

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



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INTRODUCTORY SECTION

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STATE OF NEW MEXICO
Taos County
Official Roster
June 30, 2008

<u>Name</u>		<u>Title</u>
	<u>Board of County Commissioners</u>	
Charlie Gonzales		Chairman
Daniel Barrone		Member
Nicklos Jaramillo		Member
Joe Mike Duran		Member
Gabriel Romero		Member
	<u>Elected Officials</u>	
Darlene J. Vigil		County Assessor
Elaine S. Montano		County Clerk
Miguel A. Romero, Jr.		County Sheriff
Evangeline S. Romero		County Treasurer
	<u>Administrative Officials</u>	
Julia Valerio		County Manager
Susan Trujillo		Finance Director

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Taos County
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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Hector Balderas
New Mexico State Auditor
To the County Manager and County Commission
Taos County
Taos, New Mexico

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Taos County as of and for the year ended June 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the County's nonmajor governmental funds and the budgetary comparisons presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2008 as listed in the table of contents. These financial statements are the responsibility of County management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Taos County Housing Authority, which has been presented as an aggregate discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amount included for Taos County Housing Authority, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Taos County, as of June 30, 2008, and the respective changes in financial position, and cash flows, where applicable, thereof and the budgetary comparisons for the General Fund and the Intergovernmental Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the County as of June 30, 2008, and the respective changes in financial position and the respective budgetary comparisons for the 2007 Educational Refunding Bond Reserve Fund, NMFA Debt Service Fund, Admin/Judicial/Corrections Complex Fund, the proprietary funds, and the remaining nonmajor governmental funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2008 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 *Management's Discussion and Analysis* on pages 10 through 18 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements, the combining and individual fund financial statements, and the budgetary comparisons. The accompanying financial information listed as supporting Schedules I through V in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and each of the nonmajor governmental funds financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements and the nonmajor governmental funds financial statements, taken as a whole. 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, LLP

Accounting & Consulting Group, LLP
Albuquerque, New Mexico
November 14, 2008

STATE OF NEW MEXICO
Taos County
Management's Discussion and Analysis
June 30, 2008

As management of Taos County, we offer readers of Taos County financial statements this narrative overview and analysis of the financial activities of Taos County for the fiscal year ended June 30, 2008. We encourage readers to consider the information presented here in conjunction with the financial statements of Taos County and additional information provided.

FINANCIAL HIGHLIGHTS

- The assets of Taos County exceeded its liabilities at the close of the most recent fiscal year by \$53,439,170 (*net assets*)
- The government's total net assets increased by \$4,989,957 during the fiscal year.
- As of June 30, 2008, the County's governmental funds reported combined ending fund balances of \$51,774,908. Approximately 9% of this total amount, \$4,496,971, is unreserved fund balance available for spending at the government's discretion.
- At the close of the current fiscal year, unreserved, undesignated fund balance for the general fund was \$4,496,971, or 63 percent of total general fund expenditures of \$7,068,640.
- Taos County's total debt increased by \$31,556,324, during the current fiscal year. The key factor in this increase was the loan the County took out to fund its admin/judicial/corrections complex.

Overview of the Financial Statements

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

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

The *statement of net assets* presents information on all of Taos County's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of Taos County is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of Taos County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of Taos County include general government, public safety, public works, culture and recreation, and health and welfare. The business-type activities of the County include Solid Waste and Ambulance.

The government-wide financial statements can be found at Exhibits A-1 and A-2 of this report.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Taos County maintains sixty-six individual governmental funds organized according to their type (special revenue, debt service and capital projects). Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the General Fund, Intergovernmental Fund, 2007 Educational Refunding Bond Reserve, NMFA Debt Service Fund, and Admin/Judicial/Corrections Complex Fund, all of which are considered to be major funds. Data from the other sixty-one governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

Taos County adopts an annual appropriated budget for its general fund and all other funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. In addition, the individual financial statements of the non-major governmental fund types include budgetary comparison data.

The basic governmental fund financial statements can be found at Exhibits B-1 through C-2 of this report.

Proprietary funds. Proprietary funds are generally used to account for services for which the County charges customers – either outside customers or internal units or departments of the County. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The County maintains one type of proprietary fund:

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the operations of the Solid Waste and Ambulance operations of the County. The enterprise funds are considered to be major funds of the County.

The basic proprietary fund financial statements can be found at Exhibits D-1 through D-3 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support Taos County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Taos County fiduciary funds account for the collection of property taxes and special fees and their remittance to other governmental agencies.

The basic fiduciary fund financial statement can be found at Exhibit E-1 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 36-55 of this report.

Combining statements. The combining statements referred to earlier in connection with non-major governmental funds and fiduciary funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 62-164 of this report.

STATE OF NEW MEXICO
Taos County
Management's Discussion and Analysis
June 30, 2008

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Taos County, assets exceeded liabilities by \$53,439,170 at the close of the current fiscal year.

The largest portion of Taos County's net assets represents the County's investment of \$34,416,686 in capital assets (e.g., land improvements, buildings, infrastructure and machinery & equipment), less any related outstanding debt used to acquire those assets. Taos County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although Taos County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The most significant variations from 2007 are cash and cash equivalents and capital assets and long-term liabilities. Restricted cash increased by \$34,650,575 and capital assets (net) increased by \$2,993,582 due to infrastructure improvements and upgrades to existing County facilities.

TAOS COUNTY'S NET ASSETS*
June 30, 2008 and 2007

	2008		
	Governmental Activities	Business Type Activities	Total
Assets			
Current and other assets	\$ 17,090,361	\$ 201,540	\$ 17,291,901
Capital assets, net of accumulated depreciation	45,926,164	5,562,404	51,488,568
Other noncurrent assets	36,361,470	-	36,361,470
Total assets	99,377,995	5,763,944	105,141,939
Liabilities			
Long-term liabilities outstanding	46,875,905	-	46,875,905
Other liabilities	4,650,777	176,087	4,826,864
Total liabilities	51,526,682	176,087	51,702,769
Net Assets			
Invested in capital assets, net of related debt	28,892,237	5,524,449	34,416,686
Restricted	14,411,909	-	14,411,909
Unrestricted	4,547,167	63,408	4,610,575
Total net assets	47,851,313	5,587,857	53,439,170
Total liabilities and net assets	\$ 99,377,995	\$ 5,763,944	\$ 105,141,939

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	2007		
	Governmental Activities	Business Type Activities	Total
Assets			
Current and other assets	\$ 17,434,540	\$ 301,521	\$ 17,736,061
Capital assets, net of accumulated depreciation	42,581,464	5,913,512	48,494,976
Other noncurrent assets	1,764,948	-	1,764,948
Total assets	61,780,952	6,215,033	67,995,985
Liabilities			
Long-term liabilities outstanding	15,910,421	97,924	16,008,345
Other liabilities	3,453,354	85,073	3,538,427
Total liabilities	19,363,775	182,997	19,546,772
Net Assets			
Invested in capital assets, net of related debt	24,434,420	5,868,150	30,302,570
Restricted	12,622,443	-	12,622,443
Unrestricted	5,360,314	163,886	5,524,200
Total net assets	42,417,177	6,032,036	48,449,213
Total liabilities and net assets	\$ 61,780,952	\$ 6,215,033	\$ 67,995,985

A large portion of Taos County's net assets (91 percent) represents resources that are subject to restrictions. The restrictions include amounts restricted for special revenue, debt service and capital outlay expenditures.

At the end of the current fiscal year, Taos County is able to report positive balances in all three categories of net assets, for the government as a whole as well as for the business-type activities.

Analysis of Changes in Net Assets

The County's net assets overall increased by \$4,989,957 during the current fiscal year. These increases are explained in the government and business-type activities discussion below, and are primarily a result of the capitalization of capital asset acquisitions and infrastructure improvements.

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Changes in Net Assets
For the Years Ended June 30, 2008 and 2007

	June 30, 2008		
	Governmental Activities	Business-Type Activities	Total
Revenues			
Program revenues:			
Charges for services	\$ 1,951,090	\$ 1,270,906	\$ 3,221,996
Operating grants and contributions	4,194,874	-	4,194,874
Capital grants and contributions	977,290	-	977,290
General revenues:			
Property taxes	6,299,316	-	6,299,316
Gross receipts taxes	10,300,671	225,195	10,525,866
Motor vehicle and fuel taxes	188,554	-	188,554
Lodgers taxes	245,270	-	245,270
Other taxes	3,086	-	3,086
Miscellaneous revenue	337,012	912	337,924
Unrestricted investment earnings	991,007	-	991,007
Transfers	(333,197)	333,197	-
Loss on diposal of assets	(3,715)	-	(3,715)
Total Revenues	25,151,258	1,830,210	26,981,468
Program expenses:			
General government	7,593,555	-	7,593,555
Public safety	4,144,887	-	4,144,887
Culture and recreation	281,882	-	281,882
Health and welfare	2,383,552	-	2,383,552
Public works	2,819,267	-	2,819,267
Education	1,576,391	-	1,576,391
Interest and other charges	904,421	-	904,421
Amortization	13,167	-	13,167
Business-type activities	-	2,274,389	2,274,389
Total Expenses	19,717,122	2,274,389	21,991,511
(Decrease) Increase in net assets	5,434,136	(444,179)	4,989,957
Net assets, beginning of year	42,417,177	6,032,036	48,449,213
Ending net assets	<u>\$ 47,851,313</u>	<u>\$ 5,587,857</u>	<u>\$ 53,439,170</u>

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	June 30, 2007		
	Governmental Activities	Business-Type Activities	Total
Revenues			
Program revenues:			
Charges for service	\$ 1,586,872	\$ 1,588,841	\$ 3,175,713
Operating grants and contributions	3,316,745	-	3,316,745
Capital grants and contributions	1,471,213	-	1,471,213
General revenues:			
Property taxes	7,193,947	-	7,193,947
Gross receipts taxes	6,728,371	223,996	6,952,367
Motor vehicle and fuel taxes	271,003	-	271,003
Lodgers taxes	233,576	-	233,576
Other taxes	4,258	-	4,258
Miscellaneous revenue	213,993	86,098	300,091
Unrestricted investment earnings	894,332	-	894,332
Loss on disposal of assets	(311,102)	-	(311,102)
Extraordinary - gain on defeasance of bonds	230,990	-	230,990
Transfers	(287,930)	287,930	-
	<u>21,546,268</u>	<u>2,186,865</u>	<u>23,733,133</u>
Program expenses:			
General government	6,843,409	-	6,843,409
Public safety	2,958,249	-	2,958,249
Culture and recreation	674,331	-	674,331
Health and welfare	2,357,368	-	2,357,368
Public works	3,088,407	-	3,088,407
Education	1,913,259	-	1,913,259
Interest and other charges	2,825,834	-	2,825,834
Amortization	520,495	-	520,495
Business-type activities	-	2,408,664	2,408,664
	<u>21,181,352</u>	<u>2,408,664</u>	<u>23,590,016</u>
	364,916	(221,799)	143,117
Net assets, beginning of year	39,519,835	6,337,198	45,857,033
	<u>2,532,426</u>	<u>(83,363)</u>	<u>2,449,063</u>
Ending net assets	<u>\$ 42,417,177</u>	<u>\$ 6,032,036</u>	<u>\$ 48,449,213</u>

Governmental activities. Governmental activities increased Taos County's net assets by \$5,434,136. The County had capital asset acquisitions of \$5,444,278 and were capitalized on the Government-Wide Statements. Also, debt service related expenditures significantly increased during the current fiscal year due to the refunding bond.

Business-type activities. Business-type activities decreased the County's net assets by \$444,179. This decrease also attributed to depreciation expense of \$351,108. Excluding the depreciation expense, the business-type activities decreased net assets by \$93,071.

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June 30, 2008

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, Taos County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of Taos County's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing Taos County's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of Governmental funds reported by the County include the General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds.

As of the end of the current fiscal year, Taos County's governmental funds reported combined ending fund balances of \$51,774,908, a increase of \$33,785,845 in comparison with the prior year. Approximately 8 percent of this total amount, \$4,496,971 constitutes unreserved fund balance, which is available for spending at the government's discretion. A portion of the remainder of fund balance is unreserved and reported in the specified fund type because it is to be spent on a specified purpose and has already been committed to special revenue funds (\$10,578,968) and capital projects (\$359,206). Restricted cash for the year is \$33,527,797. The remainder of fund balance is reserved for prepaids (\$117,512) and to pay debt service (\$2,618,138).

Revenues for governmental functions overall totaled \$26,331,000 in the fiscal year ended June 30, 2008 which represents an increase of \$3,604,990 from the fiscal year ended June 30, 2007. Expenditures for governmental functions, totaling \$25,769,923, increased by approximately \$1,921,877 from the fiscal year ended June 30, 2007. In the fiscal year ended June 30, 2008, expenditures for governmental functions exceeded revenues by approximately \$561,077.

The General Fund is the chief operating fund of Taos County. At the end of the current fiscal year, *unreserved* fund balance of the general fund was \$4,496,971. As a measure of the general fund's liquidity, it may be useful to compare the unreserved fund balance to the total fund expenditures. Unreserved fund balance represents 63 percent of total general fund expenditures of \$7,068,640.

The fund balance of Taos County's general fund decreased by \$22,838 during the current fiscal year, this is due to operating transfers out and expenditures in excess of revenues. Overall, the general fund's performance resulted in revenues over expenditures in the fiscal year ended June 30, 2008 of \$3,451,045, a increase of \$630,693 from the comparable figure from the prior year of \$2,820,352.

The Intergovernmental Fund has unreserved fund balance of \$480,014. The net increase in fund balance during the current year in the Intergovernmental Fund was \$112,203. The increase was due to operating transfers in from the refunding bond to pay Taos school districts.

The 2007 Educational Refunding Bond Reserve Fund has a total fund balance of \$2,616,138, all of which is unreserved, but restricted for debt service. The net increase in fund balance during the current year in the 2007 Educational Refunding Bond Reserve Fund was \$2,466,131. The increase is attributed to the extinguishment of Series 2003 and 2004 Educational Gross Receipts bond.

The NMFA Debt Service Fund has a total fund balance of \$30,592,251. The net increase in the fund balance during the current year in the NMFA Debt Service Fund was \$30,141,106.

The Admin/Judicial/Corrections Complex Fund has a total fund balance of \$179,829. This is a new fund for the fiscal year 2008. The fund was created to account for the revenues and expenditures for the new complex construction project.

Proprietary Funds. The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

At the end of the fiscal year, the unrestricted net assets for Proprietary Funds were \$63,408. The funds also had net assets that were invested in capital assets, net of related debt of \$5,524,449. The total decrease in net assets for the enterprise funds was \$444,179.

Fiduciary Funds. The County maintains fiduciary funds for the assets of various agency funds. The amount of fiduciary funds due to others was \$2,977,776 for the fiscal year ended June 30, 2008.

STATE OF NEW MEXICO
Taos County
Management's Discussion and Analysis
June 30, 2008

Capital Assets, Net of Depreciation
June 30, 2008

	<u>Governmental Activities</u>	<u>Business Type Activities</u>	<u>Total</u>
Capital Assets			
Land	\$ 4,512,411	\$ -	\$ 4,512,411
Construction in progress	18,686,340	-	18,686,340
Right of way	2,791,579	-	2,791,579
Buildings and building improvements	7,400,640	9,798,589	17,199,229
Machinery and equipment	3,134,969	92,298	3,227,267
Vehicles	6,945,075	625,233	7,570,308
Infrastructure	32,978,311	-	32,978,311
	<u>76,449,325</u>	<u>10,516,120</u>	<u>86,965,445</u>
Less: accumulated depreciation	<u>(30,523,161)</u>	<u>(4,953,716)</u>	<u>(35,476,877)</u>
Total capital assets, net of accumulated depreciation	<u>\$ 45,926,164</u>	<u>\$ 5,562,404</u>	<u>\$ 51,488,568</u>

For government-wide financial statement presentation, all depreciable capital assets were depreciated from acquisition date to the end of the current fiscal year. Fund financial statements record capital asset purchases as expenditures. See Note 6 in the accompanying notes to the financial statements for further information regarding capital assets.

Debt Administration. At the end of the current fiscal year, Taos County had total long-term obligations outstanding of \$50,035,624. Of this amount, \$13,390,000 is bonds payable and \$35,176,851 is Notes bonds. The remaining liabilities totaling \$1,466,773 consisted of capital leases in the amount of \$1,046,298, and compensated absences in the amount of \$420,475.

Taos County's Outstanding Debt
As of June 30, 2008

	<u>Governmental Activities</u>	<u>Business Type Activities</u>	<u>Total</u>
Bonds payable	\$ 13,392,000	\$ -	\$ 13,392,000
Notes payable	35,176,851	-	35,176,851
Capital leases	1,008,343	37,955	1,046,298
Compensated absences	360,201	60,274	420,475
	<u>\$ 49,937,395</u>	<u>\$ 98,229</u>	<u>\$ 50,035,624</u>

See Note 7 in the accompanying Notes to the Financial Statements for further information regarding Taos County's long-term debt.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Taos County's finances for all of those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, Taos County, 105 Albright Street, Suite A, Taos, New Mexico 87571.

**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO

Taos County

Statement of Net Assets

June 30, 2008

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 15,752,561	\$ 166,664	\$ 15,919,225	\$ 636,869
Receivables				
Property taxes	503,959	-	503,959	-
Intergovernmental	633,763	-	633,763	-
Other	6,210	-	6,210	-
Customers	-	17,561	17,561	32,767
Prepaid insurance	193,868	17,315	211,183	5,855
Total current assets	17,090,361	201,540	17,291,901	675,491
Noncurrent assets				
Restricted cash and cash equivalents	36,115,640	-	36,115,640	55,149
Bond issuance costs (net of amortization of \$17,556)	61,444	-	61,444	-
Bond underwriter discounts (net of amortization of \$60,929)	184,386	-	184,386	-
Capital assets	76,449,325	10,516,120	86,965,445	11,323,521
Less: accumulated depreciation	(30,523,161)	(4,953,716)	(35,476,877)	(6,991,802)
Total noncurrent assets	82,287,634	5,562,404	87,850,038	4,386,868
Total assets	\$ 99,377,995	\$ 5,763,944	\$ 105,141,939	\$ 5,062,359

The accompanying notes are an integral part of these financial statements

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
LIABILITIES AND NET ASSETS				
Current liabilities				
Accounts payable	\$ 848,095	\$ 27,283	\$ 875,378	\$ 26,362
Accrued payroll	245,312	50,575	295,887	23,693
Accrued interest	165,940	-	165,940	-
Security deposits	-	-	-	42,382
Current portion of accrued compensated absences	-	60,274	60,274	14,865
Current portion of long-term obligations	3,391,430	37,955	3,429,385	-
Total current liabilities	<u>4,650,777</u>	<u>176,087</u>	<u>4,826,864</u>	<u>107,302</u>
Noncurrent liabilities				
Bond underwriter premiums (net of amortization of \$153,640)	329,940	-	329,940	-
Noncurrent portion of long-term obligations	46,185,764	-	46,185,764	-
Noncurrent portion of accrued compensated absences	360,201	-	360,201	27,700
Total noncurrent liabilities	<u>46,875,905</u>	<u>-</u>	<u>46,875,905</u>	<u>27,700</u>
Total liabilities	<u>51,526,682</u>	<u>176,087</u>	<u>51,702,769</u>	<u>135,002</u>
NET ASSETS				
Invested in capital assets, net of related debt	28,892,237	5,524,449	34,416,686	4,331,719
Restricted for: (Note 13)				
Other	10,508,755	-	10,508,755	-
Debt service	36,057,958	-	36,057,958	-
Capital projects	-	-	-	-
Unrestricted	<u>(27,607,637)</u>	<u>63,408</u>	<u>(27,544,229)</u>	<u>595,638</u>
Total net assets	<u>47,851,313</u>	<u>5,587,857</u>	<u>53,439,170</u>	<u>4,927,357</u>
Total liabilities and net assets	<u>\$ 99,377,995</u>	<u>\$ 5,763,944</u>	<u>\$ 105,141,939</u>	<u>\$ 5,062,359</u>

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

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Governmental activities:				
General government	\$ 7,593,555	\$ 536,245	\$ 1,828,143	\$ 168,272
Public safety	4,144,887	20,430	1,253,001	163,799
Culture and recreation	281,882	-	686,494	391,756
Health and welfare	2,383,552	1,063,490	427,236	253,463
Public works	2,819,267	330,925	-	-
Education	1,576,391	-	-	-
Interest and other charges	904,421	-	-	-
Amortization	13,167	-	-	-
Total governmental activities	<u>19,717,122</u>	<u>1,951,090</u>	<u>4,194,874</u>	<u>977,290</u>
Business-type activities:				
Solid waste	987,169	703,521	-	-
Ambulance	1,287,220	567,385	-	-
Total business-type activities	<u>2,274,389</u>	<u>1,270,906</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 21,991,511</u>	<u>\$ 3,221,996</u>	<u>\$ 4,194,874</u>	<u>\$ 977,290</u>
Component unit activities:				
Taos County Housing Authority	<u>3,360,082</u>	<u>387,465</u>	<u>3,255,734</u>	<u>-</u>

General Revenues:

Property taxes
Gross receipts taxes
Motor vehicle and fuel taxes
Lodgers taxes
Other taxes
Miscellaneous revenue
Unrestricted investment earnings
Transfers
Loss on disposal of assets

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 (Expenses) Revenue and Changes in Net Assets			
Governmental Activities	Business-type Activities	Total	Component Unit
\$ (5,060,895)	\$ -	\$ (5,060,895)	\$ -
(2,707,657)	-	(2,707,657)	-
796,368	-	796,368	-
(639,363)	-	(639,363)	-
(2,488,342)	-	(2,488,342)	-
(1,576,391)	-	(1,576,391)	-
(904,421)	-	(904,421)	-
(13,167)	-	(13,167)	-
<u>(12,593,868)</u>	<u>-</u>	<u>(12,593,868)</u>	<u>-</u>
-	(283,648)	(283,648)	-
-	(719,835)	(719,835)	-
<u>-</u>	<u>(1,003,483)</u>	<u>(1,003,483)</u>	<u>-</u>
<u>(12,593,868)</u>	<u>(1,003,483)</u>	<u>(13,597,351)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>283,117</u>
6,299,316	-	6,299,316	-
10,300,671	225,195	10,525,866	-
188,554	-	188,554	-
245,270	-	245,270	-
3,086	-	3,086	-
337,012	912	337,924	-
991,007	-	991,007	17,755
(333,197)	333,197	-	-
(3,715)	-	(3,715)	-
<u>18,028,004</u>	<u>559,304</u>	<u>18,587,308</u>	<u>17,755</u>
5,434,136	(444,179)	4,989,957	300,872
<u>42,417,177</u>	<u>6,032,036</u>	<u>48,449,213</u>	<u>4,626,485</u>
<u>\$ 47,851,313</u>	<u>\$ 5,587,857</u>	<u>\$ 53,439,170</u>	<u>\$ 4,927,357</u>

STATE OF NEW MEXICO

Taos County
Balance Sheet
Governmental Funds
June 30, 2008

	<u>General Fund</u>	<u>Intergovernmental</u>	<u>2007 Educational Refunding Bond Reserve</u>
ASSETS			
<i>Current</i>			
Cash and cash equivalents	\$ 4,480,093	\$ 595,658	\$ 2,616,138
Accounts receivable			
Property taxes	503,959	-	-
Intergovernmental	59,346	26,411	-
Other receivables	6,210	-	-
Prepaid expenses	117,512	1,452	-
	<u>\$ 5,167,120</u>	<u>\$ 623,521</u>	<u>\$ 2,616,138</u>
<i>Total current assets</i>			
	<u>\$ 5,167,120</u>	<u>\$ 623,521</u>	<u>\$ 2,616,138</u>
 LIABILITIES AND FUND BALANCES			
<i>Current liabilities</i>			
Accounts payable	\$ 46,247	\$ 136,903	\$ -
Accrued payroll	168,704	5,152	-
Deferred revenue - property taxes	337,686	-	-
	<u>552,637</u>	<u>142,055</u>	<u>-</u>
<i>Total current liabilities</i>			
	<u>552,637</u>	<u>142,055</u>	<u>-</u>
 <i>Fund balances</i>			
Reserved			
Prepaid expenses	117,512	1,452	-
Restricted cash	-	-	-
Unreserved, reported in			
General fund	4,496,971	-	-
Special revenue funds	-	480,014	-
Debt service funds	-	-	2,616,138
Capital projects funds	-	-	-
	<u>4,614,483</u>	<u>481,466</u>	<u>2,616,138</u>
<i>Total fund balances</i>			
	<u>4,614,483</u>	<u>481,466</u>	<u>2,616,138</u>
<i>Total liabilities and fund balances</i>			
	<u>\$ 5,167,120</u>	<u>\$ 623,521</u>	<u>\$ 2,616,138</u>

The accompanying notes are an integral part of these financial statements

<u>NMFA Debt Service Fund</u>	<u>Admin/Judicial/ Corrections Complex</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 30,592,251	\$ 179,829	\$ 13,404,232	\$ 51,868,201
-	-	-	503,959
-	-	548,006	633,763
-	-	-	6,210
-	-	74,904	193,868
<u>\$ 30,592,251</u>	<u>\$ 179,829</u>	<u>\$ 14,027,142</u>	<u>\$ 53,206,001</u>
\$ -	\$ -	\$ 664,945	\$ 848,095
-	-	71,456	245,312
-	-	-	337,686
-	-	736,401	1,431,093
-	-	74,904	193,868
30,592,251	-	2,935,546	33,527,797
-	-	-	4,496,971
-	-	10,098,954	10,578,968
-	-	1,960	2,618,098
-	179,829	179,377	359,206
<u>30,592,251</u>	<u>179,829</u>	<u>13,290,741</u>	<u>51,774,908</u>
<u>\$ 30,592,251</u>	<u>\$ 179,829</u>	<u>\$ 14,027,142</u>	<u>\$ 53,206,001</u>

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STATE OF NEW MEXICO

Taos County

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Assets
June 30, 2008

Exhibit B-1
(Page 2 of 2)

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

Fund balances - total governmental funds	\$ 51,774,908
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	45,926,164
Other long-term assets are not available to pay for current-period expenditures and therefore, are deferred in the funds:	
Property taxes	337,686
Bond issuance costs	61,444
Bond discounts	184,386
Accrued interest expense	(165,940)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:	
Bond premiums	(329,940)
General obligation and revenue bonds	(49,577,194)
Compensated absences	(360,201)
	<hr/>
Total net assets	<u>\$ 47,851,313</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Taos County
Statements of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2008

<i>Revenues</i>	General Fund	Intergovernmental	2007 Educational Refunding Bond Reserve
Taxes:			
Property	\$ 6,984,221	\$ 12,620	\$ -
Gross receipts	1,290,784	-	-
Gasoline and motor vehicle taxes	-	-	-
Other	2,055	-	-
Intergovernmental:			
Federal operating grants	1,176,826	15,183	-
Federal capital grants	-	-	-
State operating grants	114,000	1,097,410	-
State capital grants	-	707,485	-
Local sources	-	-	-
Charges for services	57,604	-	-
Licenses and fees	357,037	-	-
Investment income	296,089	11	337,641
Miscellaneous	241,069	2,499	-
<i>Total revenues</i>	<u>10,519,685</u>	<u>1,835,208</u>	<u>337,641</u>
<i>Expenditures</i>			
Current			
General government	6,817,856	59,620	-
Public safety	-	410,426	29,855
Public works	-	81,213	-
Health and welfare	-	33,446	-
Culture and recreation	-	3,437	-
Education	-	-	-
Capital outlay	250,784	1,314,076	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>7,068,640</u>	<u>1,902,218</u>	<u>29,855</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>3,451,045</u>	<u>(67,010)</u>	<u>307,786</u>
<i>Other financing sources (uses)</i>			
Loan proceeds	-	-	-
Operating transfers in	540,905	413,495	2,280,541
Operating transfers out	(4,014,788)	(234,282)	(122,196)
<i>Total other financing sources (uses)</i>	<u>(3,473,883)</u>	<u>179,213</u>	<u>2,158,345</u>
<i>Net change in fund balances</i>	(22,838)	112,203	2,466,131
<i>Fund balances - beginning of year</i>	<u>4,637,321</u>	<u>369,263</u>	<u>150,007</u>
<i>Fund balances - end of year</i>	<u>\$ 4,614,483</u>	<u>\$ 481,466</u>	<u>\$ 2,616,138</u>

The accompanying notes are an integral part of these financial statements

NMFA Debt Service Fund	Admin/Judicial/ Corrections Complex	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 164,093	\$ 7,160,934
-	593,658	8,416,229	10,300,671
-	-	188,554	188,554
-	-	246,301	248,356
-	-	205,962	1,397,971
-	-	51,499	51,499
-	-	1,230,688	2,442,098
-	-	573,111	1,280,596
-	-	1,063,228	1,063,228
-	-	16,141	73,745
-	-	438,292	795,329
85,001	-	272,265	991,007
-	-	93,444	337,012
85,001	593,658	12,959,807	26,331,000
-	-	120,137	6,997,613
-	-	3,554,868	3,995,149
-	-	1,610,584	1,691,797
-	-	2,320,713	2,354,159
-	-	29,298	32,735
-	-	1,576,391	1,576,391
1,862,495	-	2,016,923	5,444,278
-	-	2,750,663	2,750,663
-	188,287	738,851	927,138
1,862,495	188,287	14,718,428	25,769,923
(1,777,494)	405,371	(1,758,621)	561,077
1,493,254	32,535,000	383,549	34,411,803
30,650,180	-	7,191,289	41,076,410
(224,834)	(32,760,542)	(4,052,965)	(41,409,607)
31,918,600	(225,542)	3,521,873	34,078,606
30,141,106	179,829	1,763,252	34,639,683
451,145	-	11,527,489	17,135,225
\$ 30,592,251	\$ 179,829	\$ 13,290,741	\$ 51,774,908

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STATE OF NEW MEXICO

Taos County

Reconciliation of the Statement of Revenues
Expenditures and Changes in Fund Balance of Governmental
Funds to the Statement of Activities
For the Year Ended June 30, 2008

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	\$ 34,639,683
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital expenditures	5,444,278
Depreciation expense	(2,091,311)
Proceeds from sale of assets	(4,552)
Loss on disposal of assets	(3,715)

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 the property taxes receivable	(861,618)
---	-----------

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:

Amortization of current bond issuance costs	(13,167)
Amortization of bond premiums	80,597
Amortization of bond discounts	(40,886)
Increase in accrued compensated absences	(37,039)
Increase in accrued interest expense	(16,994)
Loan proceeds	(34,411,803)
Principal payments on bonds and capital leases	2,750,663

Changes in net assets	\$ 5,434,136
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The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit C-1

Taos County

General Fund

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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ 6,988,897	\$ 6,988,897
Gross receipts	1,194,502	1,194,502	1,265,230	70,728
Gasoline and motor vehicle	-	-	-	-
Other	2,500	2,500	2,055	(445)
Intergovernmental income				
Federal operating grants	-	1,053,339	1,176,826	123,487
Federal capital grants	-	-	-	-
State operating grants	114,000	114,000	114,000	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	57,604	57,604
Licenses and fees	-	-	351,685	351,685
Interest income	-	-	296,089	296,089
Miscellaneous	-	-	46,675	46,675
<i>Total revenues</i>	<u>1,311,002</u>	<u>2,364,341</u>	<u>10,299,061</u>	<u>7,934,720</u>
<i>Expenditures</i>				
Current				
General government	7,306,778	7,380,632	6,799,540	581,092
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	84,972	111,118	56,390	54,728
Debt service				
Principal	32,200	32,200	-	32,200
Interest	-	-	-	-
<i>Total expenditures</i>	<u>7,423,950</u>	<u>7,523,950</u>	<u>6,855,930</u>	<u>668,020</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(6,112,948)</u>	<u>(5,159,609)</u>	<u>3,443,131</u>	<u>8,602,740</u>
<i>Other financing sources (uses)</i>				
Designated cash	6,112,948	5,159,609	-	(5,159,609)
Transfers in	-	-	540,905	540,905
Transfers out	-	-	(4,014,788)	(4,014,788)
<i>Total other financing sources (uses)</i>	<u>6,112,948</u>	<u>5,159,609</u>	<u>(3,473,883)</u>	<u>(8,633,492)</u>
<i>Net change in fund balances</i>	-	-	(30,752)	(30,752)
<i>Fund balances - beginning of year</i>	-	-	4,510,845	4,510,845
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,480,093</u>	<u>\$ 4,480,093</u>
Net change in fund balances (budget basis)				\$ (30,752)
Adjustments to revenues for property tax, licenses and fees, and gross receipts taxes				220,624
Adjustments to expenditures for general government				(212,710)
Net change in fund balances (GAAP basis)				<u>\$ (22,838)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit C-2

Taos County

Intergovernmental Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ 12,620	\$ 12,620
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	10,775	15,183	4,408
Federal capital grants	-	-	-	-
State operating grants	1,641,008	2,047,160	1,128,081	(919,079)
State capital grants	200,000	745,000	707,485	(37,515)
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	11	11
Miscellaneous	-	-	2,499	2,499
<i>Total revenues</i>	<u>1,841,008</u>	<u>2,802,935</u>	<u>1,865,879</u>	<u>(937,056)</u>
<i>Expenditures</i>				
Current				
General government	464,506	818,006	59,620	758,386
Public safety	577,745	566,752	412,096	154,656
Public works	85,148	85,148	81,213	3,935
Culture and recreation	173,329	322,481	61,977	260,504
Health and welfare	46,492	95,922	11,837	84,085
Capital outlay	1,349,014	2,388,393	1,196,054	1,192,339
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,696,234</u>	<u>4,276,702</u>	<u>1,822,797</u>	<u>2,453,905</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(855,226)</u>	<u>(1,473,767)</u>	<u>43,082</u>	<u>1,516,849</u>
<i>Other financing sources (uses)</i>				
Designated cash	855,226	1,473,767	-	(1,473,767)
Bond proceeds	-	0	0	-
Transfers in	-	-	413,495	413,495
Transfers out	-	-	(234,282)	(234,282)
<i>Total other financing sources (uses)</i>	<u>855,226</u>	<u>1,473,767</u>	<u>179,213</u>	<u>(1,294,554)</u>
<i>Net change in fund balances</i>	-	-	222,295	222,295
<i>Fund balances - beginning of year</i>	-	-	373,363	373,363
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 595,658</u>	<u>\$ 595,658</u>
Net change in fund balances (budget basis)				\$ 222,295
Adjustments to revenues for state operating grants				(30,671)
Adjustments to expenditures for public safety, health and welfare, and capital outlay				(79,421)
Net change in fund balances (GAAP basis)				<u>\$ 112,203</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Taos County
Statement of Fund Net Assets
Proprietary Funds
June 30, 2008

Exhibit D-1

	Enterprise Funds		
	Solid Waste	Ambulance	Total
Assets			
Current assets			
Cash and cash equivalents	\$ 101,526	\$ 65,138	\$ 166,664
Customer receivable	17,561	-	17,561
Prepaid insurance	7,241	10,074	17,315
Internal balances	109,938	(109,938)	-
Total current assets	236,266	(34,726)	201,540
Noncurrent assets			
Capital assets	631,873	9,884,247	10,516,120
Less: accumulated depreciation	(364,597)	(4,589,119)	(4,953,716)
Total noncurrent assets	267,276	5,295,128	5,562,404
Total assets	\$ 503,542	\$ 5,260,402	\$ 5,763,944
Liabilities and net assets			
Liabilities			
Current liabilities			
Accounts payable	\$ 27,283	\$ -	\$ 27,283
Accrued payroll	20,379	30,196	50,575
Accrued compensated absences	22,811	37,463	60,274
Current portion of leases payable	37,955	-	37,955
Total current liabilities	108,428	67,659	176,087
Noncurrent liabilities			
Accrued compensated absences	-	-	-
Loans and capital leases payable	-	-	-
Total noncurrent liabilities	-	-	-
Total liabilities	108,428	67,659	176,087
Net assets			
Invested in capital assets, net of related debt	229,321	5,295,128	5,524,449
Unrestricted	165,793	(102,385)	63,408
Total net assets	\$ 395,114	\$ 5,192,743	\$ 5,587,857

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Exhibit D-2

Taos County
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2008

	Enterprise Funds		Total
	Solid Waste	Ambulance	
Operating revenues:			
Charges for services	\$ 703,521	\$ 567,385	\$ 1,270,906
Total operating revenues	703,521	567,385	1,270,906
Operating expenses:			
Depreciation	65,348	285,760	351,108
Personnel services	545,834	870,361	1,416,195
Administration	97,713	76,006	173,719
Contractual services	229,206	14,795	244,001
Maintenance and materials	47,190	40,298	87,488
Total operating expenses	985,291	1,287,220	2,272,511
Operating income (loss)	(281,770)	(719,835)	(1,001,605)
Non-operating revenues (expenses):			
Gross receipts tax	225,195	-	225,195
Interest expense	(1,878)	-	(1,878)
Miscellaneous income	106	806	912
Total non-operating revenues (expenses)	223,423	806	224,229
Transfers in (out)	(16,600)	349,797	333,197
Change in net assets	(74,947)	(369,232)	(444,179)
Net assets, beginning of year	470,061	5,561,975	6,032,036
Net assets, end of year	\$ 395,114	\$ 5,192,743	\$ 5,587,857

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
Taos County
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2008

Exhibit D-3

	Enterprise Funds		
	Solid Waste	Ambulance	Totals
<i>Cash Flows From Operating Activities:</i>			
Cash received from customers	\$ 731,524	\$ 630,038	\$ 1,361,562
Cash paid to suppliers and employees	(922,447)	(999,646)	(1,922,093)
Interest paid	(1,878)	-	(1,878)
	(192,801)	(369,608)	(562,409)
<i>Net Cash (Used) by Operating Activities</i>			
<i>Cash Flows From Capital and Related Financing Activities:</i>			
Principal payments on capital leases	(7,407)	-	(7,407)
	(7,407)	-	(7,407)
<i>Net Cash (Used) by Capital and Related Financing Activities:</i>			
<i>Cash Flows From Non-Capital Financing Activities:</i>			
Gross receipts tax	225,195	-	225,195
Operating transfers in (out)	(16,600)	349,797	333,197
Miscellaneous income	106	806	912
Increase in long-term accrued compensated absences	-	-	-
	208,701	350,603	559,304
<i>Net Cash Provided by Non-Capital Financing Activities:</i>			
Net increase (decrease) in cash and cash equivalents	8,493	(19,005)	(10,512)
Cash and cash equivalents, beginning of year	93,033	84,143	177,176
Cash and cash equivalents, end of year	\$ 101,526	\$ 65,138	\$ 166,664
 <i>Reconciliation of Operating (Loss) to Net Cash used by Operating Activities:</i>			
Operating (loss)	\$ (281,770)	\$ (719,835)	\$ (1,001,605)
Interest paid	(1,878)	-	(1,878)
Adjustments to reconcile operating (loss) to net cash (used) by operating activities:			
Depreciation	65,348	285,760	351,108
Change in assets and liabilities:			
Accounts receivable	28,003	62,653	90,656
Prepaid expenses	(1,158)	(29)	(1,187)
Accounts payable	6,701	(6,367)	334
Accrued payroll	(930)	170	(760)
Accrued compensated absences	(7,117)	8,040	923
	(192,801)	(369,608)	(562,409)
<i>Net Cash Used by Operating Activities</i>	\$ (192,801)	\$ (369,608)	\$ (562,409)

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
Taos County
Statement of Fiduciary Assets and Liabilities
Agency Funds
Year ended June 30, 2008

Exhibit E-1

ASSETS

Cash and cash equivalents	\$ 720,358
Property taxes receivable	<u>2,257,418</u>
<i>Total assets</i>	<u><u>\$ 2,977,776</u></u>

LIABILITIES

Due to other taxing units	<u>\$ 2,977,776</u>
<i>Total liabilities</i>	<u><u>\$ 2,977,776</u></u>

The accompanying notes are an integral part of these financial statements

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

NOTE 1. Summary of Significant Accounting Policies

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

The County of Taos 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 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 Taos County is presented to assist in the understanding of County's financial statements. The financial statements and notes are the representation of Taos 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 government units. The Governmental Accounting Standards 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 on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. Governments also have the option of following subsequent private-sector guidance for their government-wide financial statements, subject to the same limitation. The County has elected not to follow subsequent private-sector guidance. The more significant of the government's accounting policies are described below..

A. Financial Reporting Entity

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

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

NOTE 1. Summary of Significant Accounting Policies (continued)

A. Financial Reporting Entity (continued)

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.

Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the County's reporting entity.

Discretely Presented Component Unit

Taos County Housing Authority (The Authority): In previous years the housing authority was presented as a department of the County, however, upon further consideration of the criteria as described in GASB No. 14 and No. 39, it was determined that the Authority should be discretely presented as a component unit of Taos County. This component unit has separate elected and/or appointed board and provides services to residents, generally within the geographic boundaries of the government. The New Mexico State Auditor, through Regulation 2 NMAC 2.2 requires the inclusion of this unit in the reporting entity.

The Housing Authority was audited by another auditor and has separately issued financial statements and all exhibits, schedules, and footnotes are included in their financial statements. The component unit's activities are detailed on Exhibit A-1 and A-2 in the County's financial reports. The financial statements for the Taos County Housing Authority can be obtained by writing to Taos County Housing Authority 525 Ranchitos Road, Unit 962 Taos, NM 87571.

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 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, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognized 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.

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

NOTE 1. Summary of Significant Accounting Policies (continued)

B. Government-wide and fund financial statement (continued)

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

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

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

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. 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 available. 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 susceptible to accrual criteria have been met.

The government reports the following major governmental funds:

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.

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

NOTE 1. Summary of Significant Accounting Policies (continued)

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

The *Intergovernmental* fund is used to account for the revenues and expenditures for grant activity.

The *2007 Educational Refunding Bond Reserve Debt Service Fund* is used to account for the accumulation of resources for, and the extinguishment of, the 2003 and 2004 Educational Gross Receipts Bonds. Revenues for this fund are generated by sources designated in bond documents.

The *NMFA Debt Service Fund* is used to account for the accumulation of resources and payment of the NMFA Debt Service.

The *Admin/Judicial/Corrections Complex Fund* is a capital projects fund used to account for the debt service of a loan from the NMFA to finance the construction project of the Taos County Admin/Judicial/Detention Complex.

The *Educational Bond Debt Service Fund* accounts for investment income and debt service payments related to the educational bonds issued for the various school districts throughout the County. Funding is provided by gross receipts taxes and investment interest income.

The government reports the following major proprietary funds:

The *Solid Waste Fund* accounts for the provision of garbage and refuse removal services to the residents of Taos County. All activities necessary to provide such services are accounted for in this fund.

The *Ambulance Fund* accounts for the collection of ambulance fees and the expenses of rendering ambulance services.

Additionally, the government reports the following fund types:

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

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

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

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

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

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

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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 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 is specifically identified by function and is included in the direct expense of each function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

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

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 Investment Pool.

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

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

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

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

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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, property taxes are recorded as revenue when levied net of estimated refunds and uncollectible 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 both the government-wide and proprietary 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), are reported in the applicable governmental 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. Taos County was a phase III government for purposes of implementing GASB 34. Therefore, the County was not required to report its major general infrastructure assets retroactively to June 30, 1980. 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. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense capitalized by the County during the current fiscal year was \$0. No interest was included as part of the cost of capital assets under construction.

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

<u>Assets</u>	<u>Years</u>
Infrastructure	30
Buildings and building improvements	40-45
Vehicles	5-10
Office furniture and equipment	5-10
Machinery and equipment	5-10

Accrued Expenses: Accrued expenses are comprised of the payroll expenditures based on amounts earned by the employees through June 30, 2008, along with applicable PERA and Retiree Health Care.

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

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

NOTE 1. Summary of Significant Accounting Policies (continued)

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

Compensated Absences: Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. 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, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds Payable are reported net of the applicable bond premium or discount. For fund financial reporting, bond premiums, discounts as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Net Assets or Fund Equity: In the fund financial statements, governmental funds report reservation of funds balance that are not available for appropriations or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Government-wide Statements

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

- a. 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.”

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

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

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 except for the NMFA Debt Service 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 cash basis, excluding encumbrances, and secure appropriation 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. These amendments resulted in the following changes

	Excess (deficiency) of revenues over expenditures	
	Original Budget	Final Budget
Budgeted Funds:		
General Fund	\$ (6,112,948)	\$ (5,159,609)
Intergovernmental	\$ (855,226)	\$ (1,473,767)
2007 Educational Refunding Bond Reserve	\$ (19,500)	\$ (10,868,650)
NMFA Debt Service	\$ (25,636)	\$ (2,298,576)
Admin/Judicial/Corrections Complex	\$ (188,300)	\$ 178,400
Solid Waste Proprietary	\$ (76,431)	\$ (76,431)
Ambulance Proprietary	\$ (552,218)	\$ (552,218)

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

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

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

NOTE 3. Deposits and Investments

State statutes authorize the investment of County funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. The County is not aware of any invested funds that did not meet the State investment requirements as of June 30, 2008.

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

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

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

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

Custodial Credit Risk – Deposits Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk, other than following state statutes as set forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2008, \$6,646,476 of the County's bank balance of \$11,886,681 was exposed to custodial credit risk because it was collateralized with collateral held by the pledging bank's trust department, not in the County's name. At June 30, 2008, \$4,640,205 was exposed to custodial credit risk because it was not collateralized or insured.

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

NOTE 3. Deposits and Investments (continued)

	First Community Bank	Centinel Bank	Peoples Bank	Total
Total amount of deposits	\$ 7,027,165	\$ 4,039,532	\$ 819,984	\$ 11,886,681
FDIC coverage	200,000	200,000	200,000	600,000
Total uninsured public funds	<u>6,827,165</u>	<u>3,839,532</u>	<u>619,984</u>	<u>11,286,681</u>
Collateralized by securities held by the pledging institution or by its trust department or agent in other than the District's name	<u>4,133,173</u>	<u>1,976,280</u>	<u>537,023</u>	<u>6,646,476</u>
Uninsured and uncollateralized	<u>\$ 2,693,992</u>	<u>\$ 1,863,252</u>	<u>\$ 82,961</u>	<u>\$ 4,640,205</u>
Collateral requirement (50% of uninsured)	\$ 3,413,583	\$ 1,919,766	\$ 309,992	\$ 5,643,341
Pledged securities	<u>4,133,173</u>	<u>1,976,280</u>	<u>537,023</u>	<u>6,646,476</u>
Over (under) collateralization	<u>\$ 719,591</u>	<u>\$ 56,514</u>	<u>\$ 227,031</u>	<u>\$ 1,003,136</u>

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

Investments

The County's investments at June 30, 2008 include the following:

Investments	Maturities	Fair Value	Rating
U.S. Treasury Money Market Mutual Funds	< 365Days	\$ <u>41,452,630</u>	AAA

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

Concentration of Credit Risk – Investments. For an investment, concentration of credit risk is the risk of loss attributed to the magnitude of a governments investment in a single issuer. The County does not have a policy limiting the concentration of credit risk except to follow applicable statute at Section 6-10-10, NMSA 1978 regarding allowable local government investment. At June 30, 2008, the investments in the U.S. Treasury Money Market Mutual Funds are 100% of the County's investment portfolio.

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

NOTE 3. Deposits and Investments (continued)

Reconciliation to Statement of Net Assets

Cash and cash equivalents per Exhibit A-1	\$ 15,919,225
Restricted cash per Exhibit A-1	36,115,640
	52,034,865
Add: outstanding checks and other reconciling items	586,638
	52,621,503
Less: Investments	(41,452,630)
Less: Petty cash	(2,550)
Add: Agency cash per Exhibit E-1	720,358
	720,358
 Bank balance of deposits	 \$ 11,886,681

NOTE 4. Receivables

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

	General Fund	Intergovernmental	2007 Educational Refunding Bond Reserve	NMFA Debt Service Fund	Admin/Judicial/ Corrections Complex
Property taxes receivable	\$ 503,959	\$ -	\$ -	\$ -	\$ -
Intergovernmental	59,346	26,411	-	-	-
Other receivables	6,210	-	-	-	-
	\$ 569,515	\$ 26,411	\$ -	\$ -	\$ -
	\$ 569,515	\$ 26,411	\$ -	\$ -	\$ -

	Nonmajor Governmental Funds	Enterprise Funds	Total
Property taxes receivable	\$ -	\$ -	\$ 503,959
Intergovernmental	548,006	-	633,763
Other receivables	-	-	6,210
Customer receivables	-	17,561	17,561
	\$ 548,006	\$ 17,561	\$ 1,161,493
	\$ 548,006	\$ 17,561	\$ 1,161,493

In accordance with GASB No. 33, the property tax revenues that were not collected within the period of availability, \$337,686, have been reclassified as deferred revenue in the governmental fund financial statements. All of the above receivable are deemed to be fully collectible.

All receivables are deemed collectible and will be collected within one year.

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

NOTE 5. Interfund Receivables, Payables, and Transfers

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

	Transfers In	Transfers Out
Governmental Activities:		
Major Funds:		
General Fund	\$ 540,905	\$ -
From Non-Major Funds	-	540,905
General Fund	-	4,014,788
To Ambulance	95,617	-
To Intergovernmental	413,495	-
To Non-Major Funds	3,505,676	-
Intergovernmental	-	234,282
To Non-Major Funds	234,282	-
2007 Educational Refunding Bond Reserve	2,140,362	-
From Admin/Judicial/Corrections Complex	-	2,140,362
2007 Educational Refunding Bond Reserve	-	122,196
To Non-Major Funds	122,196	-
NMFA Debt Service Fund	30,650,180	224,834
From Admin/Judicial/Corrections Complex	-	30,620,180
To 2007 Educational Refunding Bond Reserve	140,179	-
From Non-Major Funds	-	30,000
All other Transfers		
Non-major Funds:	3,312,535	3,227,880
Business-type Activities:		
From Non-Major Funds	16,600	-
To Solid Waste Fund	-	16,600
From Non-Major Funds	-	254,180
To Ambulance Fund	254,180	-
	\$ 41,426,207	\$ 41,426,207

There were no interfund balances at June 30, 2008.

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

NOTE 6. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2008. Land and construction in progress are not subject to depreciation.

Capital Assets used in Governmental Activities:	Balance 6/30/2007	Additions	Deletions	Balance 6/30/2008
Capital assets not depreciated:				
Land	\$ 3,163,684	\$ 1,348,727	\$ -	\$ 4,512,411
Right of way	18,531,773	154,567	-	18,686,340
Construction in progress	1,873,448	918,131	-	2,791,579
Total not depreciated	<u>23,568,905</u>	<u>2,421,425</u>	<u>-</u>	<u>25,990,330</u>
Capital assets being depreciated:				
Infrastructure	32,694,220	284,091	-	32,978,311
Buildings & improvements	6,597,039	803,601	-	7,400,640
Machinery & equipment	1,985,191	1,149,778	-	3,134,969
Vehicles	6,253,337	785,383	93,645	6,945,075
Total being depreciated	<u>47,529,787</u>	<u>3,022,853</u>	<u>93,645</u>	<u>50,458,995</u>
Total capital assets	<u>71,098,692</u>	<u>5,444,278</u>	<u>93,645</u>	<u>76,449,325</u>
Less accumulated depreciation				
Infrastructure	(19,751,816)	(1,090,762)	-	(20,842,578)
Building & improvements	(2,792,395)	(181,507)	-	(2,973,902)
Machinery & equipment	(1,288,622)	(256,411)	-	(1,545,033)
Vehicles	(4,684,395)	(562,631)	(85,378)	(5,161,648)
Total accumulated depreciation	<u>(28,517,228)</u>	<u>(2,091,311)</u>	<u>(85,378)</u>	<u>(30,523,161)</u>
Net capital assets	<u>\$ 42,581,464</u>	<u>\$ 3,352,967</u>	<u>\$ 8,267</u>	<u>\$ 45,926,164</u>

Depreciation expense for the year ended June 30, 2008 was charged to governmental activities as follows:

General Government	\$ 276,664
Public Safety	396,582
Public Works	1,352,832
Culture and Recreation	<u>65,233</u>
Total depreciation expense, governmental activities	<u>\$ 2,091,311</u>

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

NOTE 6. Capital Assets (continued)

Capital Assets used in Business-type Activities:	Balance 6/30/2007	Additions	Deletions	Balance 6/30/2008
Capital assets being depreciated:				
Buildings & improvements	\$ 9,798,589	\$ -	\$ -	\$ 9,798,589
Furniture, fixtures & equipment	92,298	-	-	92,298
Vehicles	667,483	-	42,250	625,233
Total being depreciated	<u>10,558,370</u>	<u>-</u>	<u>42,250</u>	<u>10,516,120</u>
Total capital assets	<u>10,558,370</u>	<u>-</u>	<u>42,250</u>	<u>10,516,120</u>
Less accumulated depreciation				
Building & improvements	(4,181,471)	(251,558)	-	(4,433,029)
Furniture, fixtures & equipment	(29,630)	(8,030)	-	(37,660)
Vehicles	(433,757)	(91,520)	(42,250)	(483,027)
Total accumulated depreciation	<u>(4,644,858)</u>	<u>(351,108)</u>	<u>(42,250)</u>	<u>(4,953,716)</u>
Net capital assets	<u>\$ 5,913,512</u>	<u>\$ (351,108)</u>	<u>\$ -</u>	<u>\$ 5,562,404</u>

Depreciation expense charged to business-like activities for the year ended June 30, 2008 was \$351,108.

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

NOTE 7. Long-term Debt

Governmental Activities:

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

Governmental Activities	Balance June 30, 2007	Additions	Deletions	Balance June 30, 2008	Due Within One Year
Bonds payable	\$ 15,857,000	\$ -	\$ 2,465,000	\$ 13,392,000	\$ 2,346,000
Notes payable	1,325,717	34,058,254	207,120	35,176,851	806,088
Capital leases	733,337	353,549	78,543	1,008,343	239,342
Compensated absences	326,486	89,579	55,864	360,201	-
	<u>\$ 18,242,540</u>	<u>\$ 34,501,382</u>	<u>\$ 2,806,527</u>	<u>\$ 49,937,395</u>	<u>\$ 3,391,430</u>

Bonds

At June 30, 2008, the County had the following bonds outstanding:

	Series 1997 Lodger's Tax Bonds	Series 2003 Educational GRT Bonds	Series 2007 Educational Refunding Bonds
Original Issue:	\$ 777,000	\$ 1,830,000	\$ 13,895,000
Maturity Date	1/1/2037	6/30/2013	10/1/2012
Principal	January 1	July 1	October 1
Interest Rate	5.00%	1.13-3.62%	4.00-4.50%
Interest	January 1	January 1 July 1	April 1 October 1

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

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2009	\$ 2,346,000	\$ 554,624	\$ 2,900,624
2010	2,451,000	452,302	2,903,302
2011	2,552,000	350,407	2,902,407
2012	2,658,000	243,684	2,901,684
2013	2,758,000	138,132	2,896,132
2014-2018	77,000	149,400	226,400
2019-2023	100,000	128,050	228,050
2024-2028	126,000	100,500	226,500
2029-2033	161,000	65,650	226,650
2034-2037	163,000	21,100	184,100
	<u>\$ 13,392,000</u>	<u>\$ 2,203,849</u>	<u>\$ 15,595,849</u>

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

NOTE 7. Long-term Debt (continued)

Notes Payable

The County entered into several loan agreements with the New Mexico Finance Authority, wherein the County pledged revenue derived from New Mexico Fire Protection Allotments to cover debt service. This revenue is subject to intercept agreements. The annual requirements to amortize the NMFA Loans as of June 30, 2008, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2009	\$ 806,088	\$ 1,649,355	\$ 2,455,443
2010	850,092	1,604,877	2,454,969
2011	868,569	1,581,809	2,450,378
2012	844,735	1,547,523	2,392,258
2013	863,099	1,514,465	2,377,564
2014-2018	4,295,849	7,117,506	11,413,355
2019-2023	4,993,905	6,150,852	11,144,757
2024-2028	6,358,772	4,792,286	11,151,058
2029-2033	8,108,798	3,043,324	11,152,122
2034-2038	7,186,944	1,109,584	8,296,528
	<u>\$ 35,176,851</u>	<u>\$ 30,111,581</u>	<u>\$ 65,288,432</u>

Capital Leases

The County leases vehicles and other equipment under various capital leases. The economic substance of the leases is that the County is financing the acquisition of the assets through the leases and, accordingly, they are recorded as County assets and liabilities. The obligations under capital leases have been recorded in the accompanying financial statements at the present value of future minimum lease payments, discounted at interest rates as stated in the individual contracts. The annual requirement to amortize the capital leases as of June 30, 2008, including interest payments, is as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2009	\$ 239,342	\$ 38,647	\$ 277,989
2010	563,159	23,110	586,269
2011	70,311	7,173	77,484
2012	73,359	4,125	77,484
2013	62,172	491	62,663
	<u>\$ 1,008,343</u>	<u>\$ 73,546</u>	<u>\$ 1,081,889</u>

In prior years, the general fund has typically been used to liquidate long-term liabilities other than debt associated with capital leases.

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

NOTE 7. Long-term Debt (continued)

Proprietary Funds

The proprietary funds have incurred various forms of debt which were used for the purposes of constructing, expanding, repairing and making improvements to its property, plant and equipment. The following schedule shows the changes to its various forms of debt during the fiscal year ended June 30, 2008:

Business-type Activities	Balance			Balance		Due Within One Year
	June 30, 2007	Additions	Deletions	June 30, 2008		
Capital leases	\$ 45,362	\$ -	\$ 7,407	\$ 37,955	\$ 37,955	
Compensated absences	59,351	42,678	41,755	60,274	60,274	
	<u>\$ 104,713</u>	<u>\$ 42,678</u>	<u>\$ 49,162</u>	<u>\$ 98,229</u>	<u>\$ 98,229</u>	

NOTE 8 Risk Management

The County is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of property, errors and omissions and natural disasters. The County participates in the New Mexico Self-Insurers' Fund risk pool.

The County has not filed any claims for which the settlement amount exceeded the insurance coverage during the past three years. However, should a claim be filed against the County which exceeds the insurance coverage, the County would be responsible for a loss in excess of the coverage amounts. As claims are filed, the New Mexico Self-Insurers' Fund assesses and estimates the potential for loss and handles all aspects of the claim. Insurance coverage's have not changed significantly from prior years and coverage's are expected to be continued.

At June 30, 2008, no unpaid claims have been filed which exceed the policy limits and to the best of management's knowledge and belief all known and unknown claims will be covered by insurance. No major lawsuits have been filed against Taos County.

New Mexico Self-Insurers' Fund has not provided information on an entity by entity basis that would allow for a reconciliation of changes in the aggregate liabilities for claims for the current fiscal year and the prior fiscal year.

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

NOTE 9. Other Required Individual Fund Disclosures

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

- A.** *Deficit fund balance of individual funds:* The deficit fund balances as of June 30, 2008 were as follows:

Governmental Funds:	
Amalia Community Center Capital Projects Fund	\$ <u>58,515</u>
Total	\$ <u>58,515</u>

The deficit is due to increased spending in the Amalia Community Center Capital Projects Fund. The County transfers funds from the general fund to cover the deficit each year. The County will transfer sufficient funds to remove the deficit fund balance in future years.

- B.** *Excess of expenditures over appropriations:* Budgetary level is fund level. There were not any funds that exceeded approved budgetary authority for the year ended June 30, 2008.
- C.** Designated cash appropriations in excess of available balances. There were not any funds with designated cash appropriations in excess of available balances.

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

NOTE 10. PERA Pension Plan

Plan Description: Substantially all of Taos 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 for the plan. That report may be obtained by writing to PERA, P. O. Box 2123, Santa Fe, New Mexico 87504-2123. The report is also available on PERA's website at www.pera.state.nm.us

Funding Policy: Plan members are required to contribute the following percentages of their gross salary: 16.3% for law enforcement and fire protection employees; and 15.65% for municipal employees. The County was required to contribute the following percentages of the gross covered salary: 18.5% for law enforcement and fire protection plan members; and 11.65% for municipal plan members. The contribution requirements of plan members and Taos County are established in State Statute under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The County's contributions to PERA for the years ended June 30, 2008 and 2007 were \$662,027 and \$668,541 respectively.

NOTE 11. Post-Employment Benefits – Retiree Health Care Plan

Plan Description. Lincoln County contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and/or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

Eligible retirees are: 1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which the event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; 2) retirees defined by the Act who retired prior to July 1, 1990; 3) former legislators who served at least two years; and 4) former governing authority members who served at least four years.

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque, NM 87107.

Funding Policy. The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us.

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

NOTE 11. Retiree Health Care Contributions (continued)

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. The statute requires each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee is required to contribute .65% of their salary. Employers joining the program after 1/1/98 are also required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

The RHCA plan is financed on a pay-as-you-go basis. The employer, employee and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the contributions can be changed by the New Mexico State Legislature.

For the years ended June 30, 2008 and 2007, the County remitted \$68,589 and \$66,427 in employer contributions and \$34,294 and \$33,213 in employee contributions to the Retiree Health Care Authority.

NOTE 12. Contingent Liabilities

The County is party to various claims and lawsuits in the normal course of business. Management and the County's attorney are unaware of any material pending or threatened litigation, claims or assessments against the County which are not covered by the County's insurance.

NOTE 13. Net Assets

The governmental activities reports \$28,892,237 of net assets invested in capital assets, which consists of \$45,926,164 in capital assets, less \$17,033,927 of debt that has been acquired for the purchase of capital assets. The remaining amount of \$32,543,267 is to be used to construct a new County administration building. The government-wide statement of net assets reports \$46,566,713 of restricted net assets, all of which is restricted by enabling legislation. See the fund descriptions on pages 39 and 58 to 61 for the related enabling legislation.

NOTE 14. Commitments

The County has commitments at year end in the amount of \$440,366. These are for various construction projects ongoing throughout the County. There have been no payments for these services from the time entered into the contract to June 30, 2008.

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SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO

Taos County

Nonmajor Fund Descriptions

June 30, 2008

Special Revenue Funds

Health Care – To account for revenues received from a portion of County Local Option Gross Receipts for the support of resident patients (Section 7-20E-9(D)).

Corrections – To account for revenues received from the State to be used for municipal jailer training, construction planning, construction, operation and maintenance of a municipal jail, for paying the cost of housing of inmates or for complying with Federal match contributions (Section 35-14-11 NMSA, 1978).

Property Valuation – To account for revenue receipts resulting from a one percent (1%) property tax to be used pursuant to a property valuation program by the County assessor and approved by a majority of the County Commission (Section 7-38-38.1 NMSA, 1978).

Road Fund - To account for revenues and expenditures of the County road improvement fund for the construction of street, road, walkway, bridge, overpass, pathway, alley, curb, gutter or sidewalk projects (Section 7-1-6.26 NMSA, 1978).

Emergency Medical Services Ambulance – To account for funds from intergovernmental sources and fees to provide ambulance services to Taos County residences (Section 24-10A-1 NMSA, 1978).

Farm and Range – To account for revenues received to be expended by counties for: 1) soil and water conservation; 2) the control of rodents and predatory animals and the extermination of poisonous and noxious weeds; 3) the construction of dipping vats, spraying machines and other structures to control parasites on livestock; 4) the repair and maintenance of said vats; 5) and for machines and structures and the construction and maintenance of secondary roads (Section 6-11-6 NMSA, 1978).

Fire Protection -Fire Districts (Fire Marshal) Fund and Fire Districts Discretion Fund – To account for revenues derived from fees on property and motor vehicle insurance businesses which are deposited into the insurance department suspense fund and then transferred into the Fire Protection Fund by the State Treasurer. These funds are subsequently distributed by the State Fire Marshal to County Fire Districts, including the purchase, construction, maintenance, repair and operation of fire stations and substations, fire apparatus and equipment, the payment of insurance premiums on fire stations and substations, insurance premiums for injuries or death of fire fighters and certain training (Section 59A-53-1 to 59A-53-17 NMSA, 1978).

Law Enforcement Protection – To account for revenues received by the State of New Mexico to provide for: 1) the repair and purchase of law enforcement apparatus and equipment; 2) expenses associated with advances in law enforcement planning and training; 3) complying with match or contribution requirements of federal funds for criminal justice programs; 4) no more than (50%) of the replacement salaries of County law enforcement personnel while attending training as specified in item #2. (Section 29-13-3 NMSA, 1978).

Lodger's Tax Fund – To account for revenues derived from the imposition of a gross receipts tax on lodging within that part of the County outside of the incorporated limits of a municipality. Proceeds may be used to defray costs of: 1) collecting and administering the tax; 2) establishing and operating, constructing, purchasing, otherwise acquiring, reconstructing, extending, bettering or otherwise improving fairgrounds, exposition buildings, field houses, auditoriums, performing arts facilities, convention halls, or other convention facilities of the County; 3) acquiring equipment furnishings for facilities specified in item #2; 4) acquiring suitable site grounds or other real property for facilities specified in item #2; 5) payment of principal and interest of outstanding revenue bonds issued prior to July 1, 1977; 6) advertising, publicizing and promising facilities of the municipality of the County and tourist facilities within the area. (Section 3-38-15 NMSA, 1978).

Lodger's Tax Non-Promotional – To account for revenues derived from one-third of the Lodger's Tax Fund that is held in a savings account and utilized in accordance with state statutes and local ordinances.

STATE OF NEW MEXICO
Taos County
Nonmajor Fund Descriptions
June 30, 2008

Recreation Fund – To account for revenues and expenditures from state distribution of a one-cent cigarette tax. Expenditure is limited to operating recreational facilities, including salaries of instructors and other employees. (Section 7-12.15 NMSA, 1978).

Indigent Health Fund – To account for revenues derived from a county imposed local receipts tax for the purpose of providing ambulance transportation and hospital care for indigent persons residing with Taos County. (Section 7.20E-9 NMSA, 1978).

Fire Excise Tax – To account for revenues derived from a county imposed local gross receipts tax of ¼ cent for operational expenses, ambulance services or capital outlay costs of fire districts and ambulance services provided by the County. (Section 7-20E.15 NMSA, 1978).

DWI Program Fund – To account for revenues received from a state grant for new, innovative or model programs, services or activities to prevent or reduce incidence of DWI, alcoholism and alcohol abuse. (Section 11.6A-3 NMSA, 1978).

DWI Grant Fund – To account for revenues received from a state grant for new, innovative or model programs, services or activities to prevent or reduce incidence of DWI, alcoholism and alcohol abuse. (Section 11.6A-3 NMSA, 1978).

Clerk's Recording Fees – To account for an additional \$3.00 recording fee to be utilized for purchase of equipment associated with recording, filing, maintaining or reproducing documents in the County Clerk's Office. (Section 14-8.12.2 NMSA, 1978).

Jail/Detention – Under government accounting principles, to account for funds transferred from general fund and charges for services to other governmental units for housing inmates.

DWI Intake Supervision – To account for intake fees received by the County from DWI incidences. Authority is County Commission Ordinance.

Forest Reserve – To account for federal funds passed through the U.S. Forest Service for maintenance of forest roads in Taos County.

Intake Fees – To account for intake fees received by the County. Authority is County Commission ordinance.

Fire District Discretion – Fund established to account for non-restricted revenues and expenditures of the Fire Districts

County Youthbuild – Established to account for revenues and expenditures in order to provide construction and job training, education, counseling and leadership development for low income youth.

Taos County Donations – To account for donated funds received by the County. Authority is County Commission ordinance.

Taos County Grant Match – To account for funds received for the Taos County Project. Authority is County Commission action.

GRT Judicial Complex – To account for the revenues and expenditures of fees collected thru the Domestic Violence Program Fund

DWI Domestic Violence – To account for the revenues and expenditures of fees collected thru the Domestic Violence Program Fund.

NM Department of Public Safety – To account for the revenues and expenditures of fees collected thru the Domestic Violence Program Fund.

NMSA Aging – Chamisal - To account for revenues received from a NM State Agency on Aging Grant awarded to the Chamisal Community Center for a construction project.

STATE OF NEW MEXICO
Taos County
Nonmajor Fund Descriptions
June 30, 2008

Taos County Animal Shelter – To account for the revenues and expenditures of the Taos County Animal Shelter.

Solid Waste Equipment – To account for revenues received for the purchase of equipment. Authority is County Commission ordinance.

Capital Projects Fund – Established in 1994 to 1996 to equip and furnish a hospital facility for the County and otherwise complete the projects, to fund a reserve fund and pay a portion of the costs of issuance of the Bonds.

NMFA Loan Water Truck – To account for revenues received for the purchase of equipment. Authority is County Commission ordinance.

Educational Bond Proceeds – To account for the Bond/Capital outlay; bond proceeds.

Debt Service Funds

Bond Debt Service – To account for the accumulation of resources and payment of the Bond Debt Service. Authority is County Commission action.

2004 Educational Bond Series – To account for the accumulation of resources and payment of Taos County Series 2004 Education Gross Receipts Tax Improvement Bond. Authority is County Commission action.

NMFA Solid Waste Vehicle Taos Loan 19 – To account for revenues received for the purchase of equipment. Authority is County Commission Ordinance.

2007 Refunding Series Debt Service – To account for revenues received for the purchase of equipment. Authority is County Commission Ordinance.

Educational Bond – To account for the Taos County Educational GRT Bond series 2002-2003 debt service.

Land Purchase Judicial Complex – To account for the Judicial/Admin/Detention complex land purchase debt service

NMFA Hondo Seco Fire App – To account for revenues and expenditures for the Hondo Seco Fire Appropriation.

Capital Projects Funds

Amailia Community Center – New Mexico Legislative Appropriation (NMLA) Grant - To improve and equip including the construction of a water well – fund established to account for grant funding.

Cuchilla Road Project – To account for revenue and expenditures related to the Cuchilla Road Project.

New Mexico Old State Road – To account for revenue and expenditures related to the Old State Road Project.

Womens Rehab Center – New Mexico Legislative Appropriation (NMLA) Grant - Women’s Drug and Alcohol Long-Term Rehabilitation Center Grant – To purchase an office building, installation of security and telephone system, and perimeter fencing – fund established to account for grant funding.

Llano Quemado Community Center – To account for revenue and expenditures related to the Llano Quemado Community Center Project.

La Lama Community Center – To account for revenue and expenditures related to the La Lama Community Center Project.

Talpa Community Center – New Mexico Legislative Appropriation (NMLA) Grant - To improve, upgrade, equip and furnish the Talpa Community Center.

STATE OF NEW MEXICO
Taos County
Nonmajor Fund Descriptions
June 30, 2008

Aging Meal Equipment – New Mexico State Agency of Aging Grant (NMSA) – Fund established to account for grant funding to purchase equipment for Taos County –.

Cerro Community Center – New Mexico Legislative Appropriation (NMLA) Grant - Fund established to account for grant funding to renovate, construct and equip the Cerro Community Center.

Penasco Sub-Station – To account for revenue and expenditures related to the Pensaco Sub-Station Project.

Old Courthouse Renovation AKA El Prado Community Center – New Mexico Legislative Appropriation (NMLA) Grant – Fund established to account for grant funding to renovate El Prado Community Center.

NM State Agency on Aging Amalia/Costilla Center – New Mexico State Agency on Aging Grant – Fund established to account for grant funding to renovate and equip the Costilla Center.

Llano Quemado Response Center – New Mexico Legislative Appropriation (NMLA) Grant – Fund established to account for grant funding to plan, design and construct the Llano Quemado Response Center.

NM CDBG Amailia Senior Citizen Center – Fund established to account for grant funding for upgrades and construction on Amailia Senior Center.

Highway Coop Projects Fund – To account for revenue and expenditures related to the Highway Coop Project.

El Prado Community Center – New Mexico Legislative Appropriation (NMLA) – Fund established to account for grant funding to renovate El Prado Community Center.

Capital Enhancement – To account for revenue and expenditures related to the Capital Enhancement Project.

NM DOT Cottom Road Project – To account for a NM Dept. of Transportation (DOT) Grant; a grant to fund the Cottom Road Construction Project.

Arroyo Seco/Valdez Community Center – To account for the NM Legislative Appropriation awarded to renovate the Arroyo Seco/Valdez Community Center.

NMLA Rio Lucio Community Center – To account for a NM Legislative Appropriation awarded to Rio Lucio Community – to plan, design, construct, equip and furnish the kitchen facility.

El Valle Community Building – To account for a NM Legislative Appropriation awarded to renovate the El Valle Community Center.

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

	Special Revenue			
	Health Care	Corrections	Property Valuation	Road Fund
ASSETS				
Cash and cash equivalents	\$ 283,909	\$ 56,356	\$ 217,266	\$ 293,881
Accounts receivable				
Intergovernmental	32,089	-	-	76,876
Prepaid expenses	-	-	-	7,099
<i>Total assets</i>	\$ 315,998	\$ 56,356	\$ 217,266	\$ 377,856
 LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	3,767	26,811
<i>Total liabilities</i>	-	-	3,767	26,811
 FUND BALANCES				
Reserved				
Prepaid expenses	-	-	-	7,099
Restricted cash	-	-	-	-
Unreserved				
Special revenue	315,998	56,356	213,499	343,946
Debt service	-	-	-	-
Capital projects	-	-	-	-
<i>Total fund balances</i>	315,998	56,356	213,499	351,045
 <i>Total liabilities and fund balances</i>	\$ 315,998	\$ 56,356	\$ 217,266	\$ 377,856

The accompanying notes are an integral part of these financial statements

Special Revenue					
Emergency Medical Services Ambulance	Farm and Range	Fire Protection	Law Enforcement Protection	Lodger's Tax Fund	Lodger's Tax Non- Promotional
\$ 70,126	\$ 8,820	\$ 929,736	\$ 1,598	\$ 95,567	\$ 49,730
-	-	-	39,600	-	-
-	-	16,715	-	-	-
<u>\$ 70,126</u>	<u>\$ 8,820</u>	<u>\$ 946,451</u>	<u>\$ 41,198</u>	<u>\$ 95,567</u>	<u>\$ 49,730</u>
\$ -	\$ -	\$ 117,315	\$ -	\$ -	\$ -
-	-	-	-	-	1,225
-	-	117,315	-	-	1,225
-	-	16,715	-	-	-
-	-	-	-	-	-
70,126	8,820	812,421	41,198	95,567	48,505
-	-	-	-	-	-
-	-	-	-	-	-
<u>70,126</u>	<u>8,820</u>	<u>829,136</u>	<u>41,198</u>	<u>95,567</u>	<u>48,505</u>
<u>\$ 70,126</u>	<u>\$ 8,820</u>	<u>\$ 946,451</u>	<u>\$ 41,198</u>	<u>\$ 95,567</u>	<u>\$ 49,730</u>

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

	Special Revenue			
	Recreation Fund	Indigent Health Fund	Fire Excise Tax	DWI Program
ASSETS				
Cash and cash equivalents	\$ 3,647	\$ 336,333	\$ 1,612,688	\$ 60,337
Accounts receivable				
Intergovernmental	-	94,380	43,089	-
Prepaid expenses	-	881	-	2,044
<i>Total assets</i>	\$ 3,647	\$ 431,594	\$ 1,655,777	\$ 62,381
 LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	1,905	1,894	-	7,701
<i>Total liabilities</i>	1,905	1,894	-	7,701
 FUND BALANCES				
Reserved				
Prepaid expenses	-	881	-	2,044
Restricted cash	-	-	-	-
Unreserved				
Special revenue	1,742	428,819	1,655,777	52,636
Debt service	-	-	-	-
Capital projects	-	-	-	-
<i>Total fund balances</i>	1,742	429,700	1,655,777	54,680
 <i>Total liabilities and fund balances</i>	\$ 3,647	\$ 431,594	\$ 1,655,777	\$ 62,381

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>DWI Grant Fund</u>	<u>Clerk's Recording Fees</u>	<u>Jail/Detention</u>	<u>DWI Intake Supervision</u>	<u>Forest Reserve</u>	<u>Intake Fees</u>
\$ 24,171	\$ 253,454	\$ 96,124	\$ 6,632	\$ 126,802	\$ 10,423
-	-	260	-	-	-
-	-	48,165	-	-	-
<u>\$ 24,171</u>	<u>\$ 253,454</u>	<u>\$ 144,549</u>	<u>\$ 6,632</u>	<u>\$ 126,802</u>	<u>\$ 10,423</u>
\$ -	\$ -	\$ 57,885	\$ -	\$ -	\$ -
-	-	28,153	-	-	-
-	-	86,038	-	-	-
-	-	48,165	-	-	-
-	-	-	-	-	-
24,171	253,454	10,346	6,632	126,802	10,423
-	-	-	-	-	-
-	-	-	-	-	-
<u>24,171</u>	<u>253,454</u>	<u>58,511</u>	<u>6,632</u>	<u>126,802</u>	<u>10,423</u>
<u>\$ 24,171</u>	<u>\$ 253,454</u>	<u>\$ 144,549</u>	<u>\$ 6,632</u>	<u>\$ 126,802</u>	<u>\$ 10,423</u>

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

	Special Revenue			
	Fire District Discretion	County Youthbuild	Taos County Donations	Taos County Grant Match Fund
ASSETS				
Cash and cash equivalents	\$ 15,200	\$ 209	\$ -	\$ -
Accounts receivable				
Intergovernmental	-	-	-	-
Prepaid expenses	-	-	-	-
<i>Total assets</i>	\$ 15,200	\$ 209	\$ -	\$ -
 LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
<i>Total liabilities</i>	-	-	-	-
 FUND BALANCES				
Reserved				
Prepaid expenses	-	-	-	-
Restricted cash	-	-	-	-
Unreserved				
Special revenue	15,200	209	-	-
Debt service	-	-	-	-
Capital projects	-	-	-	-
<i>Total fund balances</i>	15,200	209	-	-
<i>Total liabilities and fund balances</i>	\$ 15,200	\$ 209	\$ -	\$ -

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>GRT Judicial Complex</u>	<u>DWI Domestic Violence</u>	<u>NM Department of Public Safety</u>	<u>NMSA Aging - Chamisal</u>	<u>Taos County Animal Shelter</u>	<u>Solid Waste Equipment</u>
\$ 217,507	\$ 985	\$ 7,368	\$ 7,500	\$ 16,431	\$ 32,787
2,637	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 220,144</u>	<u>\$ 985</u>	<u>\$ 7,368</u>	<u>\$ 7,500</u>	<u>\$ 16,431</u>	<u>\$ 32,787</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
220,144	985	7,368	7,500	16,431	32,787
-	-	-	-	-	-
-	-	-	-	-	-
<u>220,144</u>	<u>985</u>	<u>7,368</u>	<u>7,500</u>	<u>16,431</u>	<u>32,787</u>
<u>\$ 220,144</u>	<u>\$ 985</u>	<u>\$ 7,368</u>	<u>\$ 7,500</u>	<u>\$ 16,431</u>	<u>\$ 32,787</u>

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

	Special Revenue			Debt Service
	Capital Projects Fund	NMFA Loan Water Truck	Educational Bond Proceeds	Bond Debt Service
ASSETS				
Cash and cash equivalents	\$ 258,844	\$ 2,673	\$ 4,959,575	\$ 287,534
Accounts receivable				
Intergovernmental	-	-	-	1,960
Prepaid expenses	-	-	-	-
<i>Total assets</i>	\$ 258,844	\$ 2,673	\$ 4,959,575	\$ 289,494
 LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
<i>Total liabilities</i>	-	-	-	-
 FUND BALANCES				
Reserved				
Prepaid expenses	-	-	-	-
Restricted cash	-	-	-	287,534
Unreserved				
Special revenue	258,844	2,673	4,959,575	-
Debt service	-	-	-	1,960
Capital projects	-	-	-	-
<i>Total fund balances</i>	258,844	2,673	4,959,575	289,494
<i>Total liabilities and fund balances</i>	\$ 258,844	\$ 2,673	\$ 4,959,575	\$ 289,494

The accompanying notes are an integral part of these financial statements

Debt Service

2004 Educational Bond Series	NMFA Solid Waste Vehicle Taos Loan 19	2007 Refunding Series Debt Service	Educational Bond	Land Purchase Judicial Complex	NMFA Hondo Seco Fire App
\$ -	\$ 3,444	\$ 2,616,273	\$ -	\$ 26,551	\$ 1,744
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 3,444</u>	<u>\$ 2,616,273</u>	<u>\$ -</u>	<u>\$ 26,551</u>	<u>\$ 1,744</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	3,444	2,616,273	-	26,551	1,744
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>3,444</u>	<u>2,616,273</u>	<u>-</u>	<u>26,551</u>	<u>1,744</u>
<u>\$ -</u>	<u>\$ 3,444</u>	<u>\$ 2,616,273</u>	<u>\$ -</u>	<u>\$ 26,551</u>	<u>\$ 1,744</u>

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

	Capital Projects			
	Amailia Community Center	Cuchilla Road Project	New Mexico Old State Road	Womens Rehab Center
ASSETS				
Cash and cash equivalents	\$ 14,516	\$ 753	\$ 202	\$ 5,000
Accounts receivable				
Intergovernmental	158,624	-	-	-
Prepaid expenses	-	-	-	-
<i>Total assets</i>	\$ 173,140	\$ 753	\$ 202	\$ 5,000
 LIABILITIES				
Accounts payable	\$ 231,655	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
<i>Total liabilities</i>	231,655	-	-	-
 FUND BALANCES				
Reserved				
Prepaid expenses	-	-	-	-
Restricted cash	-	-	-	-
Unreserved				
Special revenue	-	-	-	-
Debt service	-	-	-	-
Capital projects	(58,515)	753	202	5,000
<i>Total fund balances</i>	(58,515)	753	202	5,000
 <i>Total liabilities and fund balances</i>	\$ 173,140	\$ 753	\$ 202	\$ 5,000

The accompanying notes are an integral part of these financial statements

Capital Projects

Llano Quemado Community Center	La Lama Community Center	Talpa Community Center	Aging Meal Equipment	Cerro Community Center	Penasco Sub- Station
\$ -	\$ 13,767	\$ 13,840	\$ -	\$ 1,593	\$ 22,060
-	-	-	-	-	16,104
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 13,767</u>	<u>\$ 13,840</u>	<u>\$ -</u>	<u>\$ 1,593</u>	<u>\$ 38,164</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	13,767	13,840	-	1,593	38,164
-	13,767	13,840	-	1,593	38,164
<u>\$ -</u>	<u>\$ 13,767</u>	<u>\$ 13,840</u>	<u>\$ -</u>	<u>\$ 1,593</u>	<u>\$ 38,164</u>

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

	Capital Projects			
	Old Courthouse Renovation	New Mexico Aging Amalia Center	Llano Quemado Response Center	CDBG Senior Citizen Center
ASSETS				
Cash and cash equivalents	\$ 661	\$ 18,434	\$ 13,382	\$ -
Accounts receivable				
Intergovernmental	-	70,120	12,267	-
Prepaid expenses	-	-	-	-
<i>Total assets</i>	\$ 661	\$ 88,554	\$ 25,649	\$ -
 LIABILITIES				
Accounts payable	\$ -	\$ 69,153	\$ -	\$ -
Accrued payroll	-	-	-	-
<i>Total liabilities</i>	-	69,153	-	-
 FUND BALANCES				
Reserved				
Prepaid expenses	-	-	-	-
Restricted cash	-	-	-	-
Unreserved				
Special revenue	-	-	-	-
Debt service	-	-	-	-
Capital projects	661	19,401	25,649	-
<i>Total fund balances</i>	661	19,401	25,649	-
 <i>Total liabilities and fund balances</i>	\$ 661	\$ 88,554	\$ 25,649	\$ -

The accompanying notes are an integral part of these financial statements

Capital Projects			
Highway Coop Projects Fund	El Prado Community Center	Capital Enhancement	NM DOT Cotton Road Project
\$ 17,806	\$ 5,678	\$ 50,000	\$ 214,882
-	-	-	-
-	-	-	-
<u>\$ 17,806</u>	<u>\$ 5,678</u>	<u>\$ 50,000</u>	<u>\$ 214,882</u>
\$ -	\$ -	\$ -	\$ 188,937
-	-	-	-
-	-	-	<u>188,937</u>
-	-	-	-
-	-	-	-
17,806	5,678	50,000	25,945
<u>17,806</u>	<u>5,678</u>	<u>50,000</u>	<u>25,945</u>
<u>\$ 17,806</u>	<u>\$ 5,678</u>	<u>\$ 50,000</u>	<u>\$ 214,882</u>

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

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	Capital Projects			Total Non-Major Governmental Funds
	Arroyo Seco/Valdez Comm Center	NMLA Rio Lucio Comm Center	El Valle Community Building	
ASSETS				
Cash and cash equivalents	\$ 3,900	\$ 15,533	\$ -	\$ 13,404,232
Accounts receivable				
Intergovernmental	-	-	-	548,006
Prepaid expenses	-	-	-	74,904
<i>Total assets</i>	\$ 3,900	\$ 15,533	\$ -	\$ 14,027,142
 LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ 664,945
Accrued payroll	-	-	-	71,456
<i>Total liabilities</i>	-	-	-	736,401
 FUND BALANCES				
Reserved				
Prepaid expenses	-	-	-	74,904
Restricted cash	-	-	-	2,935,546
Unreserved				
Special revenue	-	-	-	10,098,954
Debt service				1,960
Capital projects	3,900	15,533	-	179,377
<i>Total fund balances</i>	3,900	15,533	-	13,290,741
<i>Total liabilities and fund balances</i>	\$ 3,900	\$ 15,533	\$ -	\$ 14,027,142

The accompanying notes are an integral part of these financial statements

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

Special Revenue

	<u>Health Care</u>	<u>Corrections</u>	<u>Property Valuation</u>	<u>Road Fund</u>
<i>Revenues</i>				
Taxes:				
Property	\$ -	\$ -	\$ 164,093	\$ -
Gross receipts	382,454	-	-	9,142
Gasoline and motor vehicle	-	-	-	188,554
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	67,112
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local	-	-	-	-
Charges for services	-	-	-	46
Licenses and fees	-	77,462	-	340,717
Investment income	-	-	-	-
Miscellaneous	-	-	-	55,237
<i>Total revenues</i>	<u>382,454</u>	<u>77,462</u>	<u>164,093</u>	<u>660,808</u>
<i>Expenditures</i>				
Current				
General government	-	-	88,968	-
Public safety	-	-	-	-
Public works	-	-	-	1,443,424
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	392,612
Debt service	-	-	-	-
Principal	-	-	15,000	95,281
Interest	-	-	-	34,789
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>103,968</u>	<u>1,966,106</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>382,454</u>	<u>77,462</u>	<u>60,125</u>	<u>(1,305,298)</u>
<i>Other financing sources (uses)</i>				
Loan proceeds	-	-	-	353,549
Transfers in	-	-	-	1,076,919
Transfers (out)	(353,763)	(70,000)	-	-
<i>Total other financing sources (uses)</i>	<u>(353,763)</u>	<u>(70,000)</u>	<u>-</u>	<u>1,430,468</u>
<i>Net change in fund balances</i>	28,691	7,462	60,125	125,170
<i>Fund balances - beginning of year</i>	<u>287,307</u>	<u>48,894</u>	<u>153,374</u>	<u>225,875</u>
<i>Fund balances - end of year</i>	<u>\$ 315,998</u>	<u>\$ 56,356</u>	<u>\$ 213,499</u>	<u>\$ 351,045</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

Emergency Medical Services Ambulance	Farm and Range	Fire Protection	Law Enforcement Protection	Lodger's Tax Fund	Lodger's Tax Non- Promotional
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	98,108	147,162
-	1,391	-	-	-	-
-	-	-	-	-	-
70,281	-	550,094	77,400	-	-
-	-	51,532	-	-	-
-	-	-	-	-	-
-	-	-	-	-	14,148
-	-	-	-	-	-
-	-	2,407	-	2,492	1,962
-	-	-	-	-	-
<u>70,281</u>	<u>1,391</u>	<u>604,033</u>	<u>77,400</u>	<u>100,600</u>	<u>163,272</u>
-	-	-	-	-	-
-	-	566,597	68,614	-	-
-	-	-	-	36,594	64,576
33,521	-	-	-	-	-
-	-	-	-	-	-
16,400	-	102,813	-	-	-
-	-	58,993	-	-	-
-	-	5,165	-	-	-
<u>49,921</u>	<u>-</u>	<u>733,568</u>	<u>68,614</u>	<u>36,594</u>	<u>64,576</u>
<u>20,360</u>	<u>1,391</u>	<u>(129,535)</u>	<u>8,786</u>	<u>64,006</u>	<u>98,696</u>
-	-	-	-	-	-
-	-	2,574	-	-	-
-	-	-	-	-	(95,233)
-	-	<u>2,574</u>	-	-	<u>(95,233)</u>
20,360	1,391	(126,961)	8,786	64,006	3,463
49,766	7,429	956,097	32,412	31,561	45,042
<u>\$ 70,126</u>	<u>\$ 8,820</u>	<u>\$ 829,136</u>	<u>\$ 41,198</u>	<u>\$ 95,567</u>	<u>\$ 48,505</u>

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

Special Revenue

	<u>Recreation Fund</u>	<u>Indigent Health Fund</u>	<u>Fire Excise Tax</u>	<u>DWI Program</u>
<i>Revenues</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	1,484,865	498,308	-
Gasoline and motor vehicle	-	-	-	-
Other	1,031	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	207,034
State capital grants	-	-	-	-
Local	(200)	1,063,428	-	-
Charges for services	900	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	16,164	-
Miscellaneous	-	13,531	-	114
<i>Total revenues</i>	<u>1,731</u>	<u>2,561,824</u>	<u>514,472</u>	<u>207,148</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	19,958	216,960
Public works	65,820	-	-	-
Health and welfare	-	2,260,086	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	135,993	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>65,820</u>	<u>2,260,086</u>	<u>155,951</u>	<u>216,960</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(64,089)</u>	<u>301,738</u>	<u>358,521</u>	<u>(9,812)</u>
<i>Other financing sources (uses)</i>				
Loan proceeds	-	-	-	-
Transfers in	50,383	-	16,498	-
Transfers (out)	-	-	(154,230)	-
<i>Total other financing sources (uses)</i>	<u>50,383</u>	<u>-</u>	<u>(137,732)</u>	<u>-</u>
<i>Net change in fund balances</i>	(13,706)	301,738	220,789	(9,812)
<i>Fund balances - beginning of year</i>	<u>15,448</u>	<u>127,962</u>	<u>1,434,988</u>	<u>64,492</u>
<i>Fund balances - end of year</i>	<u>\$ 1,742</u>	<u>\$ 429,700</u>	<u>\$ 1,655,777</u>	<u>\$ 54,680</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>DWI Grant Fund</u>	<u>Clerk's Recording Fees</u>	<u>Jail/Detention</u>	<u>DWI Intake Supervision</u>	<u>Forest Reserve</u>	<u>Intake Fees</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	444,657	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	113,773	-	23,686	-
-	-	-	-	-	-
18,113	41,511	106,909	-	-	-
-	-	-	-	-	-
-	-	62	-	-	-
-	-	1,030	11,133	-	7,950
-	-	-	-	-	-
229	-	14,172	-	-	-
<u>18,342</u>	<u>41,511</u>	<u>680,603</u>	<u>11,133</u>	<u>23,686</u>	<u>7,950</u>
-	5,487	-	-	-	-
42,604	-	2,350,620	8,271	-	-
-	-	-	-	-	-
-	-	20,216	-	-	6,890
-	-	-	-	-	-
-	-	-	-	-	-
7,486	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>50,090</u>	<u>5,487</u>	<u>2,370,836</u>	<u>8,271</u>	<u>-</u>	<u>6,890</u>
<u>(31,748)</u>	<u>36,024</u>	<u>(1,690,233)</u>	<u>2,862</u>	<u>23,686</u>	<u>1,060</u>
-	-	-	-	-	-
-	-	1,692,874	-	-	-
-	-	150,000	-	(11,264)	-
-	-	<u>1,842,874</u>	-	<u>(11,264)</u>	-
(31,748)	36,024	152,641	2,862	12,422	1,060
55,919	217,430	(94,130)	3,770	114,380	9,363
<u>\$ 24,171</u>	<u>\$ 253,454</u>	<u>\$ 58,511</u>	<u>\$ 6,632</u>	<u>\$ 126,802</u>	<u>\$ 10,423</u>

STATE OF NEW MEXICO
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	Special Revenue			
	Fire District Discretion	County Youthbuild	Taos County Donations	Taos County Grant Match Fund
<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	-	-	-	-
Local	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	2,277	-	-	-
<i>Total revenues</i>	<u>2,277</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	1,000	-	-	-
Public works	-	-	170	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	32,174	442	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>33,174</u>	<u>442</u>	<u>170</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(30,897)</u>	<u>(442)</u>	<u>(170)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Loan proceeds	-	-	-	-
Transfers in	-	-	-	179,544
Transfers (out)	-	-	-	(217,109)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(37,565)</u>
<i>Net change in fund balances</i>	(30,897)	(442)	(170)	(37,565)
<i>Fund balances - beginning of year</i>	46,097	651	170	37,565
<i>Fund balances - end of year</i>	<u>\$ 15,200</u>	<u>\$ 209</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>GRT Judicial Complex</u>	<u>DWI Domestic Violence</u>	<u>NM Department of Public Safety</u>	<u>NMSA Aging - Chamisal</u>	<u>Taos County Animal Shelter</u>	<u>Solid Waste Equipment</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
214,916	-	-	-	-	33,216
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	136,497	-	-	-
-	-	-	-	-	-
-	985	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,824
1,604	-	-	-	-	-
<u>216,520</u>	<u>985</u>	<u>136,497</u>	<u>-</u>	<u>-</u>	<u>35,040</u>
-	-	-	-	-	-
-	-	280,244	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	237,388	-	8,569	-
-	-	-	-	-	33,201
-	-	-	-	-	5,554
<u>-</u>	<u>-</u>	<u>517,632</u>	<u>-</u>	<u>8,569</u>	<u>38,755</u>
<u>216,520</u>	<u>985</u>	<u>(381,135)</u>	<u>-</u>	<u>(8,569)</u>	<u>(3,715)</u>
-	-	-	-	-	-
16,663	-	525,000	7,500	25,000	-
(13,039)	-	(136,497)	-	-	-
<u>3,624</u>	<u>-</u>	<u>388,503</u>	<u>7,500</u>	<u>25,000</u>	<u>-</u>
220,144	985	7,368	7,500	16,431	(3,715)
-	-	-	-	-	36,502
<u>\$ 220,144</u>	<u>\$ 985</u>	<u>\$ 7,368</u>	<u>\$ 7,500</u>	<u>\$ 16,431</u>	<u>\$ 32,787</u>

STATE OF NEW MEXICO
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	<u>Special Revenue</u>			<u>Debt Service</u>
	<u>Capital Projects Fund</u>	<u>NMFA Loan Water Truck</u>	<u>Educational Bond Proceeds</u>	<u>Bond Debt Service</u>
<i>Revenues</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	78,462	10,824	-	230,307
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	3,022	250	184,953	7,566
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>81,484</u>	<u>11,074</u>	<u>184,953</u>	<u>237,873</u>
<i>Expenditures</i>				
Current				
General government	-	-	20,118	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	1,576,391	-
Capital outlay	-	-	-	181,695
Debt service				
Principal	60,000	10,714	-	205,000
Interest	13,634	113	-	71,215
<i>Total expenditures</i>	<u>73,634</u>	<u>10,827</u>	<u>1,596,509</u>	<u>457,910</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>7,850</u>	<u>247</u>	<u>(1,411,556)</u>	<u>(220,037)</u>
<i>Other financing sources (uses)</i>				
Loan proceeds	-	-	-	-
Transfers in	148,998	-	2,277	44,850
Transfers (out)	-	-	(2,277)	-
<i>Total other financing sources (uses)</i>	<u>148,998</u>	<u>-</u>	<u>-</u>	<u>44,850</u>
<i>Net change in fund balances</i>	156,848	247	(1,411,556)	(175,187)
<i>Fund balances - beginning of year</i>	<u>101,996</u>	<u>2,426</u>	<u>6,371,131</u>	<u>464,681</u>
<i>Fund balances - end of year</i>	<u>\$ 258,844</u>	<u>\$ 2,673</u>	<u>\$ 4,959,575</u>	<u>\$ 289,494</u>

The accompanying notes are an integral part of these financial statements

Debt Service

2004 Educational Bond Series	NMFA Solid Waste Vehicle Taos Loan 19	2007 Refunding Series Debt Service	Educational Bond	Land Purchase Judicial Complex	NMFA Hondo Seco Fire App
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	14,052	4,983,147	-	30,171	1,708
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(874)	52,459	-	4	36
-	-	-	-	-	-
-	13,178	5,035,606	-	30,175	1,744
-	-	5,564	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	12,474	2,260,000	-	-	-
-	1,566	606,815	-	-	-
-	14,040	2,872,379	-	-	-
-	(862)	2,163,227	-	30,175	1,744
-	-	-	-	-	30,000
-	-	2,947,975	-	13,039	-
-	-	(2,890,121)	-	(16,663)	(30,000)
-	-	57,854	-	(3,624)	-
-	(862)	2,221,081	-	26,551	1,744
-	4,306	395,192	-	-	-
\$ -	\$ 3,444	\$ 2,616,273	\$ -	\$ 26,551	\$ 1,744

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Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Year Ended June 30, 2008

	Capital Projects			
	Amailia Community Center	Cuchilla Road Project	New Mexico Old State Road	Woman's Rehab Center
<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	158,624	-	-	-
Local	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>158,624</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	267,139	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>267,139</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(108,515)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Loan proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers (out)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	(108,515)	-	-	-
<i>Fund balances - beginning of year</i>	<u>50,000</u>	<u>753</u>	<u>202</u>	<u>5,000</u>
<i>Fund balances - end of year</i>	<u>\$ (58,515)</u>	<u>\$ 753</u>	<u>\$ 202</u>	<u>\$ 5,000</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Taos County
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
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	Capital Projects			
	Old Courthouse Renovation	New Mexico Aging Amailia Center	Llano Quemado Response Center	CDBG Senior Citizen Center
<i>Revenues</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	51,499
State operating grants	-	-	-	-
State capital grants	-	320,565	16,817	-
Local	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>320,565</u>	<u>16,817</u>	<u>51,499</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Education	-	-	-	-
Capital outlay	819	306,164	20,853	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>819</u>	<u>306,164</u>	<u>20,853</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(819)</u>	<u>14,401</u>	<u>(4,036)</u>	<u>51,499</u>
<i>Other financing sources (uses)</i>				
Loan proceeds	-	-	-	-
Transfers in	-	5,000	10,000	-
Transfers (out)	(21,896)	(8)	-	(100,000)
<i>Total other financing sources (uses)</i>	<u>(21,896)</u>	<u>4,992</u>	<u>10,000</u>	<u>(100,000)</u>
<i>Net change in fund balances</i>	(22,715)	19,393	5,964	(48,501)
<i>Fund balances - beginning of year</i>	<u>23,376</u>	<u>8</u>	<u>19,685</u>	<u>48,501</u>
<i>Fund balances - end of year</i>	<u>\$ 661</u>	<u>\$ 19,401</u>	<u>\$ 25,649</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Capital Projects

Highway Coop Projects Fund	El Prado Community Center	Capital Enhancement	NM DOT Cottom Road Project
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	6,280	-
-	-	6,280	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
29,298	-	-	-
2,896	-	-	234,097
-	-	-	-
-	-	-	-
32,194	-	-	234,097
(32,194)	-	6,280	(234,097)
-	-	-	-
50,000	-	43,720	260,042
(10)	-	(65,855)	-
49,990	-	(22,135)	260,042
17,796	-	(15,855)	25,945
10	5,678	65,855	-
\$ 17,806	\$ 5,678	\$ 50,000	\$ 25,945

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	<u>Capital Projects</u>			
	<u>Arroyo Seco/Valdez Comm Center</u>	<u>NMLA Rio Lucio Comm Center</u>	<u>El Valle Community Building</u>	<u>Total Non-Major Governmental Funds</u>
<i>Revenues</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ 164,093
Gross receipts	-	-	-	8,416,229
Gasoline and motor vehicle	-	-	-	188,554
Other	-	-	-	246,301
Intergovernmental:				
Federal operating grants	-	-	-	205,962
Federal capital grants	-	-	-	51,499
State operating grants	-	1,674	-	1,230,688
State capital grants	-	-	3,187	573,111
Local	-	-	-	1,063,228
Charges for services	-	-	-	16,141
Licenses and fees	-	-	-	438,292
Investment income	-	-	-	272,265
Miscellaneous	-	-	-	93,444
<i>Total revenues</i>	<u>-</u>	<u>1,674</u>	<u>3,187</u>	<u>12,959,807</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	120,137
Public safety	-	-	-	3,554,868
Public works	-	-	-	1,610,584
Health and welfare	-	-	-	2,320,713
Culture and recreation	-	-	-	29,298
Education	-	-	-	1,576,391
Capital outlay	16,267	6,141	3,187	2,016,923
Debt service				
Principal	-	-	-	2,750,663
Interest	-	-	-	738,851
<i>Total expenditures</i>	<u>16,267</u>	<u>6,141</u>	<u>3,187</u>	<u>14,718,428</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(16,267)</u>	<u>(4,467)</u>	<u>-</u>	<u>(1,758,621)</u>
<i>Other financing sources (uses)</i>				
Loan proceeds	-	-	-	383,549
Transfers in	20,167	20,000	-	7,191,289
Transfers (out)	-	-	-	(4,052,965)
<i>Total other financing sources (uses)</i>	<u>20,167</u>	<u>20,000</u>	<u>-</u>	<u>3,521,873</u>
<i>Net change in fund balances</i>	3,900	15,533	-	1,763,252
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,527,489</u>
<i>Fund balances - end of year</i>	<u>\$ 3,900</u>	<u>\$ 15,533</u>	<u>\$ -</u>	<u>\$ 13,290,741</u>

The accompanying notes are an integral part of these financial statements

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

Statement B-1

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	315,000	315,000	367,773	52,773
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	315,000	315,000	367,773	52,773
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	315,000	315,000	367,773	52,773
<i>Other financing sources (uses)</i>				
Designated cash	(315,000)	(315,000)	-	315,000
Transfers in	-	-	-	-
Transfers out	-	-	(353,763)	(353,763)
<i>Total other financing sources (uses)</i>	(315,000)	(315,000)	(353,763)	(38,763)
<i>Net change in fund balances</i>	-	-	14,010	14,010
<i>Fund balances - beginning of year</i>	-	-	269,899	269,899
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 283,909	\$ 283,909
Net change in fund balances (budget basis)				\$ 14,010
Adjustments to revenues for gross receipts taxes				14,681
No adjustments				-
Net change in fund balances (GAAP basis)				\$ 28,691

The accompanying notes are an integral part of these financial statements

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

Statement B-2

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	77,462	77,462
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>77,462</u>	<u>77,462</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<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>77,462</u>	<u>77,462</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(70,000)	(70,000)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(70,000)</u>	<u>(70,000)</u>
<i>Net change in fund balances</i>	-	-	7,462	7,462
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>48,894</u>	<u>48,894</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,356</u>	<u>\$ 56,356</u>
Net change in fund balances (budget basis)				\$ 7,462
No Adjustments				-
No Adjustments				<u>-</u>
Net change in fund balances (GAAP basis)				<u>\$ 7,462</u>

The accompanying notes are an integral part of these financial statements

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

Statement B-3

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ 164,093	\$ 164,093
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>164,093</u>	<u>164,093</u>
<i>Expenditures</i>				
Current				
General government	295,291	295,291	97,119	198,172
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	15,000	15,000	15,000	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>310,291</u>	<u>310,291</u>	<u>112,119</u>	<u>198,172</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(310,291)</u>	<u>(310,291)</u>	<u>51,974</u>	<u>362,265</u>
<i>Other financing sources (uses)</i>				
Designated cash	310,291	310,291	-	(310,291)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>310,291</u>	<u>310,291</u>	<u>-</u>	<u>(310,291)</u>
<i>Net change in fund balances</i>	-	-	51,974	51,974
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>165,292</u>	<u>165,292</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 217,266</u>	<u>\$ 217,266</u>
Net change in fund balances (budget basis)				\$ 51,974
No Adjustments				-
Adjustments to expenditures for general government				<u>8,151</u>
Net change in fund balances (GAAP basis)				<u>\$ 60,125</u>

The accompanying notes are an integral part of these financial statements

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

Statement B-4

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	6,197	6,197
Gasoline and motor vehicle	267,000	267,000	189,239	(77,761)
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	67,250	67,250	67,112	(138)
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	46	46
Licenses and fees	225,000	225,000	394,607	169,607
Interest income	-	-	-	-
Miscellaneous	-	-	5,942	5,942
<i>Total revenues</i>	<u>559,250</u>	<u>559,250</u>	<u>663,143</u>	<u>103,893</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	1,339,332	1,439,332	1,441,710	(2,378)
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	95,000	95,000	43,703	51,297
Debt service				
Principal	132,255	132,255	95,281	36,974
Interest	-	-	34,789	(34,789)
<i>Total expenditures</i>	<u>1,566,587</u>	<u>1,666,587</u>	<u>1,615,483</u>	<u>51,104</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,007,337)</u>	<u>(1,107,337)</u>	<u>(952,340)</u>	<u>154,997</u>
<i>Other financing sources (uses)</i>				
Designated cash	1,007,337	1,107,337	-	(1,107,337)
Bond proceeds	-	-	0	-
Transfers in	-	-	1,076,919	1,076,919
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,007,337</u>	<u>1,107,337</u>	<u>1,076,919</u>	<u>(30,418)</u>
<i>Net change in fund balances</i>	-	-	124,579	124,579
<i>Fund balances - beginning of year</i>	-	-	169,302	169,302
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 293,881</u>	<u>\$ 293,881</u>
Net change in fund balances (budget basis)				\$ 124,579
Adjustments to revenues for gross receipts taxes, licenses and fees, and miscellaneous income				351,214
Adjustments to expenditures for public works				<u>(350,623)</u>
Net change in fund balances (GAAP basis)				<u>\$ 125,170</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-5

Taos County

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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	61,281	131,562	70,281	(61,281)
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>61,281</u>	<u>131,562</u>	<u>70,281</u>	<u>(61,281)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	72,007	85,617	36,229	49,388
Health and welfare	-	-	-	-
Capital outlay	41,748	37,138	16,400	20,738
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>113,755</u>	<u>122,755</u>	<u>52,629</u>	<u>70,126</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(52,474)</u>	<u>8,807</u>	<u>17,652</u>	<u>8,845</u>
<i>Other financing sources (uses)</i>				
Designated cash	52,474	(8,807)	-	8,807
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>52,474</u>	<u>(8,807)</u>	<u>-</u>	<u>8,807</u>
<i>Net change in fund balances</i>	-	-	17,652	17,652
<i>Fund balances - beginning of year</i>	-	-	52,474	52,474
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 70,126</u>	<u>\$ 70,126</u>
Net change in fund balances (budget basis)				\$ 17,652
No Adjustments				-
Adjustments to expenditures for health and welfare				<u>2,708</u>
Net change in fund balances (GAAP basis)				<u>\$ 20,360</u>

The accompanying notes are an integral part of these financial statements

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

Statement B-6

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	1,000	1,391	391
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,000</u>	<u>1,391</u>	<u>391</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	8,429	8,429	-	8,429
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>8,429</u>	<u>8,429</u>	<u>-</u>	<u>8,429</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(8,429)</u>	<u>(7,429)</u>	<u>1,391</u>	<u>8,820</u>
<i>Other financing sources (uses)</i>				
Designated cash	8,429	7,429	-	(7,429)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>8,429</u>	<u>7,429</u>	<u>-</u>	<u>(7,429)</u>
<i>Net change in fund balances</i>	-	-	1,391	1,391
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>7,429</u>	<u>7,429</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,820</u>	<u>\$ 8,820</u>
Net change in fund balances (budget basis)				\$ 1,391
No Adjustments				-
No Adjustments				<u>-</u>
Net change in fund balances (GAAP basis)				<u>\$ 1,391</u>

The accompanying notes are an integral part of these financial statements

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

Statement B-7

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	550,094	550,094	550,094	-
State capital grants	64,390	64,390	51,532	(12,858)
Local	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	2,407	2,407
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>614,484</u>	<u>614,484</u>	<u>604,033</u>	<u>(10,451)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	538,994	602,293	534,695	67,598
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	939,311	976,012	18,962	957,050
Debt service				
Principal	-	-	58,993	(58,993)
Interest	-	-	5,165	(5,165)
<i>Total expenditures</i>	<u>1,478,305</u>	<u>1,578,305</u>	<u>617,815</u>	<u>960,490</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(863,821)</u>	<u>(963,821)</u>	<u>(13,782)</u>	<u>950,039</u>
<i>Other financing sources (uses)</i>				
Designated cash	863,821	963,821	-	(963,821)
Transfers in	-	-	2,574	2,574
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>863,821</u>	<u>963,821</u>	<u>2,574</u>	<u>(961,247)</u>
<i>Net change in fund balances</i>	-	-	(11,208)	(11,208)
<i>Fund balances - beginning of year</i>	-	-	940,944	940,944
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 929,736</u>	<u>\$ 929,736</u>
Net change in fund balances (budget basis)				\$ (11,208)
No Adjustments				-
Adjustments to expenditures for public safety and capital outlay				<u>(115,753)</u>
Net change in fund balances (GAAP basis)				<u>\$ (126,961)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-8

Taos County

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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	38,000	38,000	37,800	(200)
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>38,000</u>	<u>38,000</u>	<u>37,800</u>	<u>(200)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	70,412	70,412	68,614	1,798
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>70,412</u>	<u>70,412</u>	<u>68,614</u>	<u>1,798</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(32,412)</u>	<u>(32,412)</u>	<u>(30,814)</u>	<u>1,598</u>
<i>Other financing sources (uses)</i>				
Designated cash	32,412	32,412	-	(32,412)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>32,412</u>	<u>32,412</u>	<u>-</u>	<u>(32,412)</u>
<i>Net change in fund balances</i>	-	-	(30,814)	(30,814)
<i>Fund balances - beginning of year</i>	-	-	32,412	32,412
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,598</u>	<u>\$ 1,598</u>
Net change in fund balances (budget basis)				\$ (30,814)
Adjustments to revenues for state operating grants				39,600
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 8,786</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Taos County
 Lodger's Tax Fund Special Revenue Fund
 Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended June 30, 2008

Statement B-9

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	80,000	80,000	101,198	21,198
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	2,492	2,492
Miscellaneous	-	-	-	-
<i>Total revenues</i>	80,000	80,000	103,690	23,690
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	94,851	94,851	36,594	58,257
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	94,851	94,851	36,594	58,257
<i>Excess (deficiency) of revenues over expenditures</i>	(14,851)	(14,851)	67,096	81,947
<i>Other financing sources (uses)</i>				
Designated cash	14,851	14,851	-	(14,851)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	14,851	14,851	-	(14,851)
<i>Net change in fund balances</i>	-	-	67,096	67,096
<i>Fund balances - beginning of year</i>	-	-	28,471	28,471
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 95,567	\$ 95,567
Net change in fund balances (budget basis)				\$ 67,096
Adjustments to revenues for miscellaneous taxes				(3,090)
No Adjustments				-
Net change in fund balances (GAAP basis)				\$ 64,006

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-10

Taos County

Lodger's Tax Non-Promotional Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	130,000	130,000	151,797	21,797
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	14,148	14,148
Licenses and fees	-	-	-	-
Interest income	-	-	1,962	1,962
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>130,000</u>	<u>130,000</u>	<u>167,907</u>	<u>37,907</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	66,392	68,392	64,562	3,830
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	2,000	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>68,392</u>	<u>68,392</u>	<u>64,562</u>	<u>3,830</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>61,608</u>	<u>61,608</u>	<u>103,345</u>	<u>41,737</u>
<i>Other financing sources (uses)</i>				
Designated cash	(61,608)	(61,608)	-	61,608
Transfers in	-	-	-	-
Transfers out	-	-	(95,233)	(95,233)
<i>Total other financing sources (uses)</i>	<u>(61,608)</u>	<u>(61,608)</u>	<u>(95,233)</u>	<u>(33,625)</u>
<i>Net change in fund balances</i>	-	-	8,112	8,112
<i>Fund balances - beginning of year</i>	-	-	41,618	41,618
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,730</u>	<u>\$ 49,730</u>
Net change in fund balances (budget basis)				\$ 8,112
Adjustments to revenues for miscellaneous taxes				(4,635)
Adjustments to expenditures for culture and recreation				(14)
Net change in fund balances (GAAP basis)				<u>\$ 3,463</u>

The accompanying notes are an integral part of these financial statements

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

Statement B-11

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	1,500	1,500	1,031	(469)
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local	-	-	(200)	(200)
Charges for services	-	-	900	900
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,500</u>	<u>1,500</u>	<u>1,731</u>	<u>231</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	71,512	71,512	66,097	5,415
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>71,512</u>	<u>71,512</u>	<u>66,097</u>	<u>5,415</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(70,012)</u>	<u>(70,012)</u>	<u>(64,366)</u>	<u>5,646</u>
<i>Other financing sources (uses)</i>				
Designated cash	70,012	70,012	-	(70,012)
Transfers in	-	-	50,383	50,383
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>70,012</u>	<u>70,012</u>	<u>50,383</u>	<u>(19,629)</u>
<i>Net change in fund balances</i>	-	-	(13,983)	(13,983)
<i>Fund balances - beginning of year</i>	-	-	17,630	17,630
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,647</u>	<u>\$ 3,647</u>
Net change in fund balances (budget basis)				\$ (13,983)
No Adjustments				-
Adjustments to expenditures for culture and recreation				<u>277</u>
Net change in fund balances (GAAP basis)				<u>\$ (13,706)</u>

The accompanying notes are an integral part of these financial statements

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

Statement B-12

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	1,360,000	1,360,000	1,441,686	81,686
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local	-	-	1,063,428	1,063,428
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	13,531	13,531
<i>Total revenues</i>	<u>1,360,000</u>	<u>1,360,000</u>	<u>2,518,645</u>	<u>1,158,645</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	2,500,599	2,500,599	2,260,484	240,115
Health and welfare	-	-	-	-
Capital outlay	2,000	2,000	-	2,000
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,502,599</u>	<u>2,502,599</u>	<u>2,260,484</u>	<u>242,115</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,142,599)</u>	<u>(1,142,599)</u>	<u>258,161</u>	<u>1,400,760</u>
<i>Other financing sources (uses)</i>				
Designated cash	1,142,599	1,142,599	-	(1,142,599)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,142,599</u>	<u>1,142,599</u>	<u>-</u>	<u>(1,142,599)</u>
<i>Net change in fund balances</i>	-	-	258,161	258,161
<i>Fund balances - beginning of year</i>	-	-	78,172	78,172
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 336,333</u>	<u>\$ 336,333</u>
Net change in fund balances (budget basis)				\$ 258,161
Adjustments to revenues for gross receipts taxes				43,179
Adjustments to expenditures for health and welfare				<u>398</u>
Net change in fund balances (GAAP basis)				<u>\$ 301,738</u>

The accompanying notes are an integral part of these financial statements

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

Statement B-13

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	504,696	504,696	479,536	(25,160)
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	16,164	16,164
Miscellaneous	-	-	-	-
<i>Total revenues</i>	504,696	504,696	495,700	(8,996)
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	299,362	296,121	38,031	258,090
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	1,020,347	1,023,588	135,993	887,595
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	1,319,709	1,319,709	174,024	1,145,685
<i>Excess (deficiency) of revenues over expenditures</i>	(815,013)	(815,013)	321,676	1,136,689
<i>Other financing sources (uses)</i>				
Designated cash	815,013	815,013	-	(815,013)
Transfers in	-	-	16,498	16,498
Transfers out	-	-	(154,230)	(154,230)
<i>Total other financing sources (uses)</i>	815,013	815,013	(137,732)	(952,745)
<i>Net change in fund balances</i>	-	-	183,944	183,944
<i>Fund balances - beginning of year</i>	-	-	1,428,744	1,428,744
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 1,612,688	\$ 1,612,688
Net change in fund balances (budget basis)				\$ 183,944
Adjustments to revenues for gross receipts taxes				18,772
Adjustments to expenditures for public safety				18,073
Net change in fund balances (GAAP basis)				\$ 220,789

The accompanying notes are an integral part of these financial statements

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

Statement B-14

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	207,034	207,034	207,034	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	114	114
<i>Total revenues</i>	<u>207,034</u>	<u>207,034</u>	<u>207,148</u>	<u>114</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	228,993	277,871	216,903	60,968
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	13,761	9,761	-	9,761
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>242,754</u>	<u>287,632</u>	<u>216,903</u>	<u>70,729</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(35,720)</u>	<u>(80,598)</u>	<u>(9,755)</u>	<u>70,843</u>
<i>Other financing sources (uses)</i>				
Designated cash	35,720	80,598	-	(80,598)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>35,720</u>	<u>80,598</u>	<u>-</u>	<u>(80,598)</u>
<i>Net change in fund balances</i>	-	-	(9,755)	(9,755)
<i>Fund balances - beginning of year</i>	-	-	70,092	70,092
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,337</u>	<u>\$ 60,337</u>
Net change in fund balances (budget basis)				\$ (9,755)
No Adjustments				-
Adjustments to expenditures for public safety				<u>(57)</u>
Net change in fund balances (GAAP basis)				<u>\$ (9,812)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-15

Taos County

DWI Grant Fund Special Revenue Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	67,301	67,301	29,121	(38,180)
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	229	229
<i>Total revenues</i>	<u>67,301</u>	<u>67,301</u>	<u>29,350</u>	<u>(37,951)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	59,801	59,801	43,374	16,427
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	7,500	7,500	7,486	14
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>67,301</u>	<u>67,301</u>	<u>50,860</u>	<u>16,441</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(21,510)</u>	<u>(21,510)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(21,510)	(21,510)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>45,681</u>	<u>45,681</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,171</u>	<u>\$ 24,171</u>
Net change in fund balances (budget basis)				\$ (21,510)
Adjustments to revenues for state operating grants				(11,008)
Adjustments to expenditures for public safety				770
Net change in fund balances (GAAP basis)				<u>\$ (31,748)</u>

The accompanying notes are an integral part of these financial statements

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

Statement B-16

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	45,000	45,000	41,511	(3,489)
State capital grants	-	-	-	-
Local	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>45,000</u>	<u>45,000</u>	<u>41,511</u>	<u>(3,489)</u>
<i>Expenditures</i>				
Current				
General government	50,000	50,000	5,487	44,513
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	212,430	212,430	-	212,430
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>262,430</u>	<u>262,430</u>	<u>5,487</u>	<u>256,943</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(217,430)</u>	<u>(217,430)</u>	<u>36,024</u>	<u>253,454</u>
<i>Other financing sources (uses)</i>				
Designated cash	217,430	217,430	-	(217,430)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>217,430</u>	<u>217,430</u>	<u>-</u>	<u>(217,430)</u>
<i>Net change in fund balances</i>	-	-	36,024	36,024
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>217,430</u>	<u>217,430</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 253,454</u>	<u>\$ 253,454</u>
Net change in fund balances (budget basis)				\$ 36,024
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 36,024</u>

The accompanying notes are an integral part of these financial statements

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

Statement B-17

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	550,000	550,000	444,406	(105,594)
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	5,000	113,773	108,773
Federal capital grants	-	-	-	-
State operating grants	70,000	70,000	106,909	36,909
State capital grants	-	-	-	-
Local				
Charges for services	-	-	62	62
Licenses and fees	-	-	1,030	1,030
Interest income	-	-	-	-
Miscellaneous	-	-	14,172	14,172
<i>Total revenues</i>	<u>620,000</u>	<u>625,000</u>	<u>680,352</u>	<u>55,352</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	2,050,673	2,520,673	2,477,686	42,987
Public works	-	-	-	-
Culture and recreation	36,000	16,000	20,216	(4,216)
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,086,673</u>	<u>2,536,673</u>	<u>2,497,902</u>	<u>38,771</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,466,673)</u>	<u>(1,911,673)</u>	<u>(1,817,550)</u>	<u>94,123</u>
<i>Other financing sources (uses)</i>				
Designated cash	1,466,673	1,911,673	-	(1,911,673)
Transfers in	-	-	1,692,874	1,692,874
Transfers out	-	-	150,000	150,000
<i>Total other financing sources (uses)</i>	<u>1,466,673</u>	<u>1,911,673</u>	<u>1,842,874</u>	<u>(68,799)</u>
<i>Net change in fund balances</i>	-	-	25,324	25,324
<i>Fund balances - beginning of year</i>	-	-	70,800	70,800
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96,124</u>	<u>\$ 96,124</u>
Net change in fund balances (budget basis)				\$ 25,324
Adjustments to revenues for gross receipts taxes				251
Adjustments to expenditures for public safety				127,066
Net change in fund balances (GAAP basis)				<u>\$ 152,641</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-18

Taos County

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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	11,133	11,133
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>11,133</u>	<u>11,133</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	12,851	12,851	8,852	3,999
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>12,851</u>	<u>12,851</u>	<u>8,852</u>	<u>3,999</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(12,851)</u>	<u>(12,851)</u>	<u>2,281</u>	<u>15,132</u>
<i>Other financing sources (uses)</i>				
Designated cash	12,851	12,851	-	(12,851)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>12,851</u>	<u>12,851</u>	<u>-</u>	<u>(12,851)</u>
<i>Net change in fund balances</i>	-	-	2,281	2,281
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>4,351</u>	<u>4,351</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,632</u>	<u>\$ 6,632</u>
Net change in fund balances (budget basis)				\$ 2,281
No Adjustments				-
Adjustments to expenditures for public safety				581
Net change in fund balances (GAAP basis)				<u>\$ 2,862</u>

The accompanying notes are an integral part of these financial statements

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

Statement B-19

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	25,000	23,686	(1,314)
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>25,000</u>	<u>23,686</u>	<u>(1,314)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	64,571	64,571	-	64,571
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	63,545	63,545	-	63,545
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>128,116</u>	<u>128,116</u>	<u>-</u>	<u>128,116</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(128,116)</u>	<u>(103,116)</u>	<u>23,686</u>	<u>126,802</u>
<i>Other financing sources (uses)</i>				
Designated cash	128,116	103,116	-	(103,116)
Transfers in	-	-	-	-
Transfers out	-	-	(11,264)	(11,264)
<i>Total other financing sources (uses)</i>	<u>128,116</u>	<u>103,116</u>	<u>(11,264)</u>	<u>(114,380)</u>
<i>Net change in fund balances</i>	-	-	12,422	12,422
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>114,380</u>	<u>114,380</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126,802</u>	<u>\$ 126,802</u>
Net change in fund balances (budget basis)				\$ 12,422
No Adjustments				-
No Adjustments				<u>-</u>
Net change in fund balances (GAAP basis)				<u>\$ 12,422</u>

The accompanying notes are an integral part of these financial statements

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

Statement B-20

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	7,950	7,950
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>7,950</u>	<u>7,950</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	17,363	17,363	6,890	10,473
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>17,363</u>	<u>17,363</u>	<u>6,890</u>	<u>10,473</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(17,363)</u>	<u>(17,363)</u>	<u>1,060</u>	<u>18,423</u>
<i>Other financing sources (uses)</i>				
Designated cash	17,363	17,363	-	(17,363)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>17,363</u>	<u>17,363</u>	<u>-</u>	<u>(17,363)</u>
<i>Net change in fund balances</i>	-	-	1,060	1,060
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>9,363</u>	<u>9,363</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,423</u>	<u>\$ 10,423</u>
Net change in fund balances (budget basis)				\$ 1,060
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 1,060</u>

The accompanying notes are an integral part of these financial statements

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

Statement B-21

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	95,476	95,476	-	(95,476)
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	10,000	10,000	2,277	(7,723)
<i>Total revenues</i>	<u>105,476</u>	<u>105,476</u>	<u>2,277</u>	<u>(103,199)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	85,628	85,711	1,000	84,711
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	65,946	65,863	32,174	33,689
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>151,574</u>	<u>151,574</u>	<u>33,174</u>	<u>118,400</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(46,098)</u>	<u>(46,098)</u>	<u>(30,897)</u>	<u>15,201</u>
<i>Other financing sources (uses)</i>				
Designated cash	46,098	46,098	-	(46,098)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>46,098</u>	<u>46,098</u>	<u>-</u>	<u>(46,098)</u>
<i>Net change in fund balances</i>	-	-	(30,897)	(30,897)
<i>Fund balances - beginning of year</i>	-	-	46,097	46,097
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,200</u>	<u>\$ 15,200</u>
Net change in fund balances (budget basis)				\$ (30,897)
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ (30,897)</u>

The accompanying notes are an integral part of these financial statements

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

Statement B-22

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	7,000	7,000	-	7,000
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	68,652	68,652	442	68,210
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>75,652</u>	<u>75,652</u>	<u>442</u>	<u>75,210</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(75,652)</u>	<u>(75,652)</u>	<u>(442)</u>	<u>75,210</u>
<i>Other financing sources (uses)</i>				
Designated cash	75,652	75,652	-	(75,652)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>75,652</u>	<u>75,652</u>	<u>-</u>	<u>(75,652)</u>
<i>Net change in fund balances</i>	-	-	(442)	(442)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>651</u>	<u>651</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 209</u>	<u>\$ 209</u>
Net change in fund balances (budget basis)				\$ (442)
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ (442)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-23

Taos County

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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	33,057	33,058	33,057	1
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>33,057</u>	<u>33,058</u>	<u>33,057</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(33,057)</u>	<u>(33,058)</u>	<u>(33,057)</u>	<u>1</u>
<i>Other financing sources (uses)</i>				
Designated cash	33,057	33,058	-	(33,058)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>33,057</u>	<u>33,058</u>	<u>-</u>	<u>(33,058)</u>
<i>Net change in fund balances</i>	-	-	(33,057)	(33,057)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>33,057</u>	<u>33,057</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances (budget basis)				\$ (33,057)
No Adjustments				-
Adjustments to expenditures for culture and recreation				<u>32,887</u>
Net change in fund balances (GAAP basis)				<u>\$ (170)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-24

Taos County

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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<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>				
Designated cash	-	-	-	-
Transfers in	-	-	179,544	179,544
Transfers out	-	-	(217,109)	(217,109)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(37,565)</u>	<u>(37,565)</u>
<i>Net change in fund balances</i>	-	-	(37,565)	(37,565)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>37,565</u>	<u>37,565</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances (budget basis)				\$ (37,565)
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ (37,565)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-25

Taos County

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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	100,000	212,388	112,388
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	1,495	1,495
<i>Total revenues</i>	<u>-</u>	<u>100,000</u>	<u>213,883</u>	<u>113,883</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>100,000</u>	<u>213,883</u>	<u>113,883</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	(100,000)	-	100,000
Transfers in	-	-	16,663	16,663
Transfers out	-	-	(13,039)	(13,039)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(100,000)</u>	<u>3,624</u>	<u>103,624</u>
<i>Net change in fund balances</i>	-	-	217,507	217,507
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 217,507</u>	<u>\$ 217,507</u>
Net change in fund balances (budget basis)				\$ 217,507
Adjustments to revenues for gross receipts taxes				2,637
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 220,144</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-26

Taos County

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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	985	985
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>985</u>	<u>985</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	1,000	-	1,000
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>1,000</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(1,000)</u>	<u>985</u>	<u>1,985</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	1,000	-	(1,000)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
<i>Net change in fund balances</i>	-	-	985	985
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 985</u>	<u>\$ 985</u>
Net change in fund balances (budget basis)				\$ 985
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 985</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-27

Taos County

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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	750,000	136,497	(613,503)
State capital grants	-	-	-	-
Local	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>750,000</u>	<u>136,497</u>	<u>(613,503)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	500,057	280,244	219,813
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	99,943	237,388	(137,445)
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>600,000</u>	<u>517,632</u>	<u>82,368</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>150,000</u>	<u>(381,135)</u>	<u>(531,135)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	(150,000)	-	150,000
Transfers in	-	-	525,000	525,000
Transfers out	-	-	(136,497)	(136,497)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(150,000)</u>	<u>388,503</u>	<u>538,503</u>
<i>Net change in fund balances</i>	-	-	7,368	7,368
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,368</u>	<u>\$ 7,368</u>
Net change in fund balances (budget basis)				\$ 7,368
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 7,368</u>

The accompanying notes are an integral part of these financial statements

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

Statement B-28

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	15,000	15,000	-	(15,000)
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>(15,000)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	15,000	15,000	-	15,000
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	7,500	7,500
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>7,500</u>	<u>7,500</u>
<i>Net change in fund balances</i>	-	-	7,500	7,500
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,500</u>	<u>\$ 7,500</u>
Net change in fund balances (budget basis)				\$ 7,500
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 7,500</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-29

Taos County

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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	25,000	50,000	-	(50,000)
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>25,000</u>	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	10,500	-	10,500
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	25,000	39,500	8,569	30,931
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>25,000</u>	<u>50,000</u>	<u>8,569</u>	<u>41,431</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(8,569)</u>	<u>(8,569)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	25,000	25,000
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>25,000</u>
<i>Net change in fund balances</i>	-	-	16,431	16,431
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,431</u>	<u>\$ 16,431</u>
Net change in fund balances (budget basis)				\$ 16,431
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 16,431</u>

The accompanying notes are an integral part of these financial statements

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

Statement B-30

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	38,772	38,772	33,216	(5,556)
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	1,824	1,824
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>38,772</u>	<u>38,772</u>	<u>35,040</u>	<u>(3,732)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	33,201	(33,201)
Interest	38,755	38,755	5,554	33,201
<i>Total expenditures</i>	<u>38,755</u>	<u>38,755</u>	<u>38,755</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>17</u>	<u>17</u>	<u>(3,715)</u>	<u>(3,732)</u>
<i>Other financing sources (uses)</i>				
Designated cash	(17)	(17)	-	17
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(17)</u>	<u>(17)</u>	<u>-</u>	<u>17</u>
<i>Net change in fund balances</i>	-	-	(3,715)	(3,715)
<i>Fund balances - beginning of year</i>	-	-	36,502	36,502
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,787</u>	<u>\$ 32,787</u>
Net change in fund balances (budget basis)				\$ (3,715)
No Adjustments				-
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ (3,715)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-31

Taos County

Capital Projects Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	78,462	78,462	78,462	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	3,000	3,000	3,022	22
Miscellaneous	1,000	1,000	-	(1,000)
<i>Total revenues</i>	<u>82,462</u>	<u>82,462</u>	<u>81,484</u>	<u>(978)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	60,000	(60,000)
Interest	73,634	73,639	13,634	60,005
<i>Total expenditures</i>	<u>73,634</u>	<u>73,639</u>	<u>73,634</u>	<u>5</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>8,828</u>	<u>8,823</u>	<u>7,850</u>	<u>(973)</u>
<i>Other financing sources (uses)</i>				
Designated cash	(8,828)	(8,823)	-	8,823
Transfers in	-	-	148,998	148,998
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(8,828)</u>	<u>(8,823)</u>	<u>148,998</u>	<u>157,821</u>
<i>Net change in fund balances</i>	-	-	156,848	156,848
<i>Fund balances - beginning of year</i>	-	-	101,996	101,996
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 258,844</u>	<u>\$ 258,844</u>
Net change in fund balances (budget basis)				\$ 156,848
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 156,848</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-32

Taos County

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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	10,824	10,824	10,824	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	250	250
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>10,824</u>	<u>10,824</u>	<u>11,074</u>	<u>250</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	10,714	(10,714)
Interest	10,822	10,827	113	10,714
<i>Total expenditures</i>	<u>10,822</u>	<u>10,827</u>	<u>10,827</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>2</u>	<u>(3)</u>	<u>247</u>	<u>250</u>
<i>Other financing sources (uses)</i>				
Designated cash	(2)	3	-	(3)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(2)</u>	<u>3</u>	<u>-</u>	<u>(3)</u>
<i>Net change in fund balances</i>	-	-	247	247
<i>Fund balances - beginning of year</i>	-	-	2,426	2,426
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,673</u>	<u>\$ 2,673</u>
Net change in fund balances (budget basis)				\$ 247
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 247</u>

The accompanying notes are an integral part of these financial statements

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

Statement B-33

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	184,953	184,953
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>184,953</u>	<u>184,953</u>
<i>Expenditures</i>				
Current				
General government	-	-	20,118	(20,118)
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	1,576,391	(1,576,391)
Debt service				
Principal	1,119,604	3,648,604	-	3,648,604
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,119,604</u>	<u>3,648,604</u>	<u>1,596,509</u>	<u>2,052,095</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,119,604)</u>	<u>(3,648,604)</u>	<u>(1,411,556)</u>	<u>2,237,048</u>
<i>Other financing sources (uses)</i>				
Designated cash	1,119,604	3,648,604	-	(3,648,604)
Transfers in	-	-	2,277	2,277
Transfers out	-	-	(2,277)	(2,277)
<i>Total other financing sources (uses)</i>	<u>1,119,604</u>	<u>3,648,604</u>	<u>-</u>	<u>(3,648,604)</u>
<i>Net change in fund balances</i>	-	-	(1,411,556)	(1,411,556)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>6,371,131</u>	<u>6,371,131</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,959,575</u>	<u>\$ 4,959,575</u>
Net change in fund balances (budget basis)				\$ (1,411,556)
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ (1,411,556)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-34

Taos County

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, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	250,848	250,848	228,603	(22,245)
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	7,566	7,566
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>250,848</u>	<u>250,848</u>	<u>236,169</u>	<u>(14,679)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	193,579	193,579	181,695	11,884
Debt service				
Principal	-	-	205,000	(205,000)
Interest	279,011	279,011	71,215	207,796
<i>Total expenditures</i>	<u>472,590</u>	<u>472,590</u>	<u>457,910</u>	<u>14,680</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(221,742)</u>	<u>(221,742)</u>	<u>(221,741)</u>	<u>1</u>
<i>Other financing sources (uses)</i>				
Designated cash	221,742	221,742	-	(221,742)
Transfers in	-	-	44,850	44,850
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>221,742</u>	<u>221,742</u>	<u>44,850</u>	<u>(176,892)</u>
<i>Net change in fund balances</i>	-	-	(176,891)	(176,891)
<i>Fund balances - beginning of year</i>	-	-	464,425	464,425
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 287,534</u>	<u>\$ 287,534</u>
Net change in fund balances (budget basis)				\$ (176,891)
Adjustments to revenues for gross receipts taxes				1,704
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ (175,187)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-35

Taos County

2004 Educational Bond Series Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<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>				
Designated cash	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances (budget basis)				\$ -
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-36

Taos County

NMFA Solid Waste Vehicle Taos Loan 19 Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	14,069	14,069	14,052	(17)
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	(874)	(874)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>14,069</u>	<u>14,069</u>	<u>13,178</u>	<u>(891)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	12,474	(12,474)
Interest	14,040	14,040	1,566	12,474
<i>Total expenditures</i>	<u>14,040</u>	<u>14,040</u>	<u>14,040</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>29</u>	<u>29</u>	<u>(862)</u>	<u>(891)</u>
<i>Other financing sources (uses)</i>				
Designated cash	(29)	(29)	-	29
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(29)</u>	<u>(29)</u>	<u>-</u>	<u>29</u>
<i>Net change in fund balances</i>	-	-	(862)	(862)
<i>Fund balances - beginning of year</i>	-	-	4,306	4,306
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,444</u>	<u>\$ 3,444</u>
Net change in fund balances (budget basis)				\$ (862)
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ (862)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-37

Taos County

2007 Refunding Series Debt Service Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	2,500,000	2,500,000	4,983,157	2,483,157
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	52,459	52,459
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>2,500,000</u>	<u>2,500,000</u>	<u>5,035,616</u>	<u>2,535,616</u>
<i>Expenditures</i>				
Current				
General government	3,007,052	3,523,902	5,564	3,518,338
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	2,260,000	(2,260,000)
Interest	-	-	606,815	(606,815)
<i>Total expenditures</i>	<u>3,007,052</u>	<u>3,523,902</u>	<u>2,872,379</u>	<u>651,523</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(507,052)</u>	<u>(1,023,902)</u>	<u>2,163,237</u>	<u>3,187,139</u>
<i>Other financing sources (uses)</i>				
Designated cash	507,052	1,023,902	-	(1,023,902)
Transfers in	-	-	2,947,975	2,947,975
Transfers out	-	-	(2,890,121)	(2,890,121)
<i>Total other financing sources (uses)</i>	<u>507,052</u>	<u>1,023,902</u>	<u>57,854</u>	<u>(966,048)</u>
<i>Net change in fund balances</i>	-	-	2,221,091	2,221,091
<i>Fund balances - beginning of year</i>	-	-	395,182	395,182
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,616,273</u>	<u>\$ 2,616,273</u>
Net change in fund balances (budget basis)				\$ 2,221,091
Adjustments to revenues for gross receipts taxes				(10)
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 2,221,081</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Taos County
 Educational 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, 2008

Statement B-38

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<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>				
Designated cash	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances (budget basis)				\$ -
No Adjustments				-
No Adjustments				<u>-</u>
Net change in fund balances (GAAP basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-39

Taos County

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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	39,118	30,171	(8,947)
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	4	4
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>39,118</u>	<u>30,175</u>	<u>(8,943)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>39,118</u>	<u>30,175</u>	<u>(8,943)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	(39,118)	-	39,118
Bond proceeds	-	-	-	-
Transfers in	-	-	13,039	13,039
Transfers out	-	-	(16,663)	(16,663)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(39,118)</u>	<u>(3,624)</u>	<u>35,494</u>
<i>Net change in fund balances</i>	-	-	26,551	26,551
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,551</u>	<u>\$ 26,551</u>
Net change in fund balances (budget basis)				\$ 26,551
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 26,551</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-40

Taos County

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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	2,000	1,708	(292)
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	36	36
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>2,000</u>	<u>1,744</u>	<u>(256)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>2,000</u>	<u>1,744</u>	<u>(256)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	(2,000)	-	2,000
Bond proceeds	-	-	30,000	30,000
Transfers in	-	-	-	-
Transfers out	-	-	(30,000)	(30,000)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(2,000)</u>	<u>-</u>	<u>2,000</u>
<i>Net change in fund balances</i>	-	-	1,744	1,744
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,744</u>	<u>\$ 1,744</u>
Net change in fund balances (budget basis)				\$ 1,744
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 1,744</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-41

Taos County

2007 Educational Refunding Bond Reserve Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	337,641	337,641
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>337,641</u>	<u>337,641</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	29,855	(29,855)
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	10,849,150	-	10,849,150
Interest	19,500	19,500	-	19,500
<i>Total expenditures</i>	<u>19,500</u>	<u>10,868,650</u>	<u>29,855</u>	<u>10,838,795</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(19,500)</u>	<u>(10,868,650)</u>	<u>307,786</u>	<u>11,176,436</u>
<i>Other financing sources (uses)</i>				
Designated cash	19,500	10,868,650	-	(10,868,650)
Bond proceeds	-	-	-	-
Transfers in	-	-	2,280,541	2,280,541
Transfers out	-	-	(122,196)	(122,196)
<i>Total other financing sources (uses)</i>	<u>19,500</u>	<u>10,868,650</u>	<u>2,158,345</u>	<u>(8,710,305)</u>
<i>Net change in fund balances</i>	-	-	2,466,131	2,466,131
<i>Fund balances - beginning of year</i>	-	-	150,007	150,007
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,616,138</u>	<u>\$ 2,616,138</u>
Net change in fund balances (budget basis)				\$ 2,466,131
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 2,466,131</u>

The accompanying notes are an integral part of these financial statements

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

Statement B-42

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	85,001	85,001
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>85,001</u>	<u>85,001</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	1,832,495	(1,832,495)
Debt service				
Principal	-	1,900,000	-	1,900,000
Interest	25,636	398,576	-	398,576
<i>Total expenditures</i>	<u>25,636</u>	<u>2,298,576</u>	<u>1,832,495</u>	<u>466,081</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(25,636)</u>	<u>(2,298,576)</u>	<u>(1,747,494)</u>	<u>(1,747,494)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Bond proceeds	-	-	1,493,254	1,493,254
Transfers in	-	-	30,560,180	30,560,180
Transfers out	-	-	(164,834)	(164,834)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>31,888,600</u>	<u>31,888,600</u>
<i>Net change in fund balances</i>	-	-	30,141,106	30,141,106
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>451,145</u>	<u>451,145</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,592,251</u>	<u>\$ 30,592,251</u>
Net change in fund balances (budget basis)				\$ 30,141,106
No adjustments				-
No adjustments				<u>-</u>
Net change in fund balances (GAAP basis)				<u>\$ 30,141,106</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-43

Taos County

Administration/ Judicial/ Corrections Complex Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	366,700	593,658	226,958
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>366,700</u>	<u>593,658</u>	<u>226,958</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	188,300	188,300	-	188,300
Interest	-	-	188,287	(188,287)
<i>Total expenditures</i>	<u>188,300</u>	<u>188,300</u>	<u>188,287</u>	<u>13</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(188,300)</u>	<u>178,400</u>	<u>405,371</u>	<u>226,971</u>
<i>Other financing sources (uses)</i>				
Designated cash	188,300	(178,400)	-	178,400
Bond proceeds	-	-	32,535,000	32,535,000
Transfers in	-	-	-	-
Transfers out	-	-	(32,760,542)	(32,760,542)
<i>Total other financing sources (uses)</i>	<u>188,300</u>	<u>(178,400)</u>	<u>(225,542)</u>	<u>(47,142)</u>
<i>Net change in fund balances</i>	-	-	179,829	179,829
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 179,829</u>	<u>\$ 179,829</u>
Net change in fund balances (budget basis)				\$ 179,829
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 179,829</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Taos County
Amailia 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, 2008

Statement B-44

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	455,124	455,124	-	(455,124)
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>455,124</u>	<u>455,124</u>	<u>-</u>	<u>(455,124)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	455,124	455,124	35,484	419,640
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>455,124</u>	<u>455,124</u>	<u>35,484</u>	<u>419,640</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(35,484)</u>	<u>(35,484)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	(35,484)	(35,484)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,516</u>	<u>\$ 14,516</u>
Net change in fund balances (budget basis)				\$ (35,484)
Adjustments to revenues for state capital grants				158,624
Adjustments to expenditures for capital outlay				<u>(231,655)</u>
Net change in fund balances (GAAP basis)				<u>\$ (108,515)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Taos County
Cuchilla Road 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, 2008

Statement B-45

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	753	753	-	753
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>753</u>	<u>753</u>	<u>-</u>	<u>753</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(753)</u>	<u>(753)</u>	<u>-</u>	<u>753</u>
<i>Other financing sources (uses)</i>				
Designated cash	753	753	-	(753)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>753</u>	<u>753</u>	<u>-</u>	<u>(753)</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>753</u>	<u>753</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 753</u>	<u>\$ 753</u>
Net change in fund balances (budget basis)				\$ -
No Adjustments				-
No Adjustments				<u>-</u>
Net change in fund balances (GAAP basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-46

Taos County

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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	202	202	-	202
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>202</u>	<u>202</u>	<u>-</u>	<u>202</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(202)</u>	<u>(202)</u>	<u>-</u>	<u>202</u>
<i>Other financing sources (uses)</i>				
Designated cash	202	202	-	(202)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>202</u>	<u>202</u>	<u>-</u>	<u>(202)</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>202</u>	<u>202</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 202</u>	<u>\$ 202</u>
Net change in fund balances (budget basis)				\$ -
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-47

Taos County

Womens Rehab 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, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	63,600	-	(63,600)
Federal capital grants	-	-	-	-
State operating grants	50,000	50,000	-	(50,000)
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>50,000</u>	<u>113,600</u>	<u>-</u>	<u>(113,600)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	35,000	35,000	-	35,000
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	375,600	375,600	-	375,600
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>410,600</u>	<u>410,600</u>	<u>-</u>	<u>410,600</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(360,600)</u>	<u>(297,000)</u>	<u>-</u>	<u>297,000</u>
<i>Other financing sources (uses)</i>				
Designated cash	360,600	297,000	-	(297,000)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>360,600</u>	<u>297,000</u>	<u>-</u>	<u>(297,000)</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	5,000	5,000
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>
Net change in fund balances (budget basis)				\$ -
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-48

Taos County

Llano Quemado 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, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<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>				
Designated cash	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	(25,000)	(25,000)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(25,000)</u>	<u>(25,000)</u>
<i>Net change in fund balances</i>	-	-	(25,000)	(25,000)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>25,000</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances (budget basis)				\$ (25,000)
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ (25,000)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-49

Taos County

La Lama 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, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	55,087	85,087	-	(85,087)
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>55,087</u>	<u>85,087</u>	<u>-</u>	<u>(85,087)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	5,836	5,836	-	5,836
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	38,018	68,018	-	68,018
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>43,854</u>	<u>73,854</u>	<u>-</u>	<u>73,854</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>11,233</u>	<u>11,233</u>	<u>-</u>	<u>(11,233)</u>
<i>Other financing sources (uses)</i>				
Designated cash	(11,233)	(11,233)	-	11,233
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(11,233)</u>	<u>(11,233)</u>	<u>-</u>	<u>11,233</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	13,767	13,767
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,767</u>	<u>\$ 13,767</u>
Net change in fund balances (budget basis)				\$ -
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-50

Taos County

Talpa 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, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	275,000	275,000	-	(275,000)
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>275,000</u>	<u>275,000</u>	<u>-</u>	<u>(275,000)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	7,058	7,058	-	7,058
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	205,282	205,282	-	205,282
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>212,340</u>	<u>212,340</u>	<u>-</u>	<u>212,340</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>62,660</u>	<u>62,660</u>	<u>-</u>	<u>(62,660)</u>
<i>Other financing sources (uses)</i>				
Designated cash	(62,660)	(62,660)	-	62,660
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(62,660)</u>	<u>(62,660)</u>	<u>-</u>	<u>62,660</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	13,840	13,840
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,840</u>	<u>\$ 13,840</u>
Net change in fund balances (budget basis)				\$ -
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-51

Taos County

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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	3,000	3,000	3,000	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>3,000</u>	<u>3,000</u>	<u>3,000</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	3,000	3,000	3,000	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,000</u>	<u>3,000</u>	<u>3,000</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>				
Designated cash	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>				
	-	-	-	-
<i>Fund balances - beginning of year</i>				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances (budget basis)				\$ -
No Adjustments				-
No Adjustments				<u>-</u>
Net change in fund balances (GAAP basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Taos County
 Cerro 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, 2008

Statement B-52

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	25,498	25,498	19,386	(6,112)
Local	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>25,498</u>	<u>25,498</u>	<u>19,386</u>	<u>(6,112)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	25,498	25,498	24,593	905
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>25,498</u>	<u>25,498</u>	<u>24,593</u>	<u>905</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(5,207)</u>	<u>(5,207)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	6,500	6,500
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>6,500</u>	<u>6,500</u>
<i>Net change in fund balances</i>	-	-	1,293	1,293
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>300</u>	<u>300</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,593</u>	<u>\$ 1,593</u>
Net change in fund balances (budget basis)				\$ 1,293
No Adjustments				-
No Adjustments				<u>-</u>
Net change in fund balances (GAAP basis)				<u>\$ 1,293</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-53

Taos County

Penasco Sub-Station Capital Projects Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	315,656	335,656	12,489	(323,167)
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>315,656</u>	<u>335,656</u>	<u>12,489</u>	<u>(323,167)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	335,656	355,656	16,195	339,461
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>335,656</u>	<u>355,656</u>	<u>16,195</u>	<u>339,461</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(20,000)</u>	<u>(20,000)</u>	<u>(3,706)</u>	<u>16,294</u>
<i>Other financing sources (uses)</i>				
Designated cash	20,000	20,000	-	(20,000)
Transfers in	-	-	25,766	25,766
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>20,000</u>	<u>20,000</u>	<u>25,766</u>	<u>5,766</u>
<i>Net change in fund balances</i>	-	-	22,060	22,060
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,060</u>	<u>\$ 22,060</u>
Net change in fund balances (budget basis)				\$ 22,060
Adjustments to revenues for state capital grants				8,686
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 30,746</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-54

Taos County

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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	21,896	21,896	21,896	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>21,896</u>	<u>21,896</u>	<u>21,896</u>	<u>-</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	1,480	1,480	819	661
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,480</u>	<u>1,480</u>	<u>819</u>	<u>661</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>20,416</u>	<u>20,416</u>	<u>21,077</u>	<u>661</u>
<i>Other financing sources (uses)</i>				
Designated cash	(20,416)	(20,416)	-	20,416
Transfers in	-	-	-	-
Transfers out	-	-	(21,896)	(21,896)
<i>Total other financing sources (uses)</i>	<u>(20,416)</u>	<u>(20,416)</u>	<u>(21,896)</u>	<u>(1,480)</u>
<i>Net change in fund balances</i>	-	-	(819)	(819)
<i>Fund balances - beginning of year</i>	-	-	1,480	1,480
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 661</u>	<u>\$ 661</u>
Net change in fund balances (budget basis)				\$ (819)
Adjustments to revenues for state capital grants				(21,896)
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ (22,715)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-55

Taos County

New Mexico Aging Amalia 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, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	150,225	447,225	250,445	(196,780)
Local	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>150,225</u>	<u>447,225</u>	<u>250,445</u>	<u>(196,780)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	150,225	447,225	237,011	210,214
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>150,225</u>	<u>447,225</u>	<u>237,011</u>	<u>210,214</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>13,434</u>	<u>13,434</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	5,000	5,000
Transfers out	-	-	(8)	(8)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>4,992</u>	<u>4,992</u>
<i>Net change in fund balances</i>	-	-	18,426	18,426
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>8</u>	<u>8</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,434</u>	<u>\$ 18,434</u>
Net change in fund balances (budget basis)				\$ 18,426
Adjustments to revenues for state capital grants				70,120
Adjustments to expenditures for capital outlay				(69,153)
Net change in fund balances (GAAP basis)				<u>\$ 19,393</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-56

Taos County

Llano Quemado Response 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, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	66,173	91,173	4,550	(86,623)
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>66,173</u>	<u>91,173</u>	<u>4,550</u>	<u>(86,623)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	60,748	85,748	20,853	64,895
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>60,748</u>	<u>85,748</u>	<u>20,853</u>	<u>64,895</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>5,425</u>	<u>5,425</u>	<u>(16,303)</u>	<u>(21,728)</u>
<i>Other financing sources (uses)</i>				
Designated cash	(5,425)	(5,425)	-	5,425
Transfers in	-	-	10,000	10,000
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(5,425)</u>	<u>(5,425)</u>	<u>10,000</u>	<u>15,425</u>
<i>Net change in fund balances</i>	-	-	(6,303)	(6,303)
<i>Fund balances - beginning of year</i>	-	-	19,685	19,685
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,382</u>	<u>\$ 13,382</u>
Net change in fund balances (budget basis)				\$ (6,303)
Adjustments to revenues for state capital grants				12,267
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 5,964</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Taos County
 CDBG Senior Citizen 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, 2008

Statement B-57

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	51,499	51,499	51,499	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	51,499	51,499	51,499	-
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	51,499	51,499	51,499	-
<i>Other financing sources (uses)</i>				
Designated cash	(51,499)	(51,499)	-	51,499
Transfers in	-	-	-	-
Transfers out	-	-	(100,000)	(100,000)
<i>Total other financing sources (uses)</i>	(51,499)	(51,499)	(100,000)	(48,501)
<i>Net change in fund balances</i>	-	-	(48,501)	(48,501)
<i>Fund balances - beginning of year</i>	-	-	48,501	48,501
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balances (budget basis)				\$ (48,501)
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				\$ (48,501)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-58

Taos County

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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	124,000	-	(124,000)
Local	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>124,000</u>	<u>-</u>	<u>(124,000)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	44,000	29,298	14,702
Capital outlay	-	80,000	2,896	77,104
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>124,000</u>	<u>32,194</u>	<u>91,806</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(32,194)</u>	<u>(32,194)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	50,000	50,000
Transfers out	-	-	(10)	(10)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>49,990</u>	<u>49,990</u>
<i>Net change in fund balances</i>	-	-	17,796	17,796
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>10</u>	<u>17,806</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,806</u>	<u>\$ 35,602</u>
Net change in fund balances (budget basis)				\$ 17,796
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 17,796</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-59

Taos County

El Prado 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, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	50,000	75,000	-	(75,000)
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>50,000</u>	<u>75,000</u>	<u>-</u>	<u>(75,000)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	25,023	50,023	-	50,023
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>25,023</u>	<u>50,023</u>	<u>-</u>	<u>50,023</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>24,977</u>	<u>24,977</u>	<u>-</u>	<u>(24,977)</u>
<i>Other financing sources (uses)</i>				
Designated cash	(24,977)	(24,977)	-	24,977
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(24,977)</u>	<u>(24,977)</u>	<u>-</u>	<u>24,977</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	5,678	5,678
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,678</u>	<u>\$ 5,678</u>
Net change in fund balances (budget basis)				\$ -
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-60

Taos County

Capital Enhancement Capital Projects Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	6,280	6,280
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>6,280</u>	<u>6,280</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	50,000	-	50,000
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(50,000)</u>	<u>6,280</u>	<u>56,280</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	50,000	-	(50,000)
Transfers in	-	-	43,720	43,720
Transfers out	-	-	(65,855)	(65,855)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>50,000</u>	<u>(22,135)</u>	<u>(72,135)</u>
<i>Net change in fund balances</i>	-	-	(15,855)	(15,855)
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>65,855</u>	<u>65,855</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>
Net change in fund balances (budget basis)				\$ (15,855)
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ (15,855)</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
 Taos County
 NM DOT Cotton Road 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, 2008

Statement B-61

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	242,225	-	(242,225)
Local	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>242,225</u>	<u>-</u>	<u>(242,225)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	50,000	552,267	45,160	507,107
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>50,000</u>	<u>552,267</u>	<u>45,160</u>	<u>507,107</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(50,000)</u>	<u>(310,042)</u>	<u>(45,160)</u>	<u>264,882</u>
<i>Other financing sources (uses)</i>				
Designated cash	50,000	310,042	-	(310,042)
Transfers in	-	-	260,042	260,042
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>50,000</u>	<u>310,042</u>	<u>260,042</u>	<u>(50,000)</u>
<i>Net change in fund balances</i>	-	-	214,882	214,882
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 214,882</u>	<u>\$ 214,882</u>
Net change in fund balances (budget basis)				\$ 214,882
No Adjustments				-
Adjustments to expenditures for capital outlay				<u>(188,937)</u>
Net change in fund balances (GAAP basis)				<u>\$ 25,945</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-62

Taos County

Arroyo Seco/Valdez 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, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	30,500	-	(30,500)
Federal capital grants	-	-	-	-
State operating grants	25,000	50,000	-	(50,000)
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>25,000</u>	<u>80,500</u>	<u>-</u>	<u>(80,500)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	1,220	1,220	-	1,220
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	64,447	89,447	16,267	73,180
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>65,667</u>	<u>90,667</u>	<u>16,267</u>	<u>74,400</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(40,667)</u>	<u>(10,167)</u>	<u>(16,267)</u>	<u>(6,100)</u>
<i>Other financing sources (uses)</i>				
Designated cash	40,667	10,167	-	(10,167)
Transfers in	-	-	20,167	20,167
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>40,667</u>	<u>10,167</u>	<u>20,167</u>	<u>10,000</u>
<i>Net change in fund balances</i>	-	-	3,900	3,900
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,900</u>	<u>\$ 3,900</u>
Net change in fund balances (budget basis)				\$ 3,900
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 3,900</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-63

Taos County

NMLA Rio Lucio 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, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	50,000	50,000	1,674	(48,326)
State capital grants	-	-	-	-
Local				
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>50,000</u>	<u>50,000</u>	<u>1,674</u>	<u>(48,326)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	50,000	50,000	6,141	43,859
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>50,000</u>	<u>50,000</u>	<u>6,141</u>	<u>43,859</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(4,467)</u>	<u>(4,467)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	20,000	20,000
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>
<i>Net change in fund balances</i>	-	-	15,533	15,533
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,533</u>	<u>\$ 15,533</u>
Net change in fund balances (budget basis)				\$ 15,533
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ 15,533</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO

Statement B-64

Taos County

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

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues</i>				
Taxes				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts	-	-	-	-
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental income				
Federal operating grants	-	-	-	-
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	3,190	3,187	(3)
Local	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Interest income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>3,190</u>	<u>3,187</u>	<u>(3)</u>
<i>Expenditures</i>				
Current				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	3,190	3,187	3
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>3,190</u>	<u>3,187</u>	<u>3</u>
<i>Excess (deficiency) of revenues over expenditures</i>				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>				
	-	-	-	-
<i>Fund balances - beginning of year</i>				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>				
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balances (budget basis)				\$ -
No Adjustments				-
No Adjustments				-
Net change in fund balances (GAAP basis)				<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Taos County
Solid Waste Fund
Statement of Revenues, Expenses and Changes in Net Assets
Budget and Actual
For the Year Ended June 30, 2008

Statement B-65

	Budget Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ 757,700	\$ 757,700	\$ 739,566	\$ (18,134)
<i>Total operating revenues</i>	757,700	757,700	739,566	(18,134)
<i>Operating expenses:</i>				
Personnel services	609,703	606,461	553,881	52,580
Administration	136,698	129,405	98,871	30,534
Contractual services	256,378	260,820	230,125	30,695
Maintenance and materials	53,088	59,181	46,977	12,204
Miscellaneous	-	-	-	-
<i>Total operating expenses</i>	1,055,867	1,055,867	929,854	126,013
<i>Operating income (loss)</i>	(298,167)	(298,167)	(190,288)	(144,147)
<i>Non-operating revenues (expenses):</i>				
Taxes	221,736	221,736	217,153	(4,583)
Interest expense	-	-	(1,878)	(1,878)
Interest income	-	-	-	-
Miscellaneous income	-	-	106	106
<i>Total non-operating revenues (expenses)</i>	221,736	221,736	215,381	(6,355)
Transfers in (out)	-	-	(16,600)	(16,600)
<i>Change in net assets</i>	\$ (76,431)	\$ (76,431)	8,493	\$ (167,102)
<i>Net assets - beginning of year</i>			93,033	
<i>Net assets - end of year</i>			\$ 101,526	
Change in net assets (budget basis)				\$ 8,493
Adjustment to revenue for reversal of prior year and current year receivable				(28,003)
Adjustment for depreciation and reversal of prior year expenses				(55,437)
Change in net assets (GAAP basis)				\$ (74,947)

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
Taos County
Ambulance Fund
Statement of Revenues, Expenses and Changes in Net Assets
Budget and Actual
For the Year Ended June 30, 2008

Statement B-66

	Budget Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
<i>Operating revenues:</i>				
Charges for services	\$ 660,000	\$ 660,000	\$ 630,038	\$ (29,962)
<i>Total operating revenues</i>	660,000	660,000	630,038	(29,962)
<i>Operating expenses:</i>				
Personnel services	979,164	968,864	862,151	106,713
Administration	125,054	125,054	76,035	49,019
Contractual services	25,000	35,300	21,162	14,138
Maintenance and materials	83,000	83,000	40,298	42,702
Miscellaneous	-	-	-	-
<i>Total operating expenses</i>	1,212,218	1,212,218	999,646	212,572
<i>Operating income (loss)</i>	(552,218)	(552,218)	(369,608)	(242,534)
<i>Non-operating revenues (expenses):</i>				
Taxes	-	-	-	-
Interest expense	-	-	-	-
Interest income	-	-	-	-
Miscellaneous income	-	-	806	806
<i>Total non-operating revenues (expenses)</i>	-	-	806	806
Transfers in (out)	-	-	349,797	349,797
<i>Change in net assets</i>	\$ (552,218)	\$ (552,218)	(19,005)	\$ 108,069
<i>Net assets - beginning of year</i>			84,143	
<i>Net assets - end of year</i>			\$ 65,138	
Change in net assets (budget basis)				\$ (19,005)
Adjustment to revenue for reversal of prior year and current year receivable				(62,653)
Adjustment for depreciation and reversal of prior year expenses				(287,574)
Change in net assets (GAAP basis)				\$ (369,232)

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

Schedule I

Taos County
 Schedule of Collateral Pledged By Depository
 For Public Funds
 June 30, 2008

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value *Par Value June 30, 2008	Location of Safekeeper
Centinel Bank					
	Taos Gas Revenue	10/1/2008	875917AM8	155,000 *	350 Phelps Dr. Irving TX
	Valencia CNTY NM GRT	8/1/2008	91911SAGO	115,000 *	350 Phelps Dr. Irving TX
	FHLB	12/22/2008	313M6TD0	50,656	350 Phelps Dr. Irving TX
	FHLB	12/22/2008	313M6TD0	50,656	350 Phelps Dr. Irving TX
	FHLB	3/30/2009	3133M8AU8	102,156	350 Phelps Dr. Irving TX
	FHLB	3/30/2009	3133M8AU8	51,078	350 Phelps Dr. Irving TX
	FHLB	3/30/2009	3133M8AU8	51,078	350 Phelps Dr. Irving TX
	FHLB	3/30/2009	3133M8AU8	76,617	350 Phelps Dr. Irving TX
	FHLB	3/30/2009	3133M8AU8	76,617	350 Phelps Dr. Irving TX
	FHLB	3/30/2009	3133M8AU8	102,156	350 Phelps Dr. Irving TX
	FHLB	3/30/2009	3133M8AU8	25,457	350 Phelps Dr. Irving TX
	FHLB	12/22/2008	313M6TD0	25,328	350 Phelps Dr. Irving TX
	FHLB	12/22/2008	313M6TD0	75,984	350 Phelps Dr. Irving TX
	FHLB	3/16/2009	3133M86T6	76,617	350 Phelps Dr. Irving TX
	FHLB	3/16/2009	3133M86T6	51,078	350 Phelps Dr. Irving TX
	FHLB	3/16/2009	3133M86T6	25,539	350 Phelps Dr. Irving TX
	FHLB	3/16/2009	3133M86T6	25,539	350 Phelps Dr. Irving TX
	UNM Gallup	6/1/2019	914684CC7	336,105	350 Phelps Dr. Irving TX
	UNM Gallup	6/1/2019	914684CB9	122,220	350 Phelps Dr. Irving TX
	FHLB	3/16/2009	3133M86T6	107,264	350 Phelps Dr. Irving TX
	FHLB	12/22/2008	313M6TD0	121,575	350 Phelps Dr. Irving TX
	FHLB	12/22/2008	313M6TD0	50,656	350 Phelps Dr. Irving TX
	FHLB	12/22/2008	313M6TD0	30,394	350 Phelps Dr. Irving TX
	FHLB	3/16/2009	3133M86T6	40,863	350 Phelps Dr. Irving TX
	FHLB	3/16/2009	3133M86T6	30,647	350 Phelps Dr. Irving TX
	Total Centinel Bank			1,976,280	
First Community Bank					
	FH6B S/A 01/16/04 W/5	1/16/2009	31339YB43	270,075	FHLB 7001 Preston RD Dallas, TX
	FHLB Agency notes	8/14/2009	3133X8CS9	75,734	FHLB 7001 Preston RD Dallas, TX
	SOUTHERN SANDOVAL	8/1/2014	843789CE6	200,000 *	FHLB 7001 Preston RD Dallas, TX
	FHR 3171 DB	12/15/2031	3196TSJ3	724,205	FHLB 7001 Preston RD Dallas, TX
	CARLSBAD NM MUN	8/1/2017	142735CZ0	850,000 *	FHLB 7001 Preston RD Dallas, TX
	MBS FHLMC GOLD	1/1/2019	312964EH8	273,346	FHLB 7001 Preston RD Dallas, TX
	FNR 1990-11 G	2/25/2020	313603UM2	122,720	FHLB 7001 Preston RD Dallas, TX
	FHR 2765 GH	3/15/2034	31394TA54	856,135	FHLB 7001 Preston RD Dallas, TX
	MBS FHLMC GOLD	7/1/2037	3128DUNS2	760,958	FHLB 7001 Preston RD Dallas, TX
	Total First Community Bank			4,133,173	
Peoples Bank					
	FHLMC 2786-PB	5/15/2014	31394WAY4	167,578	13180 Metcaf Ave. Overland Park Kansas 66213
	FHLMC 2768-PB	5/15/2014	31394WAY4	12,568	13181 Metcaf Ave. Overland Park Kansas 66213
	FHLMC 2786-PB	5/15/2014	31394WAY4	20,647	13182 Metcaf Ave. Overland Park Kansas 66213
	FHLMC 2786-PB	5/15/2014	31394WAY4	25,137	13183 Metcaf Ave. Overland Park Kansas 66213
	WMALT 2006 2-2 CB	3/25/2036	93934FMDI	20,402	13184 Metcaf Ave. Overland Park Kansas 66213
	MWALT 2006 3-4 CB	3/25/2036	93934FNT5	3,708	13185 Metcaf Ave. Overland Park Kansas 66213
	MWALT 2006 3-4 CB	3/25/2036	93934FNT5	16,686	13186 Metcaf Ave. Overland Park Kansas 66213
	MWALT 2006 3-4 CB	3/25/2036	93934FNT5	40,787	13187 Metcaf Ave. Overland Park Kansas 66213
	FHLMC 2717 - HP	12/15/2013	31394MZW3	24,755	13188 Metcaf Ave. Overland Park Kansas 66213
	FHLMC 2717 - HP	12/15/2013	31394MZW3	24,755	13189 Metcaf Ave. Overland Park Kansas 66213
	FNMA 5.25 FNSM	1/15/2009	31359MEK5	180,000	13190 Metcaf Ave. Overland Park Kansas 66213
	Total Peoples Bank			537,023	
	Total Pledged Collateral			\$ 6,646,476	

*Par Value used for New Mexico Securites Pledged

See the accompanying independent auditor's report.

STATE OF NEW MEXICO

Taos County
Schedule of Deposits
June 30, 2008Schedule II
(Page 1 of 2)

Bank Account Type/Name	First Community Bank	Centinel Bank	Peoples Bank	Bank of New York	NMFA Bank	Bank of Albuquerque	Totals
General	\$ 4,930,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,930,400
Misc Account	51	-	-	-	-	-	51
Office of the justice	9,156	-	-	-	-	-	9,156
CDBG Planning Grant 05	5,000	-	-	-	-	-	5,000
Youth Build 2006	36,036	-	-	-	-	-	36,036
LLEBG 2003	11	-	-	-	-	-	11
TAD/Bail Bond	52	-	-	-	-	-	52
TAD/Commissary	9,675	-	-	-	-	-	9,675
Sheriff Clearing Account	1,722	-	-	-	-	-	1,722
General	-	3,069,202	-	-	-	-	3,069,202
A G Center	-	15,828	-	-	-	-	15,828
Credit Card Payment	-	441	-	-	-	-	441
General	-	-	481,719	-	-	-	481,719
Money Market Account	-	-	222,265	-	-	-	222,265
ACQ/UNM TAOS #485147	-	-	-	3	-	-	3
Debt Service Fund #485181	-	-	-	1,156	-	-	1,156
Reserve Fund #485183	-	-	-	1,771,714	-	-	1,771,714
EDUC Admin Exp. #485186	-	-	-	15,553	-	-	15,553
ACQ/UNM TAOS #485174	-	-	-	732,602	-	-	732,602
ACQ/Questa #485175	-	-	-	549	-	-	549
Educ. Extra Ordinary # 485154	-	-	-	7,870	-	-	7,870
ACQ/Taos MSD #800195	-	-	-	21	-	-	21
ACQ/UNM Taos #800197	-	-	-	1,109,258	-	-	1,109,258
ACQ/Questa #800198	-	-	-	468,777	-	-	468,777
ACQ/Penasco #800199	-	-	-	303	-	-	303
Edu Reserve Fund # 800192	-	-	-	460,202	-	-	460,202
Educ Debt Service# 800191	-	-	-	189	-	-	189
Educ-Admin Expense #800195	-	-	-	15,995	-	-	15,995
ACQ/Taos MSD #485348	-	-	-	1,486,584	-	-	1,486,584
ACG/UNM Taos #485350	-	-	-	659,474	-	-	659,474
ACQ/UNM Taos #485351	-	-	-	279,354	-	-	279,354
ACQ/Penasco#485352	-	-	-	212,484	-	-	212,484
Income Bond #485253	-	-	-	9,459,292	-	-	9,459,292
Income Bond #485251	-	-	-	532,126	-	-	532,126

See accompanying independent auditors' report

STATE OF NEW MEXICO

Taos County
Schedule of Deposits
June 30, 2008Schedule II
(Page 2 of 2)

Bank Account Type/Name	First Community Bank	Centinel Bank	Peoples Bank	Bank of New York	NMFA Bank	Bank of Albuquerque	Totals
Educ Debt Service # 485240	-	-	-	2,082,622	-	-	2,082,622
96A 2003 Refinancing Taos 11	-	-	-	-	272,933	-	272,933
Solid Waste Equipment Loan Taos 12	-	-	-	-	32,843	-	32,843
Cerro Fire Department Taos 3	-	-	-	-	366	-	366
Rio Fernando Fire Department Taos 4	-	-	-	-	463	-	463
La Lama Fire Department Taos 7	-	-	-	-	204	-	204
Latir Fire Department Taos 8	-	-	-	-	400	-	400
Amalia Fire Department Taos 10	-	-	-	-	400	-	400
Hondo Seco Fire Dept Taos 20	-	-	-	-	656	-	656
Taos County Project Fund Taos 14	-	-	-	-	247,640	-	247,640
Water Truck Taos 16	-	-	-	-	2,674	-	2,674
Solid Waste Vehicle Taos 19	-	-	-	-	3,446	-	3,446
Land Acquisition/Judicial Complex	-	-	-	-	26,551	-	26,551
Hondo/Seco Fire Aparatus	-	-	-	-	1,677	-	1,677
Admin./Juducial Correctional Complex	-	-	-	-	179,829	-	179,829
Solid Waste Equipment Taos 12	-	-	-	-	-	183,500	183,500
Solid Waste Equipment Reserve Taos 12A	-	-	-	-	-	33,261	33,261
Taos County Project Reserve Taos 14A	-	-	-	-	-	78,986	78,986
Land Acquisition/Judicial Complex Taos 26	-	-	-	-	-	67	67
Land Acquisition/Judicial Complex Taos 26A	-	-	-	-	-	93,507	93,507
Land Acquisition/Judicial Complex Taos 26A	-	-	-	-	-	146,876	146,876
Admin./Juducial Correctional Complex Taos 29	-	-	-	-	-	30,333,128	30,333,128
Admin./Juducial Correctional Complex Taos 29A	-	-	-	-	-	2,144,610	2,144,610
Certificate of Deposit- 2150150533	1,219,061	-	-	-	-	-	1,219,061
Certificate of Deposit - 213064800	816,000	-	-	-	-	-	816,000
Money Market CD's- 8015872	-	954,061	-	-	-	-	954,061
Certificate of Deposit - 372105048	-	-	58,000	-	-	-	58,000
Certificate of Deposit - 372105647	-	-	58,000	-	-	-	58,000
Total On Deposit	7,027,165	4,039,532	819,984	19,296,128	770,082	33,013,935	64,966,826
Reconciling Items	(586,638)	-	-	(11,610,796)	(16,719)	-	(12,214,153)
Reconciled Balance June 30, 2008	<u>\$ 6,440,527</u>	<u>\$ 4,039,532</u>	<u>\$ 819,984</u>	<u>\$ 7,685,332</u>	<u>\$ 753,363</u>	<u>\$ 33,013,935</u>	<u>\$ 52,752,673</u>
Add: Petty Cash							2,550
Less: Agency funds							(720,358)
Total cash and cash equivalents							<u>\$ 52,034,865</u>
Total cash and cash equivalents per Exhibit A-1							15,919,225
Total restricted cash and cash equivalents per Exhibit A-1							<u>36,115,640</u>
Total cash and cash equivalents per Exhibit A-1							<u>\$ 52,034,865</u>

See accompanying independent auditors' report

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STATE OF NEW MEXICO
Taos County
Tax Roll Reconciliation - Changes in Property Taxes Receivable
For the Year Ended June 30, 2008

Schedule III

Property taxes receivable, beginning of year	\$	2,331,951
Changes to Tax Roll:		
Net taxes charged to treasurer for fiscal year		16,939,543
Adjustments:		
Net increases in taxes receivables		<u>(82,381)</u>
Total receivables prior to collections		19,189,113
Collections for fiscal year ended June 30, 2008		<u>(16,427,736)</u>
Property taxes receivable, end of year		<u><u>\$ 2,761,377</u></u>
Property taxes receivable by years:		
1998	\$	261
1999		37,461
2000		125
2001		59,306
2002		90,318
2003		106,360
2004		130,460
2005		206,161
2006		536,074
2007		<u>1,594,851</u>
Total property taxes receivable		<u><u>\$ 2,761,377</u></u>

See accompanying independent auditors' report

STATE OF NEW MEXICO
 Taos County
 Taxes Receivable by Agency
 For the Year Ended June 30, 2008

Schedule IV
 1 of 5

Agency/ Year	Property Taxes Levied	Collected In Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Current Amount Uncollectible	County Receivable at Year End
El Prado Water & Sanitation District							
2007	\$ 97,668	\$ 83,948	\$ 83,948	\$ 83,948	\$ 83,948	\$ 244	\$ 13,719
2006	93,019	4,746	90,521	4,746	90,521	-	2,498
2005	97,240	1,504	95,457	1,504	95,457	-	1,783
2004	94,876	52	93,459	52	93,459	-	1,417
2003	100,177	54	96,702	54	96,702	-	3,475
2002	96,884	-	95,880	-	95,880	-	1,003
2001	87,891	-	85,188	-	85,188	-	2,703
2000	78,403	-	77,862	-	77,862	-	542
1999	61,712	-	66,592	-	66,592	-	(4,880)
1998	54,215	-	54,563	-	54,563	-	(348)
Total	862,085	90,304	840,172	90,304	840,172	244	21,912
Twining Water & Sanitation District							
2007	-	-	-	-	-	-	-
2006	-	-	-	-	-	-	-
2005	-	-	-	-	-	-	-
2004	-	-	-	-	-	-	-
2003	-	-	-	-	-	-	-
2002	-	-	-	-	-	-	-
2001	-	-	-	-	-	-	-
2000	51,834	-	52,272	-	52,272	-	(438)
1999	44,412	-	44,405	-	44,405	-	7
1998	44,314	-	44,121	-	44,121	-	194
Total	140,560	-	140,798	-	140,798	-	(237)
El Valle De Los Ranchos Water & Sanitation District							
2007	350,625	311,834	311,834	311,834	311,833	877	38,792
2006	305,395	14,246	289,743	14,246	289,743	-	15,651
2005	294,592	6,345	286,056	6,345	286,056	-	8,536
2004	257,835	2,953	252,907	2,953	252,907	-	4,928
2003	304,347	816	238,746	816	238,746	-	65,602
2002	267,164	434	262,530	434	262,530	-	4,634
2001	208,262	152	203,405	152	203,405	-	4,858
2000	171,976	68	174,798	68	174,798	-	(2,822)
1999	180,064	-	169,453	-	169,453	-	10,611
1998	-	-	-	-	-	-	-
Total	2,340,260	336,848	2,189,472	336,848	2,189,471	877	150,790
Taos Soil & Conservation Service							
2007	756,425	688,268	688,268	688,268	688,268	1,891	68,157
2006	651,380	31,494	625,322	31,495	625,322	-	26,058
2005	479,486	7,674	465,770	7,674	465,770	-	13,717
2004	448,572	2,370	438,205	2,370	438,205	-	10,367
2003	421,753	1,041	412,456	1,041	412,456	-	9,297
2002	404,201	865	395,913	865	395,913	-	8,288
2001	383,926	795	375,687	795	375,687	-	8,239
2000	366,042	90	359,249	90	359,249	-	6,793
1999	349,048	81	355,297	81	355,297	-	(6,248)
1998	322,401	60	313,860	60	313,860	-	8,541
Total	4,583,234	732,738	4,430,027	732,739	4,430,027	1,891	153,209

See accompanying independent auditors' report

STATE OF NEW MEXICO
Taos County
Taxes Receivable by Agency
For the Year Ended June 30, 2008

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Agency/ Year	Property Taxes Levied	Collected In Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Current Amount Uncollectible	County Receivable at Year End
Taos Education Center							
2007	1,296,367	1,171,421	1,171,421	1,171,421	1,171,420	3,241	124,946
2006	1,155,636	55,949	1,108,771	55,949	1,108,771	-	46,866
2005	1,049,484	16,097	1,027,897	16,097	1,027,897	-	21,588
2004	973,095	3,468	957,041	3,468	957,041	-	16,054
2003	911,778	1,363	897,606	1,363	897,606	-	14,172
2002	871,990	513	859,815	513	859,815	-	12,176
2001	831,048	207	816,478	207	816,478	-	14,570
2000	780,111	97	768,319	97	768,319	-	11,792
1999	678,707	70	675,826	70	675,826	-	2,881
1998	644,267	65	642,567	65	642,567	-	1,700
Total	9,192,483	1,249,250	8,925,741	1,249,250	8,925,740	3,241	266,745
Town of Taos							
2007	665,593	579,677	579,677	579,677	579,677	1,664	85,917
2006	579,405	33,563	552,118	33,563	552,117	-	27,288
2005	530,132	8,602	520,723	8,602	520,723	-	9,409
2004	496,957	1,727	490,563	1,727	490,563	-	6,394
2003	470,031	1,302	464,091	1,302	464,091	-	5,940
2002	453,089	180	445,145	180	445,145	-	7,945
2001	437,200	64	431,072	64	431,072	-	6,128
2000	400,623	-	394,877	-	394,877	-	5,747
1999	312,107	-	310,355	-	310,355	-	1,752
1998	294,615	-	297,806	-	297,806	-	(3,191)
Total	4,639,752	625,115	4,486,427	625,115	4,486,426	1,664	153,329
Village of Questa							
2007	78,504	66,432	66,432	66,432	66,432	196	12,071
2006	72,883	5,680	66,468	5,680	66,468	-	6,416
2005	49,423	922	47,935	922	47,935	-	1,488
2004	46,848	353	45,492	353	45,492	-	1,357
2003	27,732	43	26,840	43	26,840	-	891
2002	26,830	31	25,998	31	25,998	-	832
2001	25,407	28	24,605	28	24,605	-	802
2000	23,839	27	23,734	27	23,734	-	106
1999	10,625	24	10,775	24	10,775	-	(149)
1998	10,036	1	10,292	1	10,292	-	(256)
Total	372,127	73,541	348,571	73,541	348,571	196	23,558

STATE OF NEW MEXICO
 Taos County
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 For the Year Ended June 30, 2008

Schedule IV
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Agency/ Year	Property Taxes Levied	Collected In Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Current Amount Uncollectible	County Receivable at Year End
Town of Red River							
2007	252,242	234,017	234,017	234,017	234,018	631	18,225
2006	238,247	6,582	230,619	6,582	230,619	-	7,628
2005	222,829	1,058	219,218	1,058	219,218	-	3,611
2004	214,123	329	211,021	329	211,021	-	3,102
2003	200,103	41	197,512	41	197,512	-	2,591
2002	194,188	38	191,651	38	191,651	-	2,536
2001	188,197	29	185,028	29	185,028	-	3,168
2000	177,580	28	176,234	28	176,234	-	1,346
1999	175,136	35	175,236	35	175,236	-	(99)
1998	190,789	43	191,122	43	191,122	-	(333)
Total	2,053,434	242,200	2,011,658	242,200	2,011,659	631	41,775
Village of Taos Ski Valley							
2007	116,129	109,598	109,598	109,598	109,599	290	6,530
2006	100,418	4,507	97,320	4,507	97,320	-	3,098
2005	77,354	1,892	75,532	1,892	75,532	-	1,822
2004	71,099	165	69,958	165	69,958	-	1,141
2003	68,464	150	67,928	150	67,928	-	535
2002	66,388	147	65,534	147	65,534	-	854
2001	64,491	-	63,592	-	63,592	-	898
2000	-	-	-	-	-	-	-
1999	-	-	-	-	-	-	-
1998	-	-	-	-	-	-	-
Total	564,343	116,459	549,462	116,459	549,463	290	14,878
State Levy							
2007	1,306,156	1,176,681	1,176,681	1,176,681	1,176,681	3,265	129,475
2006	1,159,207	55,247	1,106,809	55,247	1,106,809	-	52,399
2005	1,029,813	16,460	1,005,856	16,460	1,005,856	-	23,958
2004	756,888	3,635	741,877	3,635	741,877	-	15,011
2003	1,088,058	2,653	1,067,176	2,653	1,067,176	-	20,883
2002	760,033	1,281	786,781	1,281	786,781	-	(26,748)
2001	1,010,127	1,517	955,882	1,517	955,882	-	54,245
2000	854,019	164	834,861	164	834,861	-	19,157
1999	765,267	142	759,536	142	759,536	-	5,731
1998	665,418	96	663,939	96	663,939	-	1,480
Total	9,394,986	1,257,876	9,099,398	1,257,876	9,099,398	3,265	295,591

See accompanying independent auditors' report

STATE OF NEW MEXICO
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For the Year Ended June 30, 2008

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Agency/ Year	Property Taxes Levied	Collected In Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Current Amount Uncollectible	County Receivable at Year End
Levy/Cattle, Sheep, Goats, Equine							
2007	12,575	9,404	9,404	9,404	9,404	31	3,170
2006	10,408	410	8,205	410	8,205	-	2,204
2005	10,939	218	9,064	218	9,064	-	1,874
2004	10,449	65	8,291	65	8,291	-	2,157
2003	8,573	10	6,880	10	6,880	-	1,693
2002	9,551	2	8,254	2	8,254	-	1,297
2001	15,019	2	13,160	2	13,160	-	1,859
2000	10,815	-	9,276	-	9,276	-	1,539
1999	10,686	-	9,902	-	9,902	-	784
1998	11,574	-	10,666	-	10,666	-	908
Total	110,589	10,111	93,102	10,111	93,102	31	17,485
Taos Municipal School							
2007	3,827,087	3,449,419	3,449,419	3,449,419	3,449,419	9,568	377,668
2006	2,851,572	137,086	2,733,070	137,086	2,733,070	-	118,502
2005	2,872,934	45,678	2,814,981	45,648	2,814,981	-	57,952
2004	2,738,972	10,149	2,693,890	10,149	2,693,891	-	45,081
2003	2,511,759	3,826	2,472,541	3,826	2,472,541	-	39,218
2002	2,321,046	1,353	2,286,199	1,353	2,286,199	-	34,848
2001	2,167,289	546	2,130,355	546	2,130,355	-	36,935
2000	2,237,044	310	2,194,186	310	2,194,186	-	42,858
1999	1,943,274	243	1,938,454	243	1,938,454	-	4,819
1998	1,569,105	189	1,569,919	189	1,569,919	-	(814)
Total	25,040,082	3,648,799	24,283,014	3,648,769	24,283,015	9,568	757,067
Penasco Independent School							
2007	196,915	172,743	172,743	172,743	172,744	492	24,172
2006	190,657	9,485	180,402	9,485	180,402	-	10,255
2005	182,838	1,869	179,035	1,869	179,035	-	3,802
2004	138,630	403	136,372	403	136,372	-	2,259
2003	130,888	183	129,096	183	129,096	-	1,791
2002	132,530	156	131,018	156	131,018	-	1,511
2001	158,271	193	154,875	193	154,875	-	3,396
2000	159,149	-	158,194	-	158,194	-	955
1999	161,781	-	162,116	-	162,116	-	(336)
1998	167,134	-	167,055	-	167,055	-	79
Total	1,618,793	185,032	1,570,906	185,032	1,570,907	492	47,884
Mesa Vista Consolidated School							
2007	329,261	269,655	269,655	269,655	269,655	823	59,605
2006	203,209	8,111	173,770	8,111	173,770	-	29,439
2005	139,150	1,521	122,138	1,521	122,138	-	17,012
2004	141,528	637	125,260	637	125,260	-	16,268
2003	131,318	454	115,886	454	115,886	-	15,432
2002	189,290	408	167,235	408	167,235	-	22,055
2001	189,828	234	169,192	234	169,192	-	20,636
2000	185,049	172	170,578	172	170,578	-	14,471
1999	160,926	133	158,589	133	158,589	-	2,337
1998	74,067	54	71,670	54	71,670	-	2,396
Total	1,743,626	281,379	1,543,973	281,379	1,543,973	823	199,651

See accompanying independent auditors' report

STATE OF NEW MEXICO
 Taos County
 Taxes Receivable by Agency
 For the Year Ended June 30, 2008

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Agency/ Year	Property Taxes Levied	Collected In Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Current Amount Uncollectible	County Receivable at Year End
Questa Independent School							
2007	572,159	528,284	528,284	528,284	528,284	1,430	43,875
2006	626,719	29,138	601,802	29,138	601,802	-	24,912
2005	598,883	11,565	587,561	11,565	587,561	-	11,322
2004	602,597	6,927	592,004	6,927	592,004	-	10,592
2003	647,179	4,816	636,495	4,816	636,495	-	10,684
2002	554,389	4,370	545,677	4,370	545,677	-	8,712
2001	500,960	4,310	431,824	4,310	431,824	-	69,136
2000	820,136	274	866,278	274	866,278	-	(46,143)
1999	720,800	279	739,284	279	739,284	-	(18,484)
1998	626,618	84	627,443	84	627,443	-	(825)
Total	6,270,440	590,047	6,156,652	590,047	6,156,652	1,430	113,781
1% Administrative Fee							
2007	-	153,281	153,281	153,281	153,281	425	(153,282)
2006	145,619	7,186	139,656	7,186	139,656	-	5,963
2005	133,948	2,228	131,504	2,228	131,504	-	2,444
2004	124,008	630	122,197	630	122,197	-	1,811
2003	121,659	329	119,024	329	119,024	-	2,635
2002	112,844	204	112,031	204	112,031	-	813
2001	109,898	171	108,371	171	108,371	-	1,528
2000	107,259	22	99,217	22	99,217	-	8,042
1999	92,204	18	89,994	18	89,994	-	2,210
1998	81,309	12	82,078	12	82,078	-	(770)
Total	1,028,748	164,081	1,157,353	164,081	1,157,353	425	(128,606)
Taos County							
2007	7,081,836	6,340,028	6,340,028	6,340,028	6,340,028	17,705	741,809
2006	6,133,838	317,668	5,976,945	317,911	5,976,945	-	156,893
2005	5,614,442	100,459	5,588,599	98,682	5,588,599	-	25,842
2004	5,264,200	29,593	5,271,679	30,431	5,271,679	-	(7,479)
2003	4,983,151	16,081	5,071,630	16,110	5,071,630	-	(88,479)
2002	4,797,415	10,487	4,787,855	10,436	4,787,855	-	9,561
2001	4,549,220	8,957	4,719,009	8,960	4,719,007	-	(169,789)
2000	4,112,795	(765)	4,176,616	987	4,176,614	-	(63,821)
1999	3,548,763	683	3,512,238	798	3,512,239	-	36,526
1998	3,393,981	633	3,402,479	660	3,402,479	-	(8,498)
Total	49,479,641	6,823,824	48,847,078	6,825,003	48,847,075	17,705	632,565
GRAND TOTAL	\$ 119,435,183	\$ 16,427,604	\$ 116,673,804	\$ 16,428,754	\$ 116,673,802	\$ 42,773	\$ 2,761,377

See accompanying independent auditors' report

STATE OF NEW MEXICO
Taos County
Schedule of Changes in Fiduciary Assets and Liabilities
Agency Funds
For the Year Ended June 30, 2008

Schedule V

	<u>Balance</u> <u>June 30, 2007</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2008</u>
ASSETS				
Cash and cash equivalents	\$ 573,474	\$ 15,992,433	\$ 15,845,549	\$ 720,358
Taxes receivable	961,698	9,862,610	8,566,890	2,257,418
<i>Total assets</i>	<u>\$ 1,535,172</u>	<u>\$ 25,855,043</u>	<u>\$ 24,412,439</u>	<u>\$ 2,977,776</u>
LIABILITIES				
Due to other taxing units	<u>\$ 1,535,172</u>	<u>\$ 25,855,043</u>	<u>\$ 24,412,439</u>	<u>\$ 2,977,776</u>
<i>Total liabilities</i>	<u>\$ 1,535,172</u>	<u>\$ 25,855,043</u>	<u>\$ 24,412,439</u>	<u>\$ 2,977,776</u>

See accompanying independent auditors' report

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COMPLIANCE SECTION

**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 County Commission
Taos County
Taos, New Mexico

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, the budgetary comparisons for the General Fund and Intergovernmental Special Revenue Fund and the aggregate remaining fund information of Taos County, as of and for the year ended June 30, 2008 which collectively comprise the County's basic financial statements as listed in the table of contents and have issued our report thereon dated November 14, 2008. We also have audited the financial statements of each of the County's nonmajor governmental funds and the budgetary comparison for the 2007 Educational Refunding Bond Reserve Fund, the NMFA Debt Service Fund, the Admin/Judicial/Corrections Complex Fund, the proprietary funds and the remaining nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2008 as listed in the table of contents. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the TAOS COUNTY HOUSING AUTHORITY, as described in our report on the County's financial statements. The report includes our consideration of the results of the other auditors testing of internal control over financial reporting and compliance and other matters that are reported on separately by those auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors..

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Taos 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 Taos County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Taos 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 Taos County's financial statements that is more than inconsequential will not be prevented or detected by Taos County's internal control. We consider the deficiencies described in the accompanying schedule of findings and responses to be significant deficiencies in internal control over financial reporting as items FS 07-04, FS 08-01, FS 08-04, FS 08-05, FS 08-06, FS 08-07.

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 Taos 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, we believe that none of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Taos County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items FS 08-02, FS 08-03, FS 08-04.

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

This report is intended solely for the information and use of management, others within Taos County, the audit committee, the State Auditor, the New Mexico Legislature, the New Mexico Department of Finance and Administration, and applicable federal grantors, and is not intended to be and should not be used by anyone other than these parties.

Accounting & Consulting Group, LLP

Accounting & Consulting Group, LLP
Albuquerque, NM
November 14, 2008

STATE OF NEW MEXICO
Taos County
Schedule of Findings and Responses
June 30, 2008

Section I – Summary of Audit Results

Financial Statements:

- | | |
|--|-------------|
| 1. Type of auditors' report issued | Unqualified |
| 2. Internal control over financial reporting: | |
| a. Material weakness identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| c. Noncompliance material to the financial statements noted? | No |

STATE OF NEW MEXICO
Taos County
Schedule of Findings and Responses
June 30, 2008

Section II – Financial Statement Findings and Responses

FS 07-04 Preparation of Financial Statements - repeated

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.

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.

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

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

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

The training should include, but not be limited to:

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

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

Management's Response: By retaining independent auditors every audit year, Taos County assures that the end of the year financial statements and related disclosures are properly and accurately stated in the audit report. To augment the independent auditor's review, Management will increase its efforts in receiving training through professional courses on understanding the requirements of external financial reporting.

STATE OF NEW MEXICO
Taos County
Schedule of Findings and Responses
June 30, 2008

FS 08-01 Inefficient design of control over segregation of duties in payroll

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

Condition: Since the prior's year audit, the County has improved their internal controls over payroll in the form of segregation of duties by having someone other than the Payroll officer trained in the payroll process (and performing payroll duties when the Clerk is absent). However, there is no documented review of the trial paycheck register before checks are printed or direct deposited. Changes to the payroll master database are not being reviewed and documented by someone other than the Payroll Officer. Also, resolution to payroll inquiries is not segregated from the payroll preparation process.

Cause: The County relies on the expertise of one individual to make changes to the payroll database as well as resolve payroll inquiries and provide a final review of payroll before it is disbursed.

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

Auditors' Recommendation: Develop a formal and documented review process for the payroll transaction cycle. Implement procedures which require that another individual perform a documented review of any changes to the master payroll database. (If the payroll software has a master log of changes-review and signoff of that report by a person outside the payroll department would be adequate). Implement a procedure that allows a person completely separate from the payroll process (does not sign timesheets, prepare checks or sign checks) to be the responder to payroll inquires. Any changes to the payroll master file should be received on an approved change form and given to the payroll preparer. Having proper segregation of duties in the payroll department may require hiring additional staff in this area.

Management's Response: Taos County will develop written procedures for the payroll transaction cycle which includes independent oversight by the Deputy Finance Director. Such duties include but are not limited to overseeing the payroll function, timely resolution of payroll inquires, prompt review of any changes to the master payroll database as they are prompted by the Human Resources Department and review and signoff on the trial paycheck register before checks are printed or direct deposited.

STATE OF NEW MEXICO
Taos County
Schedule of Findings and Responses
June 30, 2008

FS 08-02 — Untimely Deposits

Criteria: The County has a policy of depositing all public money in the custody or under the control of any county official or received by any county employee from any source within 24 hours of receipt.

Condition: During our test work of receipts, it was noted that 2 out of 5 receipts selected from the County Clerk's office were not deposited within 24 hours of receipt. The amounts of these untimely deposits were \$969.50 and \$853.50.

Cause: The County Clerk's office is aware of the policy as evidenced by a memo from the County Manager to all County employees discussing this policy with the requirement that there were to be no exceptions.

Effect: These exceptions occur because County staff get busy with other work and the deposits do not get made timely.

Auditors' Recommendation: We recommend that the County follow and enforce its own policy regarding making timely deposits.

Management's Response: The County Clerk Mrs. Elaine Montano has implemented a policy regarding submitting deposits to the Treasurer's Office, and they have also notified the Title companies of this policy (see attached memo & policy).

The County Manager will also re-issue a memorandum regarding the 24 hour deposit policy of the County. The Treasurer's Office will notify the County Manager upon any late deposits so that the County Manager to address with the respective departments.

The Treasurer's Office will also require a memorandum from the department should the deposit be after the 24-hour deadline. A detail of receipts will also be required with every deposit. The deposit will not be accepted without the appropriate paperwork. The Treasurer's Office has had the 24-hour deposit requirement in place since 1998 within the Treasurer's Policies and Procedures.

STATE OF NEW MEXICO
Taos County
Schedule of Findings and Responses
June 30, 2008

FS 08-03 Purchase Order not Completed for Related Party Transaction

Criteria: According to Procurement Code, Section 13-1-21 et seq., NMSA 1978, and the County's Purchasing Policies, an internal structure over purchasing shall be established and maintained to assure compliance with the State Procurement Code and the County's policy over procurement.

Condition: During our test of related party transactions, we noted one instance out of four in which the County did not have a purchase order. The amount of the voucher was \$7,015.94 with Northern Mountain Constructors. They are considered a related party because a commissioner also works for the company.

Cause: The County never created a purchase order before agreeing to pay for the services.

Effect: The effect is that the service was purchased without an authorized purchase order, which violates the County's purchasing policy and increases the risk of unauthorized purchases of services and that goods and services will not be obtained at the best possible price.

Auditors' Recommendation: We recommend that the County take necessary actions to ensure that all purchases, especially those with related parties, must have a purchase order before purchasing the services.

Management's Response: A severe snowstorm had occurred when this purchase was made. The Governor signed a declaration providing monetary assistance to Taos County for snow removal emergencies (Emergency Disaster Declaration). The parking lot at the County Courthouse, facing the highway, was a muddy mess and I received a request from the District Court Judge, Sam Sanchez, that this parking lot be repaired as soon as possible as there were going to be high profile cases taking place that next week and the need for parking was a must. Subsequently, I contacted the Public Works Director (Mike Truijillo) and asked him to assist this office on this matter. He agreed and was going to check to see if this work could be paid out of the Disaster Declaration funds. In the meantime, he stated that he had spoken to Northern Mountain Constructors who is on state contract and that they would be willing to do the work (grade and place gravel on this parking lot) over the weekend prior to the court cases that would be commencing. I advised him to proceed and thought he had initiated the purchase order since he placed the order for the amount of material needed, labor, etc.

However, shortly after the work was completed, the invoice was brought in by General Services staff inquiring about the purchase order for this purchase. I advised Mr. Chavez to check with Mike since I had placed him in charge of this project. It turned out that this was an expense that could not be taken from the Disaster Declaration monies and it would have to be paid out of a different line item. That is when I discovered that a purchase order had not even been initiated. Had I known that this office had to initiate the purchase order, I would have done so. Nevertheless, it was too late to execute a purchase order so a Potential Violation form was completed instead.

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FS 08-04 Inability to pay invoices on time

Criteria: Per section 13-1-158, NMSA 1978 (the Procurement code) requires payment to be made for services or construction within 30 days of the date of acceptance of the services, construction, or items of tangible personal property.

Condition: In our observation of the disbursement process, we noted that the accounts payable clerk was spending a lot of time trying to keep track of invoices that were late. We conducted a special test of invoices with two vendors, and found 100% of the invoices for the two vendors included late fees.

Cause: The County does not have effective controls over its payment process.

Effect: Not paying invoices timely results in noncompliance with the law, wasted staff time researching old payables and ill will on the part of vendors.

Auditor's recommendation: We recommend the County get up to date with all of its bills and put a more effective system in place to make payments timely.

Management's Response: Taos County has hired a Deputy Finance Director to assist with the accounts payable payment cycle. This supervisory oversight will include establishing and implementing procedures to effectively process the payment of invoices to vendors in a timely manner. Triadic Inc. our accounting software company, has been contacted and requested to assist the Finance Department to establish a 30-60-90 day aging process to track outstanding invoices.

FS-08-05 Capital Asset Information not up to Date

Criteria: Section 2.20.1.15 (3) of NMAC requires agencies to tag newly received capital assets at the time they are received by the agency. Section 2.20.1.8 of NMAC requires agencies to add new capital assets to a detailed capital asset accounting system.

Condition: Upon review of capital assets, we noted that the County recorded items in their capital asset additions months after the items were actually purchased.

Cause: The County does not have effective communication between the purchasing and capital asset departments resulting in the late recording of capital assets.

Effect: The County's capital assets detail list is understated and capital assets are not properly tagged and safeguarded in the interim.

Auditor's recommendation: We recommend the County put a process in place that gets the information regarding purchases of capital assets to the capital asset specialist in a timely manner.

Management's Response: Department heads have been advised to contact the Asset Manager once the capital assets have been delivered and to provide a copy of the invoice identifying the asset. Furthermore, a copy of the purchase order will be provided by the Procurement Officer to advise the Asset's Manager that an asset has been procured. This process will expedite the recording of the assets on the Fixed Asset Listings for the County.

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FS 08-06 Incorrect Classification of Expenditures

Criteria: According to GASB 34, paragraph 34, the County should report all expense by function. In addition, the County should establish internal controls over account distribution to assure expenditures are properly classified to generate accurate financial data.

Condition: Upon review of the County's general ledger account details, we noted that the County is coding a number of items to a "TRSR Expense" account. Within this account are debt service expenditures, capital outlay expenditures and other expenditures paid for by New Mexico Finance Authority on behalf of the County.

Cause: The County does not differentiate between various expenditures accounts and recording expenses in a "general" expense account line item. In addition, the statements received from Bank of Albuquerque have vague and general descriptions of the payments made on behalf of the County.

Effect: The County has large amounts of expenditures within this account across all funds and the auditor must review the account and propose adjustment to classify the expenditures in the proper account. In addition, expenditures are not properly classified within each fund.

Auditor's recommendation: We recommend the County put a process in place to obtain sufficient information from NMFA or Bank of Albuquerque to properly classify expenditures. In addition, debt service payment should be in separate accounts distinguishing between principal and interest.

Management's Response: The Treasurer's Office will implement in the 2008-2009fy new line items to distribute and differentiate between the Treasurer's Expenses and Trustee Expenses. The TRSR Expense account will be solely for Treasurer's expenses and the Trustee payments will be distributed as follows:

- 50001- Principal Payments
- 50002- Interest Payments
- 50003- Administrative Payments
- 50004- Trustee Debt Service Payments
- 50005- Expenditures from Trustees
- 50006- Maintenance Fees (Trustees)

These line items will be used only for Trustee Expenditures. The Treasurer's Office will also request detailed and timely statements from the Trustees.

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FS 08-07 Inefficient design of control over receipting

Criteria: Documented approval of changes and reconciliation to detail reports in receipting processes, as indicated in NMSA 1978 Section 6-6-3, is required to maintain proper and sufficient internal controls which reduce the risk of fraudulent activities.

Condition: The solid waste department performs a daily reconciliation process between receipts entered into the Triadic system and their cash drawers. A summary sheet by fund is attached to this triadic report along with the monies to be deposited and given to the Treasurer's dept. ACG noted that changes on the triadic report are not being initialed by the changer. Also, the EMS department is not providing the Treasurer's dept. with a detail report of the monies to be deposited.

Cause: The County did not effectively design the control over approval to changes in the receipt reconciliation report and is not using the Triadic software effectively to provide receipt reconciliation reports from all departments.

Effect: Without effectively designed controls over the receipting process, errors may be made without detection.

Auditors' Recommendation: Any changes on the triadic reconciliation report be initialed by the changer and by the approver if a different person. Also, ACG recommends that the EMS department start utilizing the Triadic software in a similar manner to the solid waste process. If the software is not available, the EMS department should provide a listing of daily receipts attached to their summary sheet with beginning and ending receipts numbers kept in sequence and checked by the Treasurer's dept. The Treasurer Dept would then reconcile the monies received to the summary sheet and daily receipt log.

Management's Response: Beginning the 2008-2009fy the Treasurer's Office will begin to log receipts for the departments that have receipting practices to ensure that receipts are sequential. These departments will be required to provide their daily receipts with their deposits. If this detail is not provided the deposit will not be accepted and a memorandum explaining the tardiness of the deposit will also have to be submitted with the deposit should it exceed the 24-hour deposit deadline. Any changes made to the deposit must be initialed by the depositor or the deposit will be rejected.

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FS 07-03 IT Control Finding

Criteria:

State of New Mexico Statewide Guideline S-GUIDE-002.003 (per NMSA 1978 Section 15-1C-1 et. Seq. and NMAC 1.12.6 and NMAC 1.12.2) establishes an Enterprise Security Policy for the protection of IT assets and resources including data and information. The policy establishes that protection must be provided for IT assets, resources, and data/information from unauthorized access, use, disclosure, disruption, modification, or destruction in order to provide integrity, confidentiality, availability, accountability, and assurance, and establishes that controls must be maintained over information systems, resources, and data/information sufficient to contain risk of loss or misuse of information.

Condition:

During our audit, we noted that:

- Adequate controls for access to programs and data have not been established by management to restrict access to properly authorized individuals. Lack of such controls exist in the following areas:
 1. Identification and authentication – passwords not promptly cancelled for terminated employees

Cause:

Taos County is not properly safeguarding IT assets and resources. The following deficiencies were noted:

- Passwords not promptly cancelled for terminated employees due to improper notification policy from Human Resources

Effect:

Lack of proper password policies and procedures leave Taos County at risk for unauthorized access of information. Adequate protection has not been established to safeguard IT assets and resources.

Auditor's Recommendations:

The County should consider implementing the following recommendations:

- Adopt a procedure whereby Human Resources notifies IT of changes in personnel status that require modification of system access. IT will then promptly remove access and disable passwords as appropriate.

Management's Response: Taos County Human Resources Department has instituted a process with the Taos County IT Department to notify them via email each time an employee resigns or is separated from employment. This is a new process and has been in place for only two months, approximately. HR is preparing a written procedure to ensure compliance with each employee.

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COMPONENT UNIT FINDINGS**Taos County Housing Authority**

NONE

Section III – Prior Year Audit Findings**Prior Year Audit Findings****Financial Statement Findings:**

		Disposition
FS 05-03	Late Audit Report	Resolved
FS 06-1	Supporting Documentation for Disbursements	Resolved
FS 06-4	Expenditures in Excess of Budget	Repeated
FS 07-01	Disaster Recovery Plan	Resolved
FS 07-02	Internal Controls over Information Technology	Resolved
FS 07-03	Password Policy/Procedures	Repeated and Modified
FS 07-04	Preparation of Financial Statements	Repeated

Component Unit Findings:

		Disposition
FS 06-05	Expenditures in Excess of Budget	Resolved

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OTHER DISCLOSURES

Exit Conference

An exit conference was held on November 14, 2008. In attendance were the following:

Representing Taos County:

Julia Valerio	County Manager
Charlie Gonzales	County Commission Chairman
Nicklos Jaramillo	County Commissioner
Sammy Pacheco	County Attorney
Evangeline Romero	County Treasurer
Susan Trujillo	Finance Director
Paula Santistevan	Accountant

Representing Accounting & Consulting Group, LLP:

Bobby Cordova	Supervisor
Danny Martinez	In-charge

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 & Consulting Group, LLP prepared the financial statements of Taos County from the original books and records provided to them by the management of the County.