NMFA Hop Canyon Station	NMFA BLM Building Purchase	NMFA Sheriff's Department Vehicles	NMFA Bulldozer	NMFA San Antonio Fire Station	NMFA Abeytas Fire Pumper/Tanker
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
17,057	18,094	114	14,659	274,339	33,938
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 17,057</u>	<u>\$ 18,094</u>	<u>\$ 114</u>	<u>\$ 14,659</u>	<u>\$ 274,339</u>	<u>\$ 33,938</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
17,057	18,094	114	14,659	274,339	33,938
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>17,057</u>	<u>18,094</u>	<u>114</u>	<u>14,659</u>	<u>274,339</u>	<u>33,938</u>
<u>\$ 17,057</u>	<u>\$ 18,094</u>	<u>\$ 114</u>	<u>\$ 14,659</u>	<u>\$ 274,339</u>	<u>\$ 33,938</u>

STATE OF NEW MEXICO
Socorro County
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2009

ASSETS	Capital Projects Funds			
	Rio Abajo Library	Northern Medical Center	Detention Center Fund	Repair and Replacement Fund
<i>Current assets</i>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 374,878
Investments	-	-	-	-
Accounts receivable				
Other taxes	-	-	-	-
Intergovernmental	-	-	-	-
Other receivables	-	-	-	-
<i>Total current assets</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 374,878</u>
 LIABILITIES AND FUND BALANCES				
<i>Current liabilities</i>				
Accounts payable	\$ 326	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Deferred revenue				
Other	-	-	-	-
Due to other funds	-	4,697	-	-
<i>Total current liabilities</i>	<u>326</u>	<u>4,697</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Reserved for:				
Future debt service payments	-	-	-	-
Unreserved, reported in:				
Special revenue	-	-	-	-
Debt service	-	-	-	-
Capital projects	(326)	(4,697)	-	374,878
<i>Total fund balances</i>	<u>(326)</u>	<u>(4,697)</u>	<u>-</u>	<u>374,878</u>
<i>Total liabilities and fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 374,878</u>

The accompanying notes are an integral part of these financial statements

Capital Projects Funds

Sabinal and Abeytas Center	Alamo Water Improvement Project	Boys and Girls Club	La Joya Community Center	Totals
\$ -	\$ -	\$ -	\$ -	\$ 1,535,555
-	-	-	-	399,463
-	-	-	-	135,341
97,327	-	-	-	193,335
-	-	-	-	2,350
<u>\$ 97,327</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,266,044</u>
\$ 1,387	\$ -	\$ -	\$ -	\$ 43,170
-	-	-	-	15,792
-	-	-	-	62,220
153,180	-	-	-	157,877
<u>154,567</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>279,059</u>
-	-	-	-	399,463
-	-	-	-	1,213,626
-	-	-	-	61,281
(57,240)	-	-	-	312,615
<u>(57,240)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,986,985</u>
<u>\$ 97,327</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,266,044</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, 2009

	Special Revenue Funds			
	Forest Reserve Title III	Farm and Range Improvement	Recreation Fund	Midway Fire
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	1,079	-
<i>Intergovernmental:</i>				
Federal operating grants	90,671	21,526	-	-
State operating grants	-	-	-	37,803
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>90,671</u>	<u>21,526</u>	<u>1,079</u>	<u>37,803</u>
<i>Expenditures</i>				
<i>Current</i>				
General government	-	-	-	-
Public safety	-	-	-	31,468
Culture and recreation	-	20,000	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt Service</i>				
Principal	-	-	-	-
Interest	-	-	-	-
Bond Issuance Cost	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>31,468</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>90,671</u>	<u>1,526</u>	<u>1,079</u>	<u>6,335</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Loan proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>90,671</u>	<u>1,526</u>	<u>1,079</u>	<u>6,335</u>
<i>Fund balances - beginning of year</i>	30,606	19,463	6,674	768
<i>Fund balances - restatement (Note 18)</i>	-	-	-	-
<i>Fund balances - as restated</i>	<u>30,606</u>	<u>19,463</u>	<u>6,674</u>	<u>768</u>
<i>Fund balances - end of year</i>	<u>\$ 121,277</u>	<u>\$ 20,989</u>	<u>\$ 7,753</u>	<u>\$ 7,103</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	Hospital
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
97,898	52,666	195,928	38,141	20,300	112,500
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
97,898	52,666	195,928	38,141	20,300	112,500
-	-	-	-	-	-
336,520	47,383	374,027	31,908	18,895	-
-	-	-	-	-	112,500
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
336,520	47,383	374,027	31,908	18,895	112,500
(238,622)	5,283	(178,099)	6,233	1,405	-
209,202	-	300,016	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
209,202	-	300,016	-	-	-
(29,420)	5,283	121,917	6,233	1,405	-
53,656	19,588	28,491	43,756	7,594	-
-	-	-	-	-	-
53,656	19,588	28,491	43,756	7,594	-
\$ 24,236	\$ 24,871	\$ 150,408	\$ 49,989	\$ 8,999	\$ -

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, 2009

	Special Revenue Funds			
	Detention Center	Fire Excise Tax	Law Enforcement Protection	Property Administration
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	171,876	-	-
<i>Intergovernmental:</i>				
Federal operating grants	-	-	-	-
State operating grants	-	-	5,942	-
State capital grants	-	-	-	-
Charges for services	569,734	-	-	62,003
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>569,734</u>	<u>171,876</u>	<u>5,942</u>	<u>62,003</u>
<i>Expenditures</i>				
<i>Current</i>				
General government	-	-	-	-
Public safety	1,086,542	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	14,476
Capital outlay	-	-	-	-
Debt Service	-	-	-	-
Principal	-	-	-	30,000
Interest	-	-	-	-
Bond Issuance Cost	-	-	-	-
<i>Total expenditures</i>	<u>1,086,542</u>	<u>-</u>	<u>-</u>	<u>44,476</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(516,808)</u>	<u>171,876</u>	<u>5,942</u>	<u>17,527</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	773,552	-	-	11,688
Operating transfers (out)	(220,720)	(83,241)	-	-
Loan proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>552,832</u>	<u>(83,241)</u>	<u>-</u>	<u>11,688</u>
Net change in fund balances	<u>36,024</u>	<u>88,635</u>	<u>5,942</u>	<u>29,215</u>
<i>Fund balances - beginning of year</i>	-	253,681	10,271	80,280
<i>Fund balances - restatement (Note 18)</i>	-	-	-	-
<i>Fund balances - as restated</i>	-	253,681	10,271	80,280
<i>Fund balances - end of year</i>	<u>\$ 36,024</u>	<u>\$ 342,316</u>	<u>\$ 16,213</u>	<u>\$ 109,495</u>

The accompanying notes are an integral part of these financial statements

Special Revenue Funds

VLA EMS	Clerk Filing Fees	Midway EMS	DWI Grant	Parks Department	San Antonio EMS
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,402	-	-	122,980	-	-
-	15,524	-	193,590	6,662	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,402</u>	<u>15,524</u>	<u>-</u>	<u>316,570</u>	<u>6,662</u>	<u>-</u>
-	25,838	-	-	-	-
2,432	-	-	263,327	-	8,500
-	-	-	-	21,957	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,432</u>	<u>25,838</u>	<u>-</u>	<u>263,327</u>	<u>21,957</u>	<u>8,500</u>
<u>2,970</u>	<u>(10,314)</u>	<u>-</u>	<u>53,243</u>	<u>(15,295)</u>	<u>(8,500)</u>
-	-	-	-	3,075	-
-	-	(135)	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>(135)</u>	<u>-</u>	<u>3,075</u>	<u>-</u>
<u>2,970</u>	<u>(10,314)</u>	<u>(135)</u>	<u>53,243</u>	<u>(12,220)</u>	<u>(8,500)</u>
4,181	65,501	135	(8,211)	12,220	8,500
-	-	-	-	-	-
<u>4,181</u>	<u>65,501</u>	<u>135</u>	<u>(8,211)</u>	<u>12,220</u>	<u>8,500</u>
<u>\$ 7,151</u>	<u>\$ 55,187</u>	<u>\$ -</u>	<u>\$ 45,032</u>	<u>\$ -</u>	<u>\$ -</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, 2009

	Special Revenue Funds			
	Technology Purchases 2005	Senior Center	2003 Legislative Appropriation	Wildland Grant
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal operating grants	-	87,198	-	-
State operating grants	-	395,862	-	101,554
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	127	-	-
Miscellaneous	-	1,130	-	-
<i>Total revenues</i>	<u>-</u>	<u>484,317</u>	<u>-</u>	<u>101,554</u>
<i>Expenditures</i>				
<i>Current</i>				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	602,771	-	36,229
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt Service</i>				
Principal	-	-	-	-
Interest	-	-	-	-
Bond Issuance Cost	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>602,771</u>	<u>-</u>	<u>36,229</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(118,454)</u>	<u>-</u>	<u>65,325</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	145,700	-	-
Operating transfers (out)	-	(51,040)	-	(43,445)
Loan proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>94,660</u>	<u>-</u>	<u>(43,445)</u>
<i>Net change in fund balances</i>	<u>-</u>	<u>(23,794)</u>	<u>-</u>	<u>21,880</u>
<i>Fund balances - beginning of year</i>	123,991	45,753	-	21,569
<i>Fund balances - restatement (Note 18)</i>	(123,991)	-	-	-
<i>Fund balances - as restated</i>	<u>-</u>	<u>45,753</u>	<u>-</u>	<u>21,569</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ 21,959</u>	<u>\$ -</u>	<u>\$ 43,449</u>

The accompanying notes are an integral part of these financial statements

Special Revenue Funds		Debt Service Funds			
Telecommunications Fund	Hop Canyon Fire	General Obligation Bond	NMFA San Antonio Fire	NMFA Abeytas Fire	NMFA Midway
\$ -	\$ -	\$ 245,741	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
18,354	123,880	-	18,403	7,500	5,859
-	-	-	-	-	-
-	-	-	191	77	61
-	-	-	-	-	-
<u>18,354</u>	<u>123,880</u>	<u>245,741</u>	<u>18,594</u>	<u>7,577</u>	<u>5,920</u>
-	-	500	-	-	-
-	72,593	-	93	36	105
57,201	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	225,000	18,411	7,355	5,983
-	-	84,263	621	411	-
-	-	-	-	-	-
<u>57,201</u>	<u>72,593</u>	<u>309,763</u>	<u>19,125</u>	<u>7,802</u>	<u>6,088</u>
<u>(38,847)</u>	<u>51,287</u>	<u>(64,022)</u>	<u>(531)</u>	<u>(225)</u>	<u>(168)</u>
-	39,241	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	<u>39,241</u>	-	-	-	-
<u>(38,847)</u>	<u>90,528</u>	<u>(64,022)</u>	<u>(531)</u>	<u>(225)</u>	<u>(168)</u>
47,870	21,624	125,303	723	303	230
-	-	-	-	-	-
<u>47,870</u>	<u>21,624</u>	<u>125,303</u>	<u>723</u>	<u>303</u>	<u>230</u>
<u>\$ 9,023</u>	<u>\$ 112,152</u>	<u>\$ 61,281</u>	<u>\$ 192</u>	<u>\$ 78</u>	<u>\$ 62</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, 2009

	Debt Service Funds			
	NMFA San Antonio #3 Pumper	NMFA San Antonio #2	NMFA Veguita	NMFA Abeytas #2
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal operating grants	-	-	-	-
State operating grants	23,618	15,809	7,931	14,690
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	529	161	79	375
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>24,147</u>	<u>15,970</u>	<u>8,010</u>	<u>15,065</u>
<i>Expenditures</i>				
<i>Current</i>				
General government	-	-	-	-
Public safety	457	231	111	379
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt Service</i>				
Principal	20,929	14,857	6,873	11,699
Interest	4,205	1,327	1,243	4,171
Bond Issuance Cost	-	-	-	-
<i>Total expenditures</i>	<u>25,591</u>	<u>16,415</u>	<u>8,227</u>	<u>16,249</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,444)</u>	<u>(445)</u>	<u>(217)</u>	<u>(1,184)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Loan proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	<u>(1,444)</u>	<u>(445)</u>	<u>(217)</u>	<u>(1,184)</u>
<i>Fund balances - beginning of year</i>	24,260	608	298	19,054
<i>Fund balances - restatement (Note 18)</i>	-	-	-	-
<i>Fund balances - as restated</i>	<u>24,260</u>	<u>608</u>	<u>298</u>	<u>19,054</u>
<i>Fund balances - end of year</i>	<u>\$ 22,816</u>	<u>\$ 163</u>	<u>\$ 81</u>	<u>\$ 17,870</u>

The accompanying notes are an integral part of these financial statements

Debt Service Funds					
NMFA Hop Canyon Station	NMFA BLM Building Purchase	NMFA Sheriff's Department Vehicles	NMFA Bulldozer	NMFA San Antonio Fire Station	NMFA Abeytas Fire Pumper/Tanker
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	10,048	16,929	-	-	-
-	-	-	23,143	-	-
-	-	-	-	-	-
-	-	-	-	-	-
14,262	3,768	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
358	282	113	40	64	64
-	-	-	-	-	-
<u>14,620</u>	<u>14,098</u>	<u>17,042</u>	<u>23,183</u>	<u>64</u>	<u>64</u>
-	-	-	-	-	-
643	634	234	1,886	-	5,008
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	106,176	-	-
-	-	-	-	-	-
12,248	12,133	16,883	20,705	-	-
2,529	2,287	-	581	-	-
-	-	-	5,106	6,592	-
<u>15,420</u>	<u>15,054</u>	<u>17,117</u>	<u>134,454</u>	<u>6,592</u>	<u>5,008</u>
<u>(800)</u>	<u>(956)</u>	<u>(75)</u>	<u>(111,271)</u>	<u>(6,528)</u>	<u>(4,944)</u>
-	-	-	-	-	-
-	-	-	(1,722)	(165,202)	(300,016)
-	-	-	127,652	446,069	338,898
-	-	-	125,930	280,867	38,882
<u>(800)</u>	<u>(956)</u>	<u>(75)</u>	<u>14,659</u>	<u>274,339</u>	<u>33,938</u>
17,857	19,050	189	-	-	-
-	-	-	-	-	-
<u>17,857</u>	<u>19,050</u>	<u>189</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 17,057</u>	<u>\$ 18,094</u>	<u>\$ 114</u>	<u>\$ 14,659</u>	<u>\$ 274,339</u>	<u>\$ 33,938</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, 2009

	Capital Projects Funds			
	Rio Abajo Library	Northern Medical Center	Detention Center Fund	Repair and Replacement Fund
<i>Revenues:</i>				
<i>Taxes:</i>				
Property	\$ 1,819	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental:</i>				
Federal operating grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	24,702	100,000	-
Charges for services	-	-	-	229,392
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,819</u>	<u>24,702</u>	<u>100,000</u>	<u>229,392</u>
<i>Expenditures</i>				
<i>Current</i>				
General government	-	-	-	216,264
Public safety	-	-	-	-
Culture and recreation	1,838	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	12,916	-	-
<i>Debt Service</i>				
Principal	-	-	-	-
Interest	-	-	-	-
Bond Issuance Cost	-	-	-	-
<i>Total expenditures</i>	<u>1,838</u>	<u>12,916</u>	<u>-</u>	<u>216,264</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(19)</u>	<u>11,786</u>	<u>100,000</u>	<u>13,128</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	1	-	-	123,000
Operating transfers (out)	(1)	-	-	(67,985)
Loan proceeds	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>55,015</u>
<i>Net change in fund balances</i>	<u>(19)</u>	<u>11,786</u>	<u>100,000</u>	<u>68,143</u>
<i>Fund balances - beginning of year</i>	(307)	(16,483)	(100,000)	306,735
<i>Fund balances - restatement (Note 18)</i>	-	-	-	-
<i>Fund balances - as restated</i>	<u>(307)</u>	<u>(16,483)</u>	<u>(100,000)</u>	<u>306,735</u>
<i>Fund balances - end of year</i>	<u>\$ (326)</u>	<u>\$ (4,697)</u>	<u>\$ -</u>	<u>\$ 374,878</u>

The accompanying notes are an integral part of these financial statements

Capital Projects Funds				
Sabinal and Abeytas Center	Alamo Water Improvement Project	Boys and Girls Club	La Joya Community Center	Totals
\$ -	\$ -	\$ -	\$ -	\$ 247,560
-	-	-	-	26,977
-	-	-	-	23,143
-	-	-	-	172,955
-	-	-	-	199,395
-	-	-	-	1,441,050
243,278	-	367,500	-	735,480
-	-	-	-	1,076,905
-	-	-	-	2,521
-	-	-	-	1,130
243,278	-	367,500	-	3,927,116
-	-	-	-	242,602
-	-	-	-	2,283,412
151,651	-	60,000	-	951,647
-	-	-	-	112,500
-	123,991	-	-	138,467
137,633	-	67,838	-	324,563
-	-	-	-	403,076
-	-	-	-	101,638
-	-	-	-	11,698
289,284	123,991	127,838	-	4,569,603
(46,006)	(123,991)	239,662	-	(642,487)
-	-	67,985	146	1,673,606
-	-	-	-	(933,507)
-	-	-	-	912,619
-	-	67,985	146	1,652,718
(46,006)	(123,991)	307,647	146	1,010,231
(11,234)	-	(307,647)	(146)	976,754
-	123,991	-	-	-
(11,234)	123,991	(307,647)	(146)	976,754
\$ (57,240)	\$ -	\$ -	\$ -	\$ 1,986,985

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STATE OF NEW MEXICO
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, 2009

Statement B-1

	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	-	-	90,671	90,671
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>90,671</u>	<u>90,671</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>90,671</u>	<u>90,671</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>90,671</u>	<u>90,671</u>
<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>\$ 121,277</u>	<u>\$ 121,277</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 90,671
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 90,671</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, 2009

	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	21,526	(5,474)
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>27,000</u>	<u>27,000</u>	<u>21,526</u>	<u>(5,474)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	20,000	20,000	20,000	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>7,000</u>	<u>7,000</u>	<u>1,526</u>	<u>(5,474)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(7,000)	(7,000)	-	7,000
<i>Total other financing sources (uses)</i>	<u>(7,000)</u>	<u>(7,000)</u>	<u>-</u>	<u>7,000</u>
<i>Net change in fund balance</i>	-	-	1,526	1,526
<i>Fund balance - beginning of year</i>	-	-	19,463	19,463
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,989</u>	<u>\$ 20,989</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 1,526
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 1,526</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2009

Statement B-3

	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	1,057	557
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>500</u>	<u>500</u>	<u>1,057</u>	<u>557</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	500	500	-	500
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>500</u>	<u>500</u>	<u>-</u>	<u>500</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>1,057</u>	<u>1,057</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>1,057</u>	<u>1,057</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>6,674</u>	<u>6,674</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,731</u>	<u>\$ 7,731</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 1,057
Adjustments to revenue for accruals, earnings on investments, and other deferrals and accruals				22
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 1,079</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, 2009

Statement B-4

	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	44,000	44,000	42,732	(1,268)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>44,000</u>	<u>44,000</u>	<u>42,732</u>	<u>(1,268)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	31,110	31,110	31,066	44
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	6,082	6,082	5,859	223
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>37,192</u>	<u>37,192</u>	<u>36,925</u>	<u>267</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>6,808</u>	<u>6,808</u>	<u>5,807</u>	<u>(1,001)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers out	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(6,808)	(6,808)	-	6,808
<i>Total other financing sources (uses)</i>	<u>(6,808)</u>	<u>(6,808)</u>	<u>-</u>	<u>6,808</u>
<i>Net change in fund balance</i>	-	-	5,807	5,807
<i>Fund balance - beginning of year</i>	-	-	768	768
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,575</u>	<u>\$ 6,575</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 5,807
Adjustments to revenue for accruals, earnings on investments, and other deferrals and accruals				(4,929)
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				5,457
Net change in fund balance (GAAP)				<u>\$ 6,335</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2009

Statement B-5

	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	153,836	153,836	153,012	(824)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>153,836</u>	<u>153,836</u>	<u>153,012</u>	<u>(824)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	61,500	61,500	38,563	22,937
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	74,000	531,622	301,834	229,788
Debt service				
Principal	61,131	61,131	57,830	3,301
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>196,631</u>	<u>654,253</u>	<u>398,227</u>	<u>256,026</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(42,795)</u>	<u>(500,417)</u>	<u>(245,215)</u>	<u>255,202</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	44,000	444,000	209,202	(234,798)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(1,205)	56,417	-	(56,417)
<i>Total other financing sources (uses)</i>	<u>42,795</u>	<u>500,417</u>	<u>209,202</u>	<u>(291,215)</u>
<i>Net change in fund balance</i>	-	-	(36,013)	(36,013)
<i>Fund balance - beginning of year</i>	-	-	57,623	57,623
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,610</u>	<u>\$ 21,610</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (36,013)
Adjustments to revenue for accruals, earnings on investments, and other deferrals and accruals				(55,114)
Adjustments to expenditures for payables, payroll taxes, prepaid expenses, and other accruals				61,707
Net change in fund balance (GAAP)				<u>\$ (29,420)</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, 2009

Statement B-6

	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	65,504	65,504	60,596	(4,908)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>65,504</u>	<u>65,504</u>	<u>60,596</u>	<u>(4,908)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	36,700	36,700	40,209	(3,509)
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	20,000	20,000	7,136	12,864
Debt service				
Principal	8,227	8,227	7,930	297
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>64,927</u>	<u>64,927</u>	<u>55,275</u>	<u>9,652</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>577</u>	<u>577</u>	<u>5,321</u>	<u>4,744</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(577)	(577)	-	577
<i>Total other financing sources (uses)</i>	<u>(577)</u>	<u>(577)</u>	<u>-</u>	<u>577</u>
<i>Net change in fund balance</i>	-	-	5,321	5,321
<i>Fund balance - beginning of year</i>	-	-	19,588	19,588
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,909</u>	<u>\$ 24,909</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 5,321
Adjustments to revenue for accruals, earnings on investments, and other deferrals and accruals				(7,930)
Adjustments to expenditures for payables, payroll taxes, prepaid expenses, and other accruals				7,892
Net change in fund balance (GAAP)				<u>\$ 5,283</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, 2009

Statement B-7

	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	66,944	214,428	218,119	3,691
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>66,944</u>	<u>214,428</u>	<u>218,119</u>	<u>3,691</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	35,000	35,000	39,200	(4,200)
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	348,491	334,651	13,840
Debt service				
Principal	24,052	24,052	22,191	1,861
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>59,052</u>	<u>407,543</u>	<u>396,042</u>	<u>11,501</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>7,892</u>	<u>(193,115)</u>	<u>(177,923)</u>	<u>15,192</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	300,000	300,016	16
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(7,892)	(106,885)	-	106,885
<i>Total other financing sources (uses)</i>	<u>(7,892)</u>	<u>193,115</u>	<u>300,016</u>	<u>106,901</u>
<i>Net change in fund balance</i>	-	-	122,093	122,093
<i>Fund balance - beginning of year</i>	-	-	28,491	28,491
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 150,584</u>	<u>\$ 150,584</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 122,093
Adjustments to revenue for accruals, earnings on investments, and other deferrals and accruals				(22,191)
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				22,015
Net change in fund balance (GAAP)				<u>\$ 121,917</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, 2009

Statement B-8

	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	40,000	40,000	38,141	(1,859)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>40,000</u>	<u>40,000</u>	<u>38,141</u>	<u>(1,859)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	26,480	28,480	19,362	9,118
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	8,946	(8,946)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>26,480</u>	<u>28,480</u>	<u>28,308</u>	<u>172</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>13,520</u>	<u>11,520</u>	<u>9,833</u>	<u>(1,687)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(13,520)	(11,520)	-	11,520
<i>Total other financing sources (uses)</i>	<u>(13,520)</u>	<u>(11,520)</u>	<u>-</u>	<u>11,520</u>
<i>Net change in fund balance</i>	-	-	9,833	9,833
<i>Fund balance - beginning of year</i>	-	-	43,756	43,756
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 53,589</u>	<u>\$ 53,589</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 9,833
No adjustments to revenues				-
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				(3,600)
Net change in fund balance (GAAP)				<u>\$ 6,233</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, 2009

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	16,500	16,500	20,300	3,800
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>16,500</u>	<u>16,500</u>	<u>20,300</u>	<u>3,800</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	16,300	23,894	18,356	5,538
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>16,300</u>	<u>23,894</u>	<u>18,356</u>	<u>5,538</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>200</u>	<u>(7,394)</u>	<u>1,944</u>	<u>9,338</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(200)	7,394	-	(7,394)
<i>Total other financing sources (uses)</i>	<u>(200)</u>	<u>7,394</u>	<u>-</u>	<u>(7,394)</u>
<i>Net change in fund balance</i>	-	-	1,944	1,944
<i>Fund balance - beginning of year</i>	-	-	7,594	7,594
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,538</u>	<u>\$ 9,538</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 1,944
No adjustments to revenues				-
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				(539)
Net change in fund balance (GAAP)				<u>\$ 1,405</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Socorro County
Hospital - 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, 2009

Statement B-10

	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	112,500	112,500	112,500	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>112,500</u>	<u>112,500</u>	<u>112,500</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	112,500	112,500	112,500	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>112,500</u>	<u>112,500</u>	<u>112,500</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 (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</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)				\$ -
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
Socorro County
Detention 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, 2009

Statement B-11

	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	-	-	-	-
Charges for services	395,000	395,000	519,926	124,926
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>395,000</u>	<u>395,000</u>	<u>519,926</u>	<u>124,926</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	830,112	1,325,112	1,072,758	252,354
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>830,112</u>	<u>1,325,112</u>	<u>1,072,758</u>	<u>252,354</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(435,112)</u>	<u>(930,112)</u>	<u>(552,832)</u>	<u>377,280</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	435,112	930,112	773,552	(156,560)
Operating transfers (out)	-	-	(220,720)	(220,720)
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>435,112</u>	<u>930,112</u>	<u>552,832</u>	<u>(377,280)</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				49,808
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				(13,784)
Net change in fund balance (GAAP)				<u>\$ 36,024</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2009

Statement B-12

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	124,973	124,973	153,834	28,861
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>124,973</u>	<u>124,973</u>	<u>153,834</u>	<u>28,861</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>124,973</u>	<u>124,973</u>	<u>153,834</u>	<u>28,861</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(44,000)	(83,241)	(83,241)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(80,973)	(41,732)	-	41,732
<i>Total other financing sources (uses)</i>	<u>(124,973)</u>	<u>(124,973)</u>	<u>(83,241)</u>	<u>41,732</u>
<i>Net change in fund balance</i>	-	-	70,593	70,593
<i>Fund balance - beginning of year</i>	-	-	241,707	241,707
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 312,300</u>	<u>\$ 312,300</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 70,593
Adjustments to revenue for accruals, earnings on investments, and other deferrals and accruals				18,042
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 88,635</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-13

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, 2009

	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	26,600	26,600	27,200	600
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>26,600</u>	<u>26,600</u>	<u>27,200</u>	<u>600</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	17,117	17,117	16,929	188
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>17,117</u>	<u>17,117</u>	<u>16,929</u>	<u>188</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>9,483</u>	<u>9,483</u>	<u>10,271</u>	<u>788</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(9,483)	(9,483)	-	9,483
<i>Total other financing sources (uses)</i>	<u>(9,483)</u>	<u>(9,483)</u>	<u>-</u>	<u>9,483</u>
<i>Net change in fund balance</i>	-	-	10,271	10,271
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,271</u>	<u>\$ 10,271</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 10,271
Adjustments to revenue for accruals, earnings on investments, and other deferrals and accruals				(21,258)
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				16,929
Net change in fund balance (GAAP)				<u>\$ 5,942</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-14

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, 2009

	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	-	-	-	-
Charges for services	53,000	53,000	62,003	9,003
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>53,000</u>	<u>53,000</u>	<u>62,003</u>	<u>9,003</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	49,750	23,500	12,297	11,203
Capital outlay	24,000	24,000	33,657	(9,657)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>73,750</u>	<u>47,500</u>	<u>45,954</u>	<u>1,546</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(20,750)</u>	<u>5,500</u>	<u>16,049</u>	<u>10,549</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	11,688	11,688	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	20,750	(17,188)	-	17,188
<i>Total other financing sources (uses)</i>	<u>20,750</u>	<u>(5,500)</u>	<u>11,688</u>	<u>17,188</u>
<i>Net change in fund balance</i>	-	-	27,737	27,737
<i>Fund balance - beginning of year</i>	-	-	81,758	81,758
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 109,495</u>	<u>\$ 109,495</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 27,737
No adjustments to revenues				-
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				1,478
Net change in fund balance (GAAP)				<u>\$ 29,215</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 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, 2009

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	5,400	5,400	5,402	2
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>5,400</u>	<u>5,400</u>	<u>5,402</u>	<u>2</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	4,900	4,900	2,176	2,724
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	500	500	-	500
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>5,400</u>	<u>5,400</u>	<u>2,176</u>	<u>3,224</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>3,226</u>	<u>3,226</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>3,226</u>	<u>3,226</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>4,181</u>	<u>4,181</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,407</u>	<u>\$ 7,407</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 3,226
No adjustments to revenues				-
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				(256)
Net change in fund balance (GAAP)				<u>\$ 2,970</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, 2009

Statement B-16

	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	-	-	-	-
Charges for services	18,000	18,000	15,524	(2,476)
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>18,000</u>	<u>18,000</u>	<u>15,524</u>	<u>(2,476)</u>
<i>Expenditures</i>				
Current				
General government	10,000	13,100	12,783	317
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	7,500	7,500	7,789	(289)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>17,500</u>	<u>20,600</u>	<u>20,572</u>	<u>28</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>500</u>	<u>(2,600)</u>	<u>(5,048)</u>	<u>(2,448)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(500)	2,600	-	(2,600)
<i>Total other financing sources (uses)</i>	<u>(500)</u>	<u>2,600</u>	<u>-</u>	<u>(2,600)</u>
<i>Net change in fund balance</i>	-	-	(5,048)	(5,048)
<i>Fund balance - beginning of year</i>	-	-	65,501	65,501
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,453</u>	<u>\$ 60,453</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (5,048)
No adjustments to revenues				-
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				(5,266)
Net change in fund balance (GAAP)				<u>\$ (10,314)</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, 2009

Statement B-17

	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	-	-	-	-
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)	-	(135)	(135)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	135	-	(135)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(135)</u>	<u>(135)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(135)</u>	<u>(135)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>135</u>	<u>135</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)				\$ (135)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (135)</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, 2009

Statement B-18

	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	117,997	113,717	108,036	(5,681)
State capital grants	-	-	-	-
Charges for services	161,200	163,200	169,874	6,674
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>279,197</u>	<u>276,917</u>	<u>277,910</u>	<u>993</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	272,088	269,808	269,082	726
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	1,500	1,500	1,313	187
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>273,588</u>	<u>271,308</u>	<u>270,395</u>	<u>913</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>5,609</u>	<u>5,609</u>	<u>7,515</u>	<u>1,906</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(5,609)	(5,609)	-	5,609
<i>Total other financing sources (uses)</i>	<u>(5,609)</u>	<u>(5,609)</u>	<u>-</u>	<u>5,609</u>
<i>Net change in fund balance</i>	-	-	7,515	7,515
<i>Fund balance - beginning of year</i>	-	-	(5,610)	(5,610)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,905</u>	<u>\$ 1,905</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 7,515
Adjustments to revenue for accruals, earnings on investments, and other deferrals and accruals				38,660
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				7,068
Net change in fund balance (GAAP)				<u>\$ 53,243</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2009

Statement B-19

	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	-	-	-	-
Charges for services	8,000	9,737	6,662	(3,075)
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>8,000</u>	<u>9,737</u>	<u>6,662</u>	<u>(3,075)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	17,000	21,957	21,957	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>17,000</u>	<u>21,957</u>	<u>21,957</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(9,000)</u>	<u>(12,220)</u>	<u>(15,295)</u>	<u>(3,075)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	3,075	3,075
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	9,000	12,220	-	(12,220)
<i>Total other financing sources (uses)</i>	<u>9,000</u>	<u>12,220</u>	<u>3,075</u>	<u>(9,145)</u>
<i>Net change in fund balance</i>	-	-	(12,220)	(12,220)
<i>Fund balance - beginning of year</i>	-	-	12,220	12,220
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (12,220)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (12,220)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 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, 2009

Statement B-20

	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	-	-	-	-
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	-	8,500	8,500	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>8,500</u>	<u>8,500</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(8,500)</u>	<u>(8,500)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	8,500	-	(8,500)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>8,500</u>	<u>-</u>	<u>(8,500)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(8,500)</u>	<u>(8,500)</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>8,500</u>	<u>8,500</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)				\$ (8,500)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (8,500)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-21

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, 2009

	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	-	-	-	-
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 (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</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)				\$ -
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
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, 2009

Statement B-26

	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	42,000	142,000	138,141	(3,859)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>42,000</u>	<u>142,000</u>	<u>138,141</u>	<u>(3,859)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	26,350	26,350	24,052	2,298
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	45,241	48,541	(3,300)
Debt service				
Principal	15,420	15,420	14,261	1,159
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>41,770</u>	<u>87,011</u>	<u>86,854</u>	<u>157</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>230</u>	<u>54,989</u>	<u>51,287</u>	<u>(3,702)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	39,241	39,241	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(230)	(94,230)	-	94,230
<i>Total other financing sources (uses)</i>	<u>(230)</u>	<u>(54,989)</u>	<u>39,241</u>	<u>94,230</u>
<i>Net change in fund balance</i>	-	-	90,528	90,528
<i>Fund balance - beginning of year</i>	-	-	21,624	21,624
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 112,152</u>	<u>\$ 112,152</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 90,528
Adjustments to revenue for accruals, earnings on investments, and other deferrals and accruals				(14,261)
Adjustments to expenditures for payables, payroll taxes, prepaid expenses, and other accruals				14,261
Net change in fund balance (GAAP)				<u>\$ 90,528</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Socorro County
General Obligation Bond - 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, 2009

Statement B-27

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<i>Revenues</i>				
<i>Taxes</i>				
Property	\$ 227,960	\$ 227,960	\$ 245,741	\$ 17,781
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
<i>Intergovernmental</i>				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>227,960</u>	<u>227,960</u>	<u>245,741</u>	<u>17,781</u>
<i>Expenditures</i>				
<i>Current</i>				
General government	500	500	500	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
<i>Debt service</i>				
Principal	225,000	225,000	225,000	-
Interest	84,263	84,263	84,263	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>309,763</u>	<u>309,763</u>	<u>309,763</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(81,803)</u>	<u>(81,803)</u>	<u>(64,022)</u>	<u>17,781</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	81,803	81,803	-	(81,803)
<i>Total other financing sources (uses)</i>	<u>81,803</u>	<u>81,803</u>	<u>-</u>	<u>(81,803)</u>
<i>Net change in fund balance</i>	-	-	(64,022)	(64,022)
<i>Fund balance - beginning of year</i>	-	-	125,303	125,303
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 61,281</u>	<u>\$ 61,281</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (64,022)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (64,022)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2009

Statement B-28

	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	18,403	(722)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	800	800	191	(609)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>19,925</u>	<u>19,925</u>	<u>18,594</u>	<u>(1,331)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	93	93	93	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	18,411	18,411	18,411	-
Interest	621	621	621	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>19,125</u>	<u>19,125</u>	<u>19,125</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>800</u>	<u>800</u>	<u>(531)</u>	<u>(1,331)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(800)	(800)	-	800
<i>Total other financing sources (uses)</i>	<u>(800)</u>	<u>(800)</u>	<u>-</u>	<u>800</u>
<i>Net change in fund balance</i>	-	-	(531)	(531)
<i>Fund balance - beginning of year</i>	-	-	723	723
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 192</u>	<u>\$ 192</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (531)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (531)</u>

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, 2009

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	7,803	7,803	7,500	(303)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	300	300	77	(223)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>8,103</u>	<u>8,103</u>	<u>7,577</u>	<u>(526)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	37	37	36	1
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	7,355	7,355	7,355	-
Interest	411	411	411	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>7,803</u>	<u>7,803</u>	<u>7,802</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>300</u>	<u>300</u>	<u>(225)</u>	<u>(525)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in 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 balance</i>	-	-	(225)	(225)
<i>Fund balance - beginning of year</i>	-	-	303	303
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78</u>	<u>\$ 78</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
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, 2009

Statement B-30

	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	6,082	6,082	5,859	(223)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	200	200	61	(139)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>6,282</u>	<u>6,282</u>	<u>5,920</u>	<u>(362)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	105	105	105	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	5,977	5,984	5,983	1
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>6,082</u>	<u>6,089</u>	<u>6,088</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>200</u>	<u>193</u>	<u>(168)</u>	<u>(361)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(200)	(193)	-	193
<i>Total other financing sources (uses)</i>	<u>(200)</u>	<u>(193)</u>	<u>-</u>	<u>193</u>
<i>Net change in fund balance</i>	-	-	(168)	(168)
<i>Fund balance - beginning of year</i>	-	-	230	230
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62</u>	<u>\$ 62</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (168)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (168)</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, 2009

	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	25,591	25,591	23,618	(1,973)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	500	500	529	29
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>26,091</u>	<u>26,091</u>	<u>24,147</u>	<u>(1,944)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	456	456	457	(1)
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	20,929	20,929	20,929	-
Interest	4,205	4,206	4,205	1
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>25,590</u>	<u>25,591</u>	<u>25,591</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>501</u>	<u>500</u>	<u>(1,444)</u>	<u>(1,944)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(501)	(500)	-	500
<i>Total other financing sources (uses)</i>	<u>(501)</u>	<u>(500)</u>	<u>-</u>	<u>500</u>
<i>Net change in fund balance</i>	-	-	(1,444)	(1,444)
<i>Fund balance - beginning of year</i>	-	-	24,260	24,260
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,816</u>	<u>\$ 22,816</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (1,444)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (1,444)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2009

Statement B-32

	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	16,415	16,415	15,809	(606)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	683	683	161	(522)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>17,098</u>	<u>17,098</u>	<u>15,970</u>	<u>(1,128)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	232	232	231	1
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	14,857	14,857	14,857	-
Interest	1,327	1,327	1,327	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>16,416</u>	<u>16,416</u>	<u>16,415</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>682</u>	<u>682</u>	<u>(445)</u>	<u>(1,127)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(682)	(682)	-	682
<i>Total other financing sources (uses)</i>	<u>(682)</u>	<u>(682)</u>	<u>-</u>	<u>682</u>
<i>Net change in fund balance</i>	-	-	(445)	(445)
<i>Fund balance - beginning of year</i>	-	-	608	608
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 163</u>	<u>\$ 163</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (445)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (445)</u>

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, 2009

Statement B-33

	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	8,227	8,227	7,931	(296)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	300	300	79	(221)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>8,527</u>	<u>8,527</u>	<u>8,010</u>	<u>(517)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	111	111	111	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	6,873	6,873	6,873	-
Interest	-	-	1,243	(1,243)
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>6,984</u>	<u>6,984</u>	<u>8,227</u>	<u>(1,243)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,543</u>	<u>1,543</u>	<u>(217)</u>	<u>(1,760)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(1,543)	(1,543)	-	1,543
<i>Total other financing sources (uses)</i>	<u>(1,543)</u>	<u>(1,543)</u>	<u>-</u>	<u>1,543</u>
<i>Net change in fund balance</i>	-	-	(217)	(217)
<i>Fund balance - beginning of year</i>	-	-	298	298
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 81</u>	<u>\$ 81</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (217)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (217)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 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, 2009

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	16,249	16,249	14,690	(1,559)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	4,000	4,000	375	(3,625)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	20,249	20,249	15,065	(5,184)
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	379	379	379	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	11,699	11,699	11,699	-
Interest	4,171	4,171	4,171	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	16,249	16,249	16,249	-
<i>Excess (deficiency) of revenues over expenditures</i>	4,000	4,000	(1,184)	(5,184)
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(4,000)	(4,000)	-	4,000
<i>Total other financing sources (uses)</i>	(4,000)	(4,000)	-	4,000
<i>Net change in fund balance</i>	-	-	(1,184)	(1,184)
<i>Fund balance - beginning of year</i>	-	-	19,054	19,054
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ 17,870	\$ 17,870
Net change in fund balance (non-GAAP budgetary basis)				(1,184)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				\$ (1,184)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-35

Socorro County

NMFA Hop Canyon Station - 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, 2009

	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	15,420	15,420	14,262	(1,158)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	1,581	1,581	358	(1,223)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>17,001</u>	<u>17,001</u>	<u>14,620</u>	<u>(2,381)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	643	643	643	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	12,248	12,248	12,248	-
Interest	2,529	2,529	2,529	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>15,420</u>	<u>15,420</u>	<u>15,420</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,581</u>	<u>1,581</u>	<u>(800)</u>	<u>(2,381)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Loan proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(1,581)	(1,581)	-	1,581
<i>Total other financing sources (uses)</i>	<u>(1,581)</u>	<u>(1,581)</u>	<u>-</u>	<u>1,581</u>
<i>Net change in fund balance</i>	-	-	(800)	(800)
<i>Fund balance - beginning of year</i>	-	-	17,857	17,857
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,057</u>	<u>\$ 17,057</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (800)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (800)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2009

Statement B-36

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	15,054	15,054	10,048	(5,006)
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	3,768	3,768
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	300	300	282	(18)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>15,354</u>	<u>15,354</u>	<u>14,098</u>	<u>(1,256)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	634	634	634	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	12,133	12,133	12,133	-
Interest	2,287	2,287	2,287	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>15,054</u>	<u>15,054</u>	<u>15,054</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>300</u>	<u>300</u>	<u>(956)</u>	<u>(1,256)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Loan proceeds	-	-	-	-
Designated cash (budgeted increase in 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 balance</i>	-	-	(956)	(956)
<i>Fund balance - beginning of year</i>	-	-	19,050	19,050
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,094</u>	<u>\$ 18,094</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (956)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (956)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-37

Socorro County

NMFA Sheriff's Department Vehicles - 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, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	17,117	17,117	16,929	(188)
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	400	400	113	(287)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>17,517</u>	<u>17,517</u>	<u>17,042</u>	<u>(475)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	234	234	234	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	16,883	16,883	16,883	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>17,117</u>	<u>17,117</u>	<u>17,117</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>400</u>	<u>400</u>	<u>(75)</u>	<u>(475)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Loan proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(400)	(400)	-	400
<i>Total other financing sources (uses)</i>	<u>(400)</u>	<u>(400)</u>	<u>-</u>	<u>400</u>
<i>Net change in fund balance</i>	-	-	(75)	(75)
<i>Fund balance - beginning of year</i>	-	-	189	189
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 114</u>	<u>\$ 114</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (75)
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (75)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-38

Socorro County

NMFA Bulldozer - 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, 2009

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues</i>				
Taxes				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	9,000	23,143	14,143
Other	-	-	-	-
Intergovernmental				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	40	40
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>9,000</u>	<u>23,183</u>	<u>14,183</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	1,886	(1,886)
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	127,652	111,282	16,370
Debt service				
Principal	-	9,000	20,705	(11,705)
Interest	-	-	581	(581)
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>136,652</u>	<u>134,454</u>	<u>2,198</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(127,652)</u>	<u>(111,271)</u>	<u>16,381</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	(1,722)	(1,722)
Loan proceeds	-	127,652	127,652	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>127,652</u>	<u>125,930</u>	<u>(1,722)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>14,659</u>	<u>14,659</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,659</u>	<u>\$ 14,659</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 14,659
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 14,659</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Socorro County
NMFA San Antonio Fire Station - 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, 2009

Statement B-39

	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	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	64	64
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>64</u>	<u>64</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	6,592	(6,592)
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>6,592</u>	<u>(6,592)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(6,528)</u>	<u>(6,528)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	(446,069)	(165,202)	280,867
Loan proceeds	-	446,069	446,069	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>280,867</u>	<u>280,867</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>274,339</u>	<u>274,339</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 274,339</u>	<u>\$ 274,339</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 274,339
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 274,339</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Socorro County
 NMFA Abeytas Fire Pumper/Tanker - 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, 2009

Statement B-40

	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	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	64	64
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>64</u>	<u>64</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	5,008	(5,008)
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>5,008</u>	<u>(5,008)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(4,944)</u>	<u>(4,944)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	(338,898)	(300,016)	38,882
Loan proceeds	-	338,898	338,898	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>38,882</u>	<u>38,882</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>33,938</u>	<u>33,938</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,938</u>	<u>\$ 33,938</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 33,938
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 33,938</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
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, 2009

Statement B-41

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<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	2,865,609	3,727,363	1,220,173	(2,507,190)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>2,865,609</u>	<u>3,727,363</u>	<u>1,220,173</u>	<u>(2,507,190)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	2,784,473	3,646,227	1,340,900	2,305,327
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>2,784,473</u>	<u>3,646,227</u>	<u>1,340,900</u>	<u>2,305,327</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>81,136</u>	<u>81,136</u>	<u>(120,727)</u>	<u>(201,863)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(81,136)	(81,136)	-	81,136
<i>Total other financing sources (uses)</i>	<u>(81,136)</u>	<u>(81,136)</u>	<u>-</u>	<u>81,136</u>
<i>Net change in fund balance</i>	-	-	(120,727)	(120,727)
<i>Fund balance - beginning of year</i>	-	-	(95,887)	(95,887)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (216,614)</u>	<u>\$ (216,614)</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (120,727)
Adjustments to revenue for accruals, earnings on investments, and other deferrals and accruals				102,297
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				(1,360)
Net change in fund balance (GAAP)				<u>\$ (19,790)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-42

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, 2009

	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	-	-	-	-
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	-	-	398	(398)
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	3,153	1,114	2,039
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>3,153</u>	<u>1,512</u>	<u>1,641</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(3,153)</u>	<u>(1,512)</u>	<u>1,641</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	1,819	1,819
Designated cash (budgeted increase in cash)	-	3,153	-	(3,153)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>3,153</u>	<u>1,819</u>	<u>(1,334)</u>
<i>Net change in fund balance</i>	-	-	307	307
<i>Fund balance - beginning of year</i>	-	-	(307)	(307)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 307
No adjustments to revenues				-
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				(326)
Net change in fund balance (GAAP)				<u>\$ (19)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-43

Socorro County

Northern Medical Center - 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, 2009

	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	273,250	273,250	24,702	(248,548)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>273,250</u>	<u>273,250</u>	<u>24,702</u>	<u>(248,548)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	261,470	12,916	248,554
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>261,470</u>	<u>12,916</u>	<u>248,554</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>273,250</u>	<u>11,780</u>	<u>11,786</u>	<u>6</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(273,250)	(11,780)	-	11,780
<i>Total other financing sources (uses)</i>	<u>(273,250)</u>	<u>(11,780)</u>	<u>-</u>	<u>11,780</u>
<i>Net change in fund balance</i>	-	-	11,786	11,786
<i>Fund balance - beginning of year</i>	-	-	(16,483)	(16,483)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,697)</u>	<u>\$ (4,697)</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 11,786
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 11,786</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-44

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, 2009

	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	100,000	100,000	100,000	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>100,000</u>	<u>100,000</u>	<u>100,000</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>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(100,000)	(100,000)	-	100,000
<i>Total other financing sources (uses)</i>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>	<u>100,000</u>
<i>Net change in fund balance</i>	-	-	100,000	100,000
<i>Fund balance - beginning of year</i>	-	-	(100,000)	(100,000)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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-45

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, 2009

	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	-	-	-	-
Charges for services	-	228,331	229,392	1,061
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>228,331</u>	<u>229,392</u>	<u>1,061</u>
<i>Expenditures</i>				
Current				
General government	-	216,266	216,264	2
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>216,266</u>	<u>216,264</u>	<u>2</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>12,065</u>	<u>13,128</u>	<u>1,063</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	123,000	123,000
Operating transfers (out)	-	(67,985)	(67,985)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	55,920	-	(55,920)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(12,065)</u>	<u>55,015</u>	<u>67,080</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>68,143</u>	<u>68,143</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>306,735</u>	<u>306,735</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 374,878</u>	<u>\$ 374,878</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 68,143
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 68,143</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-46

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, 2009

	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	300,000	300,000	145,951	(154,049)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>300,000</u>	<u>300,000</u>	<u>145,951</u>	<u>(154,049)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	288,766	287,897	869
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>288,766</u>	<u>287,897</u>	<u>869</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>300,000</u>	<u>11,234</u>	<u>(141,946)</u>	<u>(153,180)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(300,000)	(11,234)	-	11,234
<i>Total other financing sources (uses)</i>	<u>(300,000)</u>	<u>(11,234)</u>	<u>-</u>	<u>11,234</u>
<i>Net change in fund balance</i>	-	-	(141,946)	(141,946)
<i>Fund balance - beginning of year</i>	-	-	(11,234)	(11,234)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (153,180)</u>	<u>\$ (153,180)</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ (141,946)
Adjustments to revenue for accruals, earnings on investments, and other deferrals and accruals				97,327
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				(1,387)
Net change in fund balance (GAAP)				<u>\$ (46,006)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-47

Socorro County

Alamo Water Improvement Project - 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, 2009

	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	345,000	345,000	123,991	(221,009)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>345,000</u>	<u>345,000</u>	<u>123,991</u>	<u>(221,009)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	265,786	123,991	141,795
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>265,786</u>	<u>123,991</u>	<u>141,795</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>345,000</u>	<u>79,214</u>	<u>-</u>	<u>(79,214)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(345,000)	(79,214)	-	79,214
<i>Total other financing sources (uses)</i>	<u>(345,000)</u>	<u>(79,214)</u>	<u>-</u>	<u>79,214</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				(123,991)
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ (123,991)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-48

Socorro County

Boys and Girls Club - 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, 2009

	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	387,501	387,501	367,500	(20,001)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>387,501</u>	<u>387,501</u>	<u>367,500</u>	<u>(20,001)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	374,179	374,179	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>374,179</u>	<u>374,179</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>387,501</u>	<u>13,322</u>	<u>(6,679)</u>	<u>(20,001)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	67,985	67,985	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(387,501)	(81,307)	-	81,307
<i>Total other financing sources (uses)</i>	<u>(387,501)</u>	<u>(13,322)</u>	<u>67,985</u>	<u>81,307</u>
<i>Net change in fund balance</i>	-	-	61,306	61,306
<i>Fund balance - beginning of year</i>	-	-	(61,306)	(61,306)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 61,306
No adjustments to revenues				-
Adjustments to expenditures for payables, payroll taxes, prepaid expenses and other accruals				246,341
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-49

Socorro County

La Joya Community Center - 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, 2009

	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	597	597	-	(597)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>597</u>	<u>597</u>	<u>-</u>	<u>(597)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	452	-	452
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>452</u>	<u>-</u>	<u>452</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>597</u>	<u>145</u>	<u>-</u>	<u>(145)</u>
<i>Other financing sources (uses)</i>				
Operating transfers in	-	-	146	146
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(597)	(145)	-	145
<i>Total other financing sources (uses)</i>	<u>(597)</u>	<u>(145)</u>	<u>146</u>	<u>291</u>
<i>Net change in fund balance</i>	-	-	146	146
<i>Fund balance - beginning of year</i>	-	-	(146)	(146)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)				\$ 146
No adjustments to revenues				-
No adjustments to expenditures				-
Net change in fund balance (GAAP)				<u>\$ 146</u>

The accompanying notes are an integral part of these financial statements

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SUPPORTING SCHEDULES

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STATE OF NEW MEXICO
 Socorro County
 Schedule of Collateral Pledged by Depository
 for Public Funds
 June 30, 2009

Schedule I

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value June 30, 2009	Name and Location of Safekeeper
First State Bank					
	FFCB NON CBL	8/22/2019	31331V2J4	\$ 553,238	PO Box 2076, Boston, MA 02106-2076
	US Treasury Notes	11/15/2016	912810DX3	1,272,765	PO Box 2076, Boston, MA 02106-2076
	Ruidoso Gross Receipts Tax**	6/1/2022	781336AS1	215,000	200 N College St., Charlotte, NC 28255
	Socorro Cons SD #1**	8/1/2013	83368PBPO	75,000	200 N College St., Charlotte, NC 28255
	FFCB NON CBL	8/23/2021	31331XX64	1,114,301	PO Box 2076, Boston, MA 02106-2076
	FHLB NON CBL	8/27/2014	3133M9SD5	1,193,997	PO Box 2076, Boston, MA 02106-2076
	FHLB NON CBL	12/9/2022	3133XN4B2	1,629,921	PO Box 2076, Boston, MA 02106-2076
	US Treasury Notes	8/15/2017	912810DZ8	415,130	PO Box 2076, Boston, MA 02106-2076
	Total First State Bank			<u>6,469,352</u>	
Wells Fargo Bank					
	FGIOH0H00895	6/1/2037	3128MS7G9	461,555	333 Market Street, San Fransico, CA 94105
	FNCL 866934	2/1/2036	31409CEF8	464,159	333 Market Street, San Fransico, CA 94105
	Total Wells Fargo Bank			<u>925,714</u>	
Bank of America					
	FNCL 555743	9/1/2033	31385XLY1	360,431	Bank of America, Charlotte, NC
	Total Bank of America			<u>360,431</u>	
	Total Pledged Collateral			<u>\$ 7,755,497</u>	

** As per NMSA 2.2.2.10 (N)(4), the value of collateral consisting of obligations of the State of New Mexico, its agencies, institutions, counties, municipalities, or other subdivisions, shall be par value

See accompanying independent auditors' report

STATE OF NEW MEXICO
Socorro County
Schedule of Deposit and Investment Accounts
June 30, 2009

Bank Account Type/Name	Deposits		
	First State Bank	Wells Fargo Bank	Bank of America
Checking - Operating Account	\$ 7,180,255	\$ -	\$ -
Checking - Senior Center	-	19,486	-
Certificate of Deposit	-	965,085	-
Certificate of Deposit	-	-	408,000
Investment	-	-	-
Total on deposit	7,180,255	984,571	408,000
Reconciling items	(873,471)	-	-
Reconciled balance June 30, 2009	\$ 6,306,784	\$ 984,571	\$ 408,000

Petty cash

Less: investments per Exhibit A-1

Less: restricted investments per Exhibit A-1

Less: agency funds cash per Exhibit D-1

Total cash and cash equivalents per Exhibit A-1

See accompanying independent auditors' report

<u>Restricted Investments</u> <u>Bank of Albuquerque</u>	<u>Totals</u>
\$ -	\$ 7,180,255
-	19,486
-	965,085
-	408,000
<u>399,463</u>	<u>399,463</u>
399,463	8,972,289
-	<u>(873,471)</u>
<u>\$ 399,463</u>	<u>\$ 8,098,818</u>
	330
	(408,000)
	(399,463)
	<u>(277,970)</u>
	<u>\$ 7,013,715</u>

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STATE OF NEW MEXICO
Socorro County
Schedule of Changes in Fiduciary Assets And Liabilities-Agency Funds
June 30, 2009

Schedule III

	<u>Balance</u> <u>July 1, 2008</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2009</u>
ASSETS				
Cash and cash equivalents	\$ 496,318	\$ -	\$ 218,348	\$ 277,970
Total assets	<u>\$ 496,318</u>	<u>\$ -</u>	<u>\$ 218,348</u>	<u>\$ 277,970</u>
LIABILITIES				
Due to other taxing entities	\$ 496,318	\$ -	\$ 218,348	\$ 277,970
Total liabilities	<u>\$ 496,318</u>	<u>\$ -</u>	<u>\$ 218,348</u>	<u>\$ 277,970</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 auditors' report.

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COMPLIANCE SECTION



Accounting & Consulting Group, LLP

Certified Public Accountants

**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
The Office of Management and Budget
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, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents, and have issued our report thereon dated June 15, 2010. We were also engaged to audit the financial statements of each of the County's nonmajor governmental funds and 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 ending June 30, 2009 as listed in the table of contents. Other auditors audited the financial statements of the Socorro County Housing Authority and Socorro Village, as described in our report on the County's financial statements. Due to the County's deficiencies in internal control and lack of adequate accounting records relating to its cash, property tax receivable, revenues and deferred revenues, expenses, 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 questioned costs to be significant deficiencies in internal control over financial reporting as items: FS 02-1, FS 02-13, FS 02-14, FS 06-3, FS 07-8, FS 07-10, FS 08-1, FS 08-4, FS 08-5, FS 08-6, FS 08-7, FS 09-2, FS 09-4, FS 02-2HA, FS 07-6HA, FS 07-7HA, FS 09-1SV, FS 09-2SV, FS 09-3SV, FS 09-4SV, FS 09-5SV, and FS 09-6SV.

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.

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 06-3, FS 07-8, FS 07-10, FS 08-1, FS 08-4, FS 08-5, FS 08-6, FS 09-2, FS 09-4, FS 09-1SV, FS 09-3SV, and FS 09-4SV 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 questioned costs as items FS 02-1, FS 02-2, FS 02-13, FS 06-3, FS 07-5, FS 08-2, FS 08-7, FS 09-1, FS 09-3, FS 09-4, FS 02-2HA, FS 09-5SV, and FS 09-6SV.

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 questioned costs 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 questioned costs. 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
June 15, 2010

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FEDERAL FINANCIAL ASSISTANCE



Accounting & Consulting Group, LLP

Certified Public Accountants

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

Hector H. Balderas
New Mexico State Auditor
The Office of Management and Budget
Socorro County Commissioners
Socorro County
Socorro, New Mexico

Compliance

We have audited the compliance of Socorro County, New Mexico (County) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular *A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. The County's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

Except as discussed in the following paragraph, we conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the County's compliance with those requirements.

We were unable to obtain sufficient documentation supporting the compliance of the County with the Schools and Roads – Grants to Counties Program regarding all compliance requirements, nor were we able to satisfy ourselves as to the County's compliance with other auditing procedures.

Because the County was unable to achieve the objectives of internal controls as defined by OMB Circular A-133 pertaining to the compliance requirements that are direct and material for the Schools and Roads – Grants to Counties Program, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on whether the County complied with the requirements referred to above that are applicable to its major program for the year ended June 30, 2009.

Internal Control Over Compliance

The management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program as a basis for designing our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of the internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the County's internal control that might be control deficiencies, significant deficiencies, or material weaknesses as defined below. However, as discussed below, we identified a deficiency in internal control over compliance that we consider to be a significant deficiency.

A control deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. *A significant deficiency in internal control over compliance* is a control deficiency, or combination of control deficiencies in internal control over compliance, that adversely affects the County's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the County's internal control over compliance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item FA 09-1 to be a significant deficiency.

A material weakness in internal control over compliance is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the County's internal control over compliance. The significant deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs, we consider item FA 09-1 to be a material weakness.

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

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

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, New Mexico
June 15, 2010

STATE OF NEW MEXICO
Socorro County
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2009

Federal Grantor/Passthrough Grantor/Program Title	Grant Number	Federal CFDA Number	Federal Expenditures
U.S. Department of Agriculture			
Wildlife Services	FTGA FY09 Distribution	10.028	\$ 20,000
Schools and Roads - Grants to Counties (1)	Forest Reserve Title I and III	10.666	550,495
Total U.S. Department of Agriculture			<u>570,495</u>
U.S. Department of Justice			
Gang Resistance Education and Training	2004-JV-FX-0099	16.737	15,628
Total U.S. Department of Justice			<u>15,628</u>
Department of Human Services			
Federal Title III Senior Citizen - Part B	2008-2009 64020	93.044	41,404
Federal Title III Senior Citizen - Part C	2008-2009 64020	93.045	39,088
Nutrition Services Incentive Program	2008-2009 64020	93.053	29,209
Total Department of Human Services			<u>109,701</u>
Total Federal Financial Assistance			<u>\$ 695,824</u>

(1) Major program

See accompanying independent auditors' report

Notes to Schedule of Expenditures of Federal Awards1 Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal grant activity of Socorro County, New Mexico (County) and is presented on the modified accrual basis of accounting, which is the same basis as was used to prepare the fund financial statements. The information in this Schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements

2 Subrecipients

The County did not provide any federal awards to subrecipients during the year.

Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements:

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 695,824
Total expenditures funded by other sources	<u>10,891,898</u>
Total expenditures	<u><u>\$ 11,587,722</u></u>

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STATE OF NEW MEXICO
 Socorro County
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2009

SECTION I – SUMMARY OF AUDIT RESULTS:

Financial Statements:

- | | |
|--|------------|
| 1. Type of auditors' report issued | Disclaimer |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| c. Noncompliance material to the financial statements noted? | Yes |

Federal Awards:

- | | |
|---|-----------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | No |
| 2. Type of auditors' report issued on compliance for major programs | Qualified |
| 3. Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? | Yes |
| 4. Identification of major programs: | |

CFDA Number	Federal Program
10.666	Schools and Roads – Grants to Counties

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$300,000 |
| 6. Auditee qualified as low-risk auditee? | No |

SECTION II – FINANCIAL STATEMENT FINDINGS AND RESPONSES

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

Condition: For the year ended June 30, 2009, 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.

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 could be materially misstated because the balances of capital assets and accumulated depreciation are not audited.

Cause: The County has not adopted a formal capital assets management policy with the intent to comply with GASB Statement No. 34 financial reporting requirements. In addition, a system of controls is not in place to track capital assets and related accumulated depreciation.

Auditors' 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 and accumulated depreciation in accordance with GAAP.

Agency's Response: In December of 2009 the County obtained a capital asset software program. A company was hired to do an initial inventory of the County. In June of 2010 the same company updated and did a physical inventory of the County's property. However, because the County has never tracked inventory and capital assets, the County is in the process of getting prices and dates on some of its inventory. The County is in the process of putting together a capital asset management policy.

FS 02-2 — Late Audit Report (Repeated)

Condition: The County did not issue its audit report by the November 15, 2009 deadline.

Criteria: The County is required to submit its audit report for the year ended June 30, 2009 on or before November 15 subsequent to the fiscal year end in accordance with State Statute (Chapter 12, Section 6: NMSA 1978) and Section 2.2.2.9.A (1) of NMAC.

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.

Cause: The County was unable to submit the June 30, 2009 audit report on a timely basis because the prior year's audit reports were late.

Auditors' 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.

Agency's Response: This was due to being behind in our audits. The County is now caught up on its audits and this will not be an audit finding for fiscal year ending June 30, 2010.

STATE OF NEW MEXICO
Socorro County
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2009

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SECTION II – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)

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

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, 2009.

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.

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 requirement to present this information.

Cause: The County is tracking its property tax billings by hand and does not have the adequate software program in order to properly maintain information in sufficient detail to prepare the property tax schedule.

Auditors' Recommendations: The County must put a system in place to enable them to 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.

Agency's Response: We have received an initial cost estimate from our programmer to create a program to accommodate this reporting requirement; however, the full cost has not yet been determined. Funds for the initial stages have been allocated but the remaining funds may be considered in the FY 2009/2010 budget. Since this report requires ten (10) years of transactions, I understand that 1999 thru 2004 were estimates due to internal problems and pending litigation. Since our administration took office in January of 2005, all revenues and property tax collection records are accurate and verifiable. Also all data entries were made according to Assessor's "correction to the tax rolls".

SECTION II – 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 Statement 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.

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, 2009. Without being able to track the amount of property taxes that are receivable, the County does not know how much property tax revenue will be received which can affect items such as budgeting, bonding, and funding of projects.

Cause: The County does not have proper internal controls in place to maintain sufficient and complete property tax records in prior years to support the County's account receivable balances for property taxes.

Auditors' Recommendations: The County must maintain sufficient accounts records to record property tax revenues in accordance with GASB Statement No. 33 in future years.

Agency's Response: All property tax payments are recorded daily and accounted for but accounting for receivable per agency continues to be a finding until programmers create a program for Socorro County.

We have received an initial cost estimate from our programmer to create a program to accommodate this reporting requirement; however, the full cost has not yet been determined. Funds for the initial stages have been allocated but the remaining funds may be considered in the FY 2009/2010 budget. Since this report requires ten (10) years of transactions, I understand that 1999 thru 2004 were estimates due to internal problems and pending litigation. Since our administration took office in January of 2005, all revenues and property tax collection records are accurate and verifiable. Also all data entries were made according to Assessor's "correction to the tax rolls".

SECTION II – 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 books, records, and accounts in their respective offices in the form prescribed by the local government division.

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.

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

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

Agency's Response: This has been corrected. Shortly after the District Court ruled in our favor in mid October 2008, the Commission partially complied with Court directives and allocated sufficient resources in the latter part of October 2008, to upgrade our current database from DOS version to Windows version which allowed us to utilize the correct program that distributes collected property taxes accurately to the agencies.

STATE OF NEW MEXICO
Socorro County
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2009

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SECTION II – 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, 2009. 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 2008, Section 2.2.2.10AA, 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.

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 for maintaining agency funds.

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

Auditors' 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.

Agency's Response: DataNow (Socorro County's software provider) is currently modifying a program to rectify this finding; however, tax years prior to our administration (January 2005) will continue to be a finding due to internal issues and pending litigation during tax years 1999 thru 2004.

Original records were removed by investigators and retained by Socorro County District Attorney's office then later moved to Taos District Attorney's office and not all records were returned to this office in 2009.

SECTION II – 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. During our audit, we noted the following internal control deficiencies:

- There are inadequate segregation of duties over disbursements and payroll processes
- Insufficient review of payroll reports
- Insufficient controls over blank checks
- Inadequate control to produce accurate and complete reports
- Inadequate control over employee set up in the accounting software
- Inadequate controls to make sure that check numbers are not duplicated
- Inadequate controls to make sure check dates are printed correctly
- Insufficient controls to verify that items were correctly posted to the General Ledger
- The County does not have a sufficient policy in order to effectively review accounting transactions or adjustments
- The County does not have mechanisms in place in order to identify and mitigate risks
- There is no ongoing monitoring in order to identify deviations or discrepancies

Criteria: NMAC 6.20.2.11 states:

A. Every County shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP, and that state and federal programs are managed in compliance with applicable laws and regulations. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP.

B. Each County shall develop, establish and maintain a structure of internal accounting controls and written procedures to provide for segregation of duties, a system of authorization and recording procedures, and sound accounting practices in performance of duties and functions. The duties to be segregated are the authorization to execute a transaction, recording the transaction, and custody of assets involved in the transaction.

- (1) County management must ensure that protection of the public trust is a major focus when granting the authorization to execute business of the County.
- (2) Employees handling significant amounts of cash must be adequately bonded. Access to assets is permitted only in accordance with County authorization.
- (3) Receipts, checks or warrants, purchase orders, and vouchers shall be sequentially pre-numbered.
- (4) The County shall have proper safeguards to protect unused checks and other pre-numbered forms, undeposited cash and other receipts, and facsimile signature plates.
- (5) Transactions are to be recorded as necessary to permit preparation of financial statements in conformity with GAAP. In addition, Counties shall establish any other criteria applicable to such statements to maintain accountability for assets.
- (6) Counties shall conduct independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparison of assets with recorded accountability, computer-programmed controls, management review of reports that summarize the detail of account balances, and user review of computer generated reports.

SECTION II – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)

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

C. An internal control structure is required to demonstrate the County's ability to record, process, summarize and report financial data consistent with the following financial statement assertions:

- (1) rights and ownership;
- (2) existence and occurrence;
- (3) valuation and allocations;
- (4) completeness; and,
- (5) presentation and disclosure.

D. The internal control structure shall demonstrate that the County identifies applicable laws and regulations, and that procedures are designed to provide reasonable assurance that the County complies with those laws and regulations. Internal control procedures shall be established, implemented and documented through County correspondence, manuals, training, and other additional methods. Appropriate internal control procedures shall be adopted by the local board within a County to safeguard its assets, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies. The internal control structure shall address all County transactions.

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.

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.

Cause: For the fiscal year 2009 management did not have proper internal controls designed and implemented to ensure financial information was accurate and assets were appropriately safeguarded. Also, the governing body did not fulfill the requirements under SAS 112 to provide effective oversight of internal control and the financial reporting process.

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

Agency's Response: The County of Socorro is working on fixing the above issues including but not limited to segregation of duties, accounting and payroll access authority, general ledger and payroll reports, review of financial and payroll work, etc. Although the County is striving to segregate duties and implement better review, the County lacks the personnel to put these policies in place.

STATE OF NEW MEXICO
Socorro County
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2009

Schedule V
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SECTION II – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)

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

Condition: During our testwork, the following errors were noted in the County's accrual of Compensation Time:

- It was noted that the County is accruing sick time at 3.7 hours per pay period, when the correct accrual rate would be 3.07 hours per pay period
- The County is accruing 100% of the sick leave hours earned

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.

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

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

Auditors' Recommendations: The County needs to correct their accrual calculation to accrue the correct amount on a regular basis and to correct the accrual of sick leave to reflect compliance and 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 as stated in the County's personnel policy.

Agency's Response: The County corrected compensation time in June of 2009. The County's payroll system is unable to provide accrued sick leave on its reports. Instead it prints out all sick leave accrued. In the future the County will take the payroll report and convert sick leave to accrued hours per the personnel policy.

SECTION II – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)

FS 08-1 Preparation of Financial Statements (Repeated)

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.

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.

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.

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.

Agency's Response: The County's Finance Director has completed AICPA class "Governmental Accounting and Reporting: Putting It All Together" and received a certificate of completion in November of 2009. This class was recommended by auditing professionals. The County manager, treasurer and commission plan on taking similar trainings. Because the County has not had capital asset management in the past and is still correcting audit findings from previous administration, it is difficult for County management to analyze financial statements.

SECTION II – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)

FS 08-2 — Payroll Bonuses Paid to Employees (Repeated)

Condition: The County paid a one time bonus to all salaried County employees during the year totaling \$78,250 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.

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

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

Auditors' Recommendations: We recommend that the County follow the NM State Constitution and refrain from paying employee bonuses.

Agency's Response: The County is now aware that one-time pay increases are not allowed and will refrain from paying bonuses in the future.

FS 08-3 — Cash Appropriations in Excess of Available Cash Balances (Repeated)

Condition: The County rebudgeted "cash balances" in excess of available cash balances in the following funds:

	<u>Designated Cash</u>	<u>Beginning Year Cash & AR Available</u>	<u>Cash Appropriation in excess of available</u>
Rio Abajo Library Capital Projects Fund	\$ 3,153	\$ (307)	\$ (3,460)

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.

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.

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

Auditors' 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.

Agency's Response: County's management was made aware of this problem last audit year. However, since the County was behind in audits this was still an issue in Fiscal Year ending June 30, 2009.

STATE OF NEW MEXICO
 Socorro County
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2009

SECTION II – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)

FS 08-4 — Negative Cash Balances (Repeated)

Condition: The County had negative cash balances in the following funds at June 30, 2009:

Major Funds	
Legislative Appropriations Capital Projects Fund	\$ (128,939)
	<u>(128,939)</u>
Total Major Funds	<u>(128,939)</u>
Nonmajor Funds	
Rio Abajo Library Capital Projects Fund	(326)
Northern Medical Center Capital Projects Fund	(4,697)
Sabinal and Abeytas Center Capital Projects Fund	<u>(57,240)</u>
	<u>(62,263)</u>
Totan Nonmajor Funds	<u>(62,263)</u>
Total Governmental Funds	<u>\$ (191,202)</u>

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

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.

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

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

Agency's Response: The County was made aware of this problem last audit year (FY 2008). Because the County was behind in its audits, this problem re-occurred for FY 2009. For Fiscal Year 2010, the County will not have negative cash balances in any of its funds.

SECTION II – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)

FS 08-5 – Lack of Internal Controls over Non-Standard Journal Entries (Repeated/Modified)

Condition: During the year ended June 30, 2009, the County posted numerous non-standard journal entries in which the following issues were noted:

- Journal entries are made to transfer funds from one fund to another, however, the entry did not properly adjust transfers, the journal entry reclassified revenues and did not adjust fund cash
- The County made journal entries to “Misc. Adjustments to G/L” accounts without sufficient documentation or understanding of the journal entries
- Journal entries were posted across funds
- A journal entry was made to move cash from one fund to another in order to avoid showing a negative cash balance at year end and was subsequently reversed the following day without any intention of transferring the cash

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.

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.

Cause: The County employees do not have a sufficient review process for journal entries or proper understanding of how to post journal entries for a County.

Auditors' Recommendations: We recommend the County update their policies and procedures regarding the posting of non-standard journal entries. We recommend that the County employees receive the proper training in order to properly prepare, post, and review journal entries so 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.

Agency's Response: The County's finance director has been made aware of the problem of making journal entries to misc adjustments to G/L and double posting revenue. These problems have been addressed and corrected. The County is also aware that making journal entries to transfers ins and outs is not sufficient for negative cash balances at year end. The County will start using due to and due froms to address this issue.

SECTION II – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)

FS 08-6 – Lack of Internal Control over Credit Cards (Repeated)

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.

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

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

Agency'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 (Repeated)

Condition: The County was unable to provide a reconciliation of total wages paid in fiscal year ended June 30, 2009 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.

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

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

Auditors' 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.

Agency's Response: The County is working on getting corrected reports to show PERA wages.

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 Socorro County
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SECTION II – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)

FS 09-1 – Expenditures in Excess of Budget

Condition: The County over expended its budget in the following funds:

Major Funds	
General Fund	<u>\$ (13,953)</u>
Total Major Funds	<u>(13,953)</u>
Nonmajor Funds	
NMFA Veguita Debt Service Fund	(1,243)
NMFA San Antonio Fire Station Debt Service Fund	(6,592)
NMFA Abeytas Fire Pumper/Tanker Debt Service Fund	<u>(5,008)</u>
Total Nonmajor Funds	<u>(12,843)</u>
Total Governmental Funds	<u><u>\$ (26,796)</u></u>

Criteria: All County funds, with the exception of agency funds, are to be budgeted by the local governing body and submitted to the State of New Mexico Department of Finance and Administration – Local Government Division for approval. Once adopted, any claims or warrants in excess of budget are a violation of New Mexico State Statute 6-6-6, 1978 Compilation.

Effect: Any expenditure in excess of the approved budget(s) shall be a liability against the officials so allowing or paying such claims or warrants, and recovery of such excess amounts so allowed or paid may be had against the bondsmen of such official.

Cause: Inadequate accounting knowledge and inadequate knowledge of budgeting procedures are the reasons for these instances of noncompliance with budget requirements.

Auditors' Recommendations: Budget for future years should be revised to include the capital projects and debt service funds that are not currently in the County's records. All future year budgets should include all required funds. Consideration should be given to training staff and assigning accountability to appropriate individuals. Greater attention should be given to the budget monitoring process.

Agency's Response: The finance director was not aware that transfers out were not taken into account when figuring expenditures in excess of budget. This issue should be corrected in the future.

SECTION II – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)

FS 09-2 – Inaccurate Bank Reconciliation

Condition: The County has not properly reconciled their bank accounts. It was noted that the bank reconciliation did not reconcile to the bank balance by \$43,429 for the year ended June 30, 2009.

Criteria: NMAC 6.20.2.14 states that a County shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting.

Effect: Reconciling cash accounts is essential to County operational and management decisions. The lack of a proper reconciliation process has not allowed various items on the bank reconciliations to be addressed and resolved in a timely manner. Such items may be indicative of errors or possible fraudulent activity and result in unnecessary adjustments which are not properly supported.

Cause: The County did not maintain an internal control process which allows for accurate and timely bank reconciliations as required by NMAC 6.20.2.14.

Auditors' Recommendations: We recommend that each bank statement be reconciled to the general ledger balances on a monthly basis and all supporting documentation be maintained. Items, such as those noted in the condition above, should be addressed monthly. A proper internal control structure, including a review process by the business manager or controller, will insure errors and irregularities are addressed.

Agency's Response: Manager's Office - All checks issued for both payroll and accounts payable are functions of the Manager's office which have been segregated since 2003 so all postings to general ledger are automatically generated and monitored by the Manager's office.

Treasurer's office - Daily revenue bank deposits are prepared and cross-checked by two employees, bank deposit receipts are reviewed daily by Deputy Treasurer the following day.

General ledger posting is done the following day by office manager and review by Deputy Treasurer.

Dual Control - Current County Manager and Financial Director are providing access to Treasurer's office regarding reports for review for Payroll, Accounts Payable, and journal entries to general ledger.

The Manager's office is provided with a paper record of any journal entries made by our office for their review.

SECTION II – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)

FS 09-3 – Inadequate physical controls to Information Technology Equipment

Condition: During our audit, we noted that adequate physical controls are not in place to ensure that access to computer facilities and equipment is restricted to authorized personnel only

Criteria: Paragraph 4 of the State of New Mexico Statewide Policy S-STD009.001 IT Physical Security states that information systems, media storage areas, and related communication wiring and network devices shall be located in secure locations that are locked and restricted to access by authorized personnel only.

Effect: Theft/loss of IT equipment may potentially result in the unintentional disclosure of confidential information.

Cause: The County is not properly safeguarding IT assets.

Auditors' Recommendations: The County should increase effectiveness of physical security controls to protect IT assets/equipment from physical harm, theft, and/or destruction. The key to the server room should be moved to a location that is only accessible by authorized personnel.

Agency's Response: The County is taking steps to only make the IT key accessible to authorized personnel including our IT staff.

SECTION II – FINANCIAL STATEMENT FINDINGS AND RESPONSES (continued)

FS 09-4 – Information Technology

Condition: During our audit, we noted that:

- Software settings allow batch deletion with no record of deletion kept
- Software settings allow for duplicate check numbers

Criteria: The State of New Mexico Statewide Policy S-STD-003.001 IT Risk Management Standard states that sufficient security controls are to be applied to information systems, resources, and data/information to contain risk of loss or misuse of the information to an acceptable level that supports the mission and operation of the entity.

Effect: Ineffective application controls could potentially result in inaccurate data.

Cause: The County is at risk for data loss and/or data duplication.

Auditors' Recommendations: The County should contact their vendor (Harris Computers) and adjust permissions in the "Operator Master Update" program (rcm005). There is a "Batch Delete Flag" that can be set to not allow a user to delete a batch. The County should also inquire with their vendor about modifying settings so that duplicate check numbers will not be allowed in the system.

Agency's Response: Treasurer's office – Software setting allow batch deletion with no record of deletion kept – our software provider has been advised to rectify the problem - receipt #'s no longer available for review or for duplicate print in our database were considered as deleted batches but some paper records were retrieved and tracked to general ledger posting, daily computer listings, and to bank deposits. It appears that data in batches moved to history follow same process as deleted batches which does warrant program modification.

Manager's Office – The manager's office does not have the problem of deleted batches. However, we will be in contact with Harris Computers regarding our AP checks and Payday regarding our payroll checks.

SECTION III – FINANCIAL STATEMENT FINDINGS – COMPONENT UNIT – HOUSING AUTHORITY

FS 02-2HA Audit Report not Timely Submitted to State Auditor

Condition: The Socorro County Housing Authority (Authority) did not issue the audit report until March 2010.

Criteria: The Authority was required to submit the audit reports for the year ended June 30, 2009 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)(c and g) of the State Auditor Rule.

Effect: The Authority is not in compliance with the New Mexico State Auditor Rules and Regulations. Furthermore, the entities' federal award funding may be affected by the late submission of yearend audit reports.

Cause: The Authority was unable to submit the June 30, 2009 audit report on a timely basis as a result of the component unit, Socorro Village's, financial data was not available for audit until late January 2010.

Auditors' Recommendation: The Authority must ensure that all future audit reports are filed in a timely manner. The Authority should ensure this process is timely in the future through communication with the monthly fee accountant and the auditor.

Agency's Response: The Authority is working with the monthly fee accountant to ensure all the financial data is current and will communicate with the auditors to complete and submit audit reports in a timely manner.

FS 07-6HA Inaccurate Classification of Expenses

Condition: During our examination of expenses we noted inaccurate classification of administrative expenses, Shelter Plus Care tenant rents, and Rehab expenses. These inaccurate classifications were corrected as part of the audit journal entries.

Criteria: Generally accepted accounting principles require all activity be accurately recorded in the financial records. All transactions are required to be properly recorded in accordance with the 1978 NMSA Section 6.6.3.

Effect: The financial records did not reflect accurate reporting of expenses and did not agree with the program reports prepared.

Cause: The Authority did not properly reconcile their program reporting to the general ledger. Additionally, the Authority relied too much on the fee accountant without applying the proper oversight for reviewing the resulting financial records.

Auditors' Recommendation: The Authority should exercise proper oversight of the financial reports prepared by the fee accountant. Additionally, all program reports should be reconciled to the financial records.

Agency's Response: We concur with the auditors' recommendation and will implement procedures for oversight of the financial records and reconciliation of the program reports to the financial records.

SECTION III – FINANCIAL STATEMENT FINDINGS – COMPONENT UNIT – HOUSING AUTHORITY
(continued)

FS 07-7HA Ineffective use of Separate Bank Accounts

Condition: The Authority established a separate bank account for the Shelter Plus Care (SPG) program. All revenues were deposited into that separate bank account; however, some expenses were paid out of their general operating bank account. The Due To and Due From accounts were not properly maintained.

Criteria: Proper internal control policies and procedures that established a separate bank account be used for program funds, require that all program activity be maintained within that separate bank account and Due To and Due From accounts be properly maintained when funds are advanced from another account.

Effect: The program expenses were properly identified and classified in the financial records, however, they were paid out of the wrong bank account without maintaining the proper Due To and Due From accounts.

Cause: The Authority did not establish adequate internal control policies and procedures to ensure that program expenses be paid out of the separate bank account, or properly maintain the Due To and Due From accounts.

Auditors' Recommendation: Effective internal control policies and procedures should be established to ensure that expenses are paid out of the proper bank account. A transfer of funds should be initiated to correct the effected bank accounts.

Agency's Response: The contract, which is a reimbursable program, does not require that we establish a separate bank account, as long as we can track the funds.

SECTION IV – FINANCIAL STATEMENT FINDINGS – COMPONENT UNIT – SOCORRO VILLAGE

FS 09-1SV Tenants Security Deposit Bank Account

Condition: The Tenant Security Deposit Bank Account was not properly maintained. Some tenant's rents were deposited into this account. Some tenants' security deposit refunds were made out of the operating account.

Criteria: HUD requires that Tenant Security Deposit bank accounts be maintained separate from all other funds. Tenant Security Deposits should not be comingled with other funds.

Effect: The Tenant Security Deposit Bank Account has comingled funds. The Tenant Security Deposit bank account had a balance of \$33,844 as of June 30, 2009, whereas the actual Tenant Security Deposits only amounted to \$6,892.

Cause: The wrong bank deposit slips were used to make deposits and then the bank account was not reconciled to the detail list of Tenant Security Deposits.

Auditors' Recommendations: Deposits should be verified prior to being taken to the bank and monthly reconciliations should be prepared to verify the bank balance agrees with the detail records of the individual tenant security deposits. Excess funds now in the bank account should be identified and transferred to the proper bank accounts.

Agency's Response: The management agent will establish internal control procedures to properly maintain the Tenant Security Deposits bank account and transfer excess funds to the proper accounts.

FS 09-2SV Accounts Payable and Management Fee Accruals

Condition: Accounts payable and management fee accruals were not properly recorded in the accounting records. Furthermore, management fees and vendor payments have not been remitted on a regular timely basis.

Criteria: Generally accepted accounting principles and HUD regulations require that payables and accruals be properly recorded and maintained in the accounting records.

Effect: The users of the financial statements such as management, owners, and HUD did not have complete and accurate information. Vendors received delinquent payments.

Cause: The accounting records were not being timely posted and some of the accrual information was not provided to the fee accountant. Vendor bills were not being timely processed and management agent invoices were not timely prepared.

Auditors' Recommendation: Management fees should be billed and paid along with the vendor bills in a timely routine manner. Information should be provided to the fee accountant for the accounting records to be properly maintained.

Agency's Response: The management agent will implement procedures to ensure that the management fees, accounts payable and accounting records are timely maintained.

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**SECTION IV – FINANCIAL STATEMENT FINDINGS – COMPONENT UNIT – SOCORRO VILLAGE
(continued)**

FS 09-3SV Trust Accounts held by NMMFA

Condition: The Trust Accounts held by New Mexico Mortgage Finance Authority for the Reserve of Replacement and part of the Construction funds were not set up in the accounting records.

Criteria: Generally accepted accounting principles and HUD regulations require that all financial activity of the organization be included and properly reflected in the accounting records.

Effect: The financial statements did not reflect the assets and related expenses associated with these two accounts.

Cause: The existence of these accounts was not provided to the fee accountant to be properly included in the accounting records.

Auditors' Recommendations: All financial records should be properly included in the financial records.

Agency's Response: The management agent will provide all financial records to the fee accountant to be properly included in the accounting records.

FS 09-4SV Posting of Accounting Records

Condition: The accounting records for the fiscal year end were not completed and ready for audit until late January.

Criteria: Generally accepted accounting principles and HUD regulations require that the accounting records be maintained in a timely manner.

Effect: The users of the financial statements did not have timely information and the audit process was delayed.

Cause: The fee accountant did not receive the construction accounts activity in a timely manner to be posted to the accounting records.

Auditors' Recommendations: All financial data should be provided to the fee accountant in a timely manner and management should review the financial statements to ensure all the transactions have been properly included.

Agency's Response: The management agent will implement procedures to ensure that all of the financial records will be timely provided to the fee accountant and that the resulting financial statements be reviewed for completeness.

**SECTION IV – FINANCIAL STATEMENT FINDINGS – COMPONENT UNIT – SOCORRO VILLAGE
(continued)**

FS 09-5SV Submission of Required Information to HUD

Condition: The monthly Housing Assistance Payments (HAP) for the months of June 2009 through December 2009 were not received until February 2010.

Criteria: HUD regulations require that all required information to process the HAP payments be timely submitted.

Effect: The delay on the receipt of the monthly HAP payments seriously affected the cash flow and ability to pay vendors on a timely basis.

Cause: The required information was not timely submitted to HUD for the HAP to process the HAP payments.

Auditors' Recommendations: All required information should be timely submitted to HUD and the HAP payments should be monitored to ensure that they are timely received.

Agency's Response: The management agent was not aware that there was a hold up on the HAP payments. Once they knew there was a problem, they promptly submitted the required information to HUD and the HAP payments were received.

FS 09-6SV Submission of Owner Certified Financials (REAC)

Condition: The Owner Certified Financial Statements were not timely submitted to HUD through the REAC submission process.

Criteria: HUD regulations require that Owner Certified Financial Statements be submitted through REAC within 90 days from the end of the fiscal year.

Effect: Noncompliance with HUD regulations and the management, owners, HUD and others did not have timely financial information to utilize.

Cause: The accounting records were not complete and ready to be submitted within the required time.

Auditors' Recommendations: Accounting records should be timely maintained, financial statements should be reviewed by management, and REAC submission should be timely processed.

Agency's Response: The management agent will implement procedures to ensure that the accounting records are timely maintained, financial statements reviewed, and monitor the submission of the REAC report.

SECTION V – FEDERAL AWARD FINDINGS

FA 09-1 — Lack of Adequate Internal Controls over Compliance

Information on Federal Award:

Funding agency: U.S. Department of Agriculture
Title: Schools and Roads – Grants to Counties
CFDA Number: 10.666

Condition: Socorro County does not have adequate internal controls implemented to ensure compliance with federal programs.

Criteria: As required by OMB Circular A-133, the County should design, document, and maintain an internal control structure that enables it to record, process, summarize, and report program data consistent with the assertions of management in the financial statements.

Questioned Costs: None

Effect: Lack of adequate internal controls results in an inability to ensure compliance with applicable requirements of Federal programs and could result in reduced funding for programs.

Cause: For the fiscal year 2009 management did not have proper internal controls designed and implemented to ensure financial information and assets were appropriately safeguarded.

Auditors' Recommendation: The County should ensure that a comprehensive internal control structure over financial information is designed, documented, and implemented. Management should follow and ensure that all staff follows the County's documented internal control procedures. The County Commission is charged with governance and should provide effective oversight of the internal control and financial reporting process.

Agency's Response: The County of Socorro is working on fixing its internal control issues including but not limited to segregation of duties, accounting and payroll access authority, general ledger and payroll reports, review of financial and payroll work, etc.

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SECTION VI – FEDERAL AWARD FINDINGS – COMPONENT UNIT – HOUSING AUTHORITY

FA 02-1HA – Audit Report Not Timely Submitted to HUD

Federal program information:

Funding Agency:	U.S. Department of Housing and Urban Development
Title:	Section 8 Housing Choice Vouchers
CFDA number:	14.871
Award year and number:	06-30-09

Condition: The Authority issued the Audit report subsequent to the November 15, 2009 deadline required by the State Auditor and just prior to the March 31, 2010 deadline for submitting the data collection form required by OMB Circular A-133. The State Auditor received the report on March 22, 2010.

Criteria: The Authority is required to submit the audit report for the year ended June 30, 2009 no later than 9 months following the Authority's fiscal year end or March 31, 2010 in accordance with U.S. Office of Management and Budget (OMB) Circular A-133 Section 320 and NMAC 2.2.2.10J (3)(c)(ii) when receiving federal funds in excess of \$500,000.

Questioned Costs: None

Effect: The Authority is not in compliance with the U.S. Office of Management and Budget (OMB) Circular A-133 for entities receiving federal awards. Non-compliance with the reporting requirement of U.S. Office of Management and Budget (OMB) Circular A-133 may affect the Authority's federal award future funding.

Cause: The Authority was unable to submit the June 30, 2009 audit report on a timely basis as a result of not having completed financial records on the component unit, Socorro Village, until late January 2010.

Auditors' Recommendation: The Authority must ensure that all future audit reports are filed in a timely manner. The Authority should ensure this process is timely in the future through timely contracting with an auditor and communication with the auditor.

Agency's Response: The Authority is working with the auditors to correct the matter and submit future audit reports in a timely manner.

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SECTION VII – FEDERAL AWARD FINDINGS – COMPONENT UNIT – SOCORRO VILLAGE

None

SECTION VIII – PRIOR YEAR AUDIT FINDINGS

Primary Government

- FS 02-1 – Lack of Maintaining Capital Assets Listing – Repeated
- FS 02-2 – Late Audit Report – Repeated
- FS 02-13 – Lack of Maintaining Tax Roll Reconciliation Schedule-Treasurer’s Office – Repeated
- FS 02-14 – Lack of Maintaining Property Tax Records – Repeated
- FS 04-8 – Lack of Internal Control Processes for Payroll – Repeated (Combined with FS 07-8)
- FS 06-3 – Failure to Maintain Adequate Property Tax Billing Records – Repeated
- FS-07-5 – Unable to Provide Changes in Assets and Liabilities – Agency Funds – Repeated
- FS 07-8 – Lack of Proper Internal Controls – Repeated/Modified
- FS 07-10 – Incorrect Comp Time Accrual – Repeated/Modified
- FS 08-01 – Preparation of Financial Statements – Repeated
- FS 08-02 – Payroll Bonuses Paid to Employees – Repeated
- FS 08-03 – Cash Appropriations in Excess of Available Cash Balances – Repeated
- FS 08-04 – Negative Cash Balances – Repeated
- FS 08-05 – Lack of Supporting Documentations over Non-Standard Journal Entries – Repeated/Modified
- FS 08-06 – Lack of Internal Control over Credit Cards – Repeated
- FS 08-07 – PERA Reconciliation – Repeated
- FS 08-08 – Interfund Activity – Resolved

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SECTION VIII – PRIOR YEAR AUDIT FINDINGS (continued)

Component Unit – Housing Authority

FS 02-2 – Audit Report not Timely Submitted to State Auditor – Repeated

FS 07-2 – Voided Checks Carried as Outstanding – Resolved

FS 07-4 – Penalties and Interest Paid on Late Payroll Tax Payments – Resolved

FS 07-6 – Inaccurate Classification of Expenses – Repeated

FS 07-7 – Ineffective Use of Separate Bank Accounts – Repeated

Component Unit – Housing Authority – Federal Awards

FA 02-1 Audit Report not Timely Submitted to HUD – Repeated

Component Unit – Socorro Village

None

Component Unit – Socorro Village – Federal Awards

None

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Other Disclosures
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OTHER DISCLOSURES

Exit Conference

An exit conference was held on July 21, 2010. 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:

Ray Roberts, CPA, Managing Partner

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.