

STATE OF NEW MEXICO  
TAOS COUNTY  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2011



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## **INTRODUCTORY SECTION**

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**STATE OF NEW MEXICO  
TAOS COUNTY**

Official Roster  
June 30, 2011

Elected Officials

Daniel R. Barrone	Commission Chairman-District I
Larry Sanchez	County Commissioner-District II
Andrew Chavez	County Commissioner-District III
Nicklos Jaramillo	County Commissioner-District IV
Joe Mike Duran	County Commissioner-District V
Elaine S. Montaña	County Clerk
Evangeline S. Romero	County Treasurer
Darlene J. Vigil	County Assessor
Miguel A Romero, Jr.	County Sheriff
Andres “Andy” Vargas	County Probate Judge

Administrative Officials

Jacob D. Caldwell	County Manager
Dayna D. Duran	Finance Director

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**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED JUNE 30, 2011**  
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**FINANCIAL SECTION**

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# Griego Professional Services, LLC

Certified Public Accountants

## INDEPENDENT AUDITORS' REPORT

Hector Balderas  
New Mexico State Auditor  
The Board of Taos County Commissioners  
Taos County  
Taos, New Mexico

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund of Taos County, New Mexico (the County), as of and for the year ended June 30, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. We have also audited the financial statement of each for the County's nonmajor governmental and fiduciary funds, and the budgetary comparisons for the major capital project funds, debt service funds, and all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of Taos County, New Mexico's, management. Our responsibility is to express an opinion 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 of Taos County, which statements reflect total assets of \$4,969,439 as of June 30, 2011, and total revenues of \$4,120,938 for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Taos County Housing Authority, is based solely 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. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Taos County, New Mexico, as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the general 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 and fiduciary fund of Taos County, New Mexico as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the major capital project fund, debt service funds, and all nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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In accordance with *Government Auditing Standards*, we have also issued a report dated November 1, 2011 on our consideration of Taos, New Mexico'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 vii through xiv are not a required part of the basic financial statements but are 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 basic financial statements and the combining and individual fund financial statements and budgetary comparisons. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* and is not a required part of the financial statements. The "Supporting Schedules" listed in the table of contents are presented for purposes of additional analysis are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Grigo Professional Services, LLC*

Albuquerque, New Mexico  
November 1, 2011

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**State of New Mexico**  
**Taos County**  
**Management's Discussion and Analysis**  
**June 30, 2011**

This discussion and analysis presents the highlights of financial activities and financial position for Taos County. The analysis focuses on significant financial issues, major financial activities, resulting changes in financial position, budget changes and variances from the budget, and identifies individual fund issues or concerns. It is designed to focus on the current year's activities and should be read in conjunction with the County's financial statements.

**Overview of the Financial Statements**

The County's basic financial statements have three components: government-wide financial statements, fund financial statements, and the notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements. Taos County has five major funds: General Fund, Admin/Judicial/Correctional Complex Capital Project Fund, NMFA Debt Service Fund, 2007 Refunding Series Debt Service Fund and USDA/RUS Complex Debt Service Fund. The Nonmajor Governmental Fund is comprised of 60 individual governmental funds and are described beginning on page 41 of this report. Additionally, Taos County has one fiduciary fund for collection and disbursement of property taxes and one component unit (Taos County Housing Authority).

The government-wide financial statements are designed to provide readers with a broad overview of County finances as a whole in a manner similar to a private sector business. The statement of net assets presents information on all the County's assets and liabilities, with the difference between the two reported as net assets. Increases or decreases in net assets, over time, are an indicator of whether the financial position of the County is improving or declining.

The statement of activities presents information showing how the County's assets changed during the past fiscal year. All changes in net assets are reported when the underlying event or transaction occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in a future fiscal period such as uncollected property taxes and earned, but unused, vacation leave.

**State of New Mexico**  
**Taos County**  
**Management's Discussion and Analysis**

**June 30, 2011**

**Financial Highlights**

- ◆ *Net Income*—In 2011 the County experienced a decrease in net assets (net income) of \$12,482,305. This is due to the Principal and Interest payments associated with the Refunding of the NMFA Administrative/Judicial Complex Loan, along with a decrease in cash and cash equivalents.
- ◆ *Net Assets*—The assets of the County exceeded its liabilities at the close of FY 11 by \$49,430,166. Of this amount, \$6,565,625 (unrestricted net assets) may be used to meet the County's ongoing obligations to citizens and creditors.
- ◆ *Revenues*—Revenues are \$2,129,951 lower than the prior year. Program revenues decreased from prior year, changes in Operating Grants and Capital Grants attributed to the decrease.
- ◆ *Expenditures*—
  1. During FY 11 Total Governmental Fund expenditures exceeded revenues by \$13,074,805. Total expenditures in FY 11 were \$39,986,233 million compared to \$20,932,987 million in the prior year.
  2. Expenses were higher in the public works expense category except (list functions), the Capital expenditures increased in FY 11 by \$18,391,725 million due to new complex construction.
- ◆ *Intergovernmental Transfers*—The County supports several of its special revenue funds with transfers from the general fund and other funds. The most significant transfers are for the detention and public works funds.
- ◆ *Overall Financial Condition of Taos County*—In FY 11 the County's general fund revenues exceeded its expenditures by \$3,169,245. The County enjoys an unrestricted fund balance in the General Fund of \$5,575,534.

**State of New Mexico  
Taos County  
Management's Discussion and Analysis**

**June 30, 2011**

**Financial Statements**

The County's government-wide statement of net assets and statement of activities are presented in the following tables:

**Table I  
Taos County  
Condensed Statement of Net Assets—Governmental Activities  
June 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
Assets		
Current	\$ 15,993,741	\$ 17,874,660
Non-current	6,023,226	16,662,602
Capital assets	<u>76,017,285</u>	<u>70,468,537</u>
Total assets	<u>\$ 98,034,252</u>	<u>\$ 105,005,799</u>
Liabilities and net assets		
Current and other liabilities	\$ 3,213,828	\$ 4,982,788
Long-term liabilities	<u>45,390,258</u>	<u>37,518,040</u>
Total liabilities	<u>48,604,086</u>	<u>42,500,828</u>
Invested in capital assets, net of related debt	28,879,429	40,460,477
Restricted net assets	13,985,112	14,823,645
Unrestricted net assets	<u>6,565,625</u>	<u>7,220,849</u>
Total fund balance	<u>49,430,166</u>	<u>62,504,971</u>
Total liabilities and net assets	<u>\$ 98,034,252</u>	<u>\$ 105,005,799</u>

**State of New Mexico  
Taos County  
Management's Discussion and Analysis**

**June 30, 2011**

**Table II  
Taos County  
Government-Wide  
Condensed Statement of Activities—Governmental Activities  
Fiscal Year Ended June 30, 2011 and 2010**

	<u>2011</u>	<u>2010</u>
Program revenues		
Charges for services	\$ 1,484,313	\$ 821,885
Operating grants and contributions	4,687,808	7,839,143
Capital grants and contributions	563,032	1,475,456
General revenues		
Taxes	19,812,984	18,468,004
Investment	395,346	541,446
Other	<u>440,482</u>	<u>86,163</u>
	<u>27,383,965</u>	<u>29,232,097</u>
Expenditures		
General government	7,585,055	8,429,897
Public Works	22,145,180	3,753,455
Health and welfare	2,866,834	2,165,182
Public safety	2,435,835	3,387,816
Culture and recreation	332,004	353,146
Education	1,454,912	760,699
Interest	<u>3,166,413</u>	<u>2,082,792</u>
Total expenditures	<u>39,986,233</u>	<u>20,932,987</u>
Increase (Decrease) in net assets	<u>(12,602,268)</u>	<u>8,299,110</u>
Transfers	<u>(472,537)</u>	<u>(428,705)</u>
Increase in net assets	<u>(13,074,805)</u>	<u>7,870,405</u>
Prior Period Adjustment	-	
Fund balance, beginning	<u>62,504,971</u>	<u>54,634,566</u>
Fund balance, ending	<u>\$ 49,430,166</u>	<u>\$ 62,504,971</u>

**State of New Mexico**  
**Taos County**  
**Management's Discussion and Analysis**

**June 30, 2011**

**Analysis of Variations From the Original and Final Amended Budget for the General Fund**

- ◆ Changes in the budget—Revenues of the General Fund remained the same. Budgeted expenses of the General Fund were increased \$37,874 due to an approved Compensation Plan increasing other funds.
- ◆ Significant *revenue variances* in actual results vs. budget—Actual General Fund revenues are \$368,063 more than budgeted revenues. Tax revenues were \$226,174 more than budgeted while Payment in lieu of Taxes was \$46,222 more than budgeted.
- ◆ Significant *expenditure variances* in actual results vs. budget—Actual general fund expenditures are \$867,029 less than budgeted expenditures. The most significant variance was in the general government. The favorable variance was due to disciplined spending and careful monitoring of the budget in each of the County's departments.
- ◆ The following table summarizes the general fund results verses the final budget. Please note that this table is based on the traditional governmental funds accounting and therefore it has some differences from the government-wide statement of revenue, expenditures, and changes in fund balance shown in Table II.

**State of New Mexico  
Taos County  
Management's Discussion and Analysis**

**June 30, 2011**

**Table III  
Taos County  
Statement of Revenues and Expenditures—  
Budget and Actual—General Fund  
Fiscal Year Ended June 30, 2011**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Taxes	\$ 8,734,251	\$ 8,960,425	\$ 226,174
Intergovernmental	1,587,200	1,626,065	38,865
Other	<u>705,340</u>	<u>808,364</u>	<u>103,024</u>
Total revenues	<u>11,026,791</u>	<u>11,394,854</u>	<u>368,063</u>
Expenditures			
General Government	8,950,785	8,094,630	856,155
Capital Outlay	<u>21,050</u>	<u>10,176</u>	<u>10,874</u>
Total expenditures	<u>8,971,835</u>	<u>8,104,806</u>	<u>867,029</u>
Revenues over expenditures	<u>2,054,956</u>	<u>3,290,048</u>	<u>1,235,092</u>
Other financing sources (uses)			
Transfers, net	(4,244,611)	(3,660,354)	584,257
Designated Cash	<u>2,189,655</u>	<u>-</u>	<u>(2,189,655)</u>
Total other financing sources	<u>(2,054,956)</u>	<u>(3,660,354)</u>	<u>(1,605,398)</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ (370,306)</u>	<u>\$ (370,306)</u>

**State of New Mexico  
Taos County  
Management's Discussion and Analysis**

**June 30, 2011**

**Table III — continued  
Taos County  
Statement of Revenues and Expenditures—  
Budget and Actual—General Fund  
Fiscal Year Ended June 30, 2010**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Taxes	\$ 8,894,173	\$ 9,872,829	\$ 978,656
Intergovernmental	1,689,510	1,728,877	39,367
Other	<u>564,104</u>	<u>519,950</u>	<u>(44,154)</u>
Total revenues	<u>11,147,787</u>	<u>12,121,656</u>	<u>973,869</u>
 Expenditures			
General Government	8,642,469	7,800,032	842,437
Capital Outlay	<u>55,190</u>	<u>54,330</u>	<u>860</u>
Total expenditures	<u>8,697,659</u>	<u>7,854,362</u>	<u>843,297</u>
 Revenues over expenditures	<u>2,450,128</u>	<u>4,267,294</u>	<u>1,817,166</u>
 Other financing sources (uses)			
Transfers, net	(4,312,979)	(4,312,979)	-
Designated Cash	<u>1,862,851</u>	<u>-</u>	<u>(1,862,851)</u>
Total other financing sources	<u>(2,450,128)</u>	<u>(4,312,979)</u>	<u>(1,862,851)</u>
Revenues and other sources over (under) expenditures	<u>\$ -</u>	<u>\$ (45,685)</u>	<u>\$ (45,685)</u>

**Component Unit**

The County has one component unit, which is the Taos County Housing Authority. This component unit has separate elected and/or appointed board and provides services to residents, generally within the geographic boundaries of the government. 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.

**State of New Mexico**  
**Taos County**  
**Management's Discussion and Analysis**  
**June 30, 2011**

**Significant Capital Asset and Long-Term Debt Activity**

- ◆ *Significant Capital Asset Additions*—Capital asset additions for FY 11 total \$8,285,446. Approximately \$5,394,685 million was expended on Construction In Progress attributed to the Administrative/Judicial Complex. Other significant capital asset additions include approximately \$1,039,180 for equipment associated with the public works department.
- ◆ *Long-Term Debt Activity*—Note 7 to the financial statements describes all of the County's long-term debt including terms and maturities. During FY 11 the County initiated a NMFA Loan Refunding Loan of \$33,260,000.00 which was refunding NMFA Taos 26 and NMFA Loan Taos 29 for the Administrative/Judicial Complex.

**Requests for Information**

This financial report is designed to present users with a general overview of the County's finances and to demonstrate the County's accountability for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Finance Department, 105 Albright St, Suite I, Taos, New Mexico 87571. Please refer to Note 1 of the financial statements for information on obtaining financial statements for the Taos County Housing Authority. Information related to the Housing Authority's separately issued financial statements can be obtained through the Taos Housing Authority at 525 Ranchitos Road, Unit 962, Taos, NM 87571.



**BASIC  
FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2011**

Exhibit A-1

	Primary Government			Taos County Housing Authority
	Governmental Activities	Business-Type Activities	Total	
<b>Assets</b>				
Current Assets				
Cash and cash equivalents	\$ 11,275,570	\$ 189,051	\$ 11,464,621	\$ 360,279
Short term investments	2,035,061	-	2,035,061	59,784
Receivables				
Property taxes, net	1,608,039	-	1,608,039	-
Intergovernmental	854,809	20,036	874,845	4,816
Customers, net of allowance	-	487,645	487,645	6,271
Prepaid insurance	220,262	12,840	233,102	22,307
<b>Total Current Assets</b>	<b>15,993,741</b>	<b>709,572</b>	<b>16,703,313</b>	<b>453,457</b>
Noncurrent Assets				
Restricted cash and equivalents	5,936,486	-	5,936,486	67,663
Bond issuance costs (net of accumulated amortization of \$57,205)	25,012	-	25,012	-
Original issue discounts (net of accumulated amortization of \$183,587)	61,728	-	61,728	61,728
Capital assets	114,304,347	10,649,530	124,953,877	12,470,642
Less: accumulated depreciation	(38,287,062)	(5,820,571)	(44,107,633)	(8,084,051)
<b>Total Noncurrent Assets</b>	<b>82,040,511</b>	<b>4,828,959</b>	<b>86,869,470</b>	<b>4,515,982</b>
<b>Total Assets</b>	<b>\$ 98,034,252</b>	<b>\$ 5,538,531</b>	<b>\$ 103,572,783</b>	<b>\$ 4,969,439</b>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**STATEMENT OF NET ASSETS**  
**JUNE 30, 2011**

Exhibit A-1

	Primary Government			Taos County Housing Authority
	Governmental Activities	Business-Type Activities	Total	
<b>Liabilities</b>				
Current Liabilities				
Accounts payable	\$ 367,375	\$ 22,792	\$ 390,167	\$ 20,528
Accrued payroll liabilities	416,630	81,754	498,384	38,486
Accrued interest payable	159,844	-	159,844	-
Current portion of accrued compensated absences	78,415	23,567	101,982	15,182
Current portion of long term obligations	2,191,564	-	2,191,564	-
<b>Total Current Liabilities</b>	<b>3,213,828</b>	<b>128,113</b>	<b>3,341,941</b>	<b>74,196</b>
Noncurrent Liabilities				
Security deposits				65,374
Non current portion of accrued compensated absences	357,226	73,418	430,644	19,776
Original issue discounts (net of accumulated amortization of \$395,430)	88,149	-	88,149	61,728
Bonds payable	13,245,173	-	13,245,173	-
Notes & Capital Leases Payable	31,699,710	-	31,699,710	-
<b>Total Noncurrent Liabilities</b>	<b>45,390,258</b>	<b>73,418</b>	<b>13,763,966</b>	<b>146,878</b>
<b>Total Liabilities</b>	<b>48,604,086</b>	<b>201,531</b>	<b>48,805,617</b>	<b>221,074</b>
<b>Net Assets</b>				
Invested in capital assets, net of related debt	28,879,429	4,828,959	33,708,388	4,386,591
Restricted for:				
Debt service	3,979,025	-	3,979,025	-
Capital projects	2,315,804	-	2,315,804	-
Special revenue funds	7,690,283	-	7,690,283	-
Unrestricted	6,565,625	508,041	7,073,666	361,774
<b>Total Net Assets</b>	<b>49,430,166</b>	<b>5,337,000</b>	<b>54,767,166</b>	<b>4,748,365</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 98,034,252</b>	<b>\$ 5,538,531</b>	<b>\$ 103,572,783</b>	<b>\$ 4,969,439</b>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**STATEMENT OF ACTIVITIES**  
**JUNE 30, 2011**

	<b>Program Revenues</b>			
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b><u>Functions/Programs:</u></b>				
<b>Primary Government</b>				
Governmental Activities:				
General government	\$ 7,585,055	\$ 692,621	\$ 1,622,965	\$ -
Public safety	2,435,835	330,839	1,118,162	-
Culture and recreation	332,004	8,631.00	21,227.00	-
Health and welfare	2,866,834	-	1,214,514	-
Education	1,454,912	-	-	-
Public works	22,145,180	452,222	710,940	563,032
Interest on long-term debt	3,166,413	-	-	-
	<u>39,986,233</u>	<u>1,484,313</u>	<u>4,687,808</u>	<u>563,032</u>
Business-type activities				
Solid Waste	1,032,218	718,662	-	-
Ambulance	1,426,112	935,526	-	-
	<u>2,458,330</u>	<u>1,654,188</u>	<u>-</u>	<u>-</u>
Total primary government	<u>42,444,563</u>	<u>3,138,501</u>	<u>4,687,808</u>	<u>563,032</u>
<b>Component unit activities</b>				
Taos County Housing Authority	<u>4,070,108</u>	<u>284,738</u>	<u>3,287,092</u>	<u>547,565</u>
<b>General Revenues:</b>				
Taxes				
Property taxes				
Gross receipts taxes				
Other taxes				
Interest income				
Transfers				
Miscellaneous income				
Total General Revenues and Transfers				
Change in net assets				
Total net assets - beginning of year				
Total net assets - end of year				

The accompanying notes are an integral part of these financial statements

Net (Expenses) Revenues and Changes in Net Assets				Taos County
Governmental Activities	Business-type Activities	Total	Housing Authority	
\$ (5,269,469)	\$ -	\$ (5,269,469)	\$ -	
(986,834)	-	(986,834)	-	
(302,146)	-	(302,146)	-	
(1,652,320)	-	(1,652,320)	-	
(1,454,912)	-	(1,454,912)	-	
(20,418,986)	-	(20,418,986)	-	
(3,166,413)	-	(3,166,413)	-	
(33,251,080)	-	(33,251,080)	-	
-	(313,556)	(313,556)	-	
-	(490,586)	(490,586)	-	
-	(804,142)	(804,142)	-	
-	-	-	-	
-	-	-	49,287	
8,721,014	-	8,721,014	-	
10,615,318	173,810	10,789,128	-	
476,652	-	476,652	-	
395,346	-	395,346	1,543	
(472,537)	472,537	-	-	
440,482	1,788	442,270	-	
20,176,275	648,135	20,824,410	1,543	
(13,074,805)	(156,007)	(13,230,812)	50,830	
62,504,971	5,493,007	67,997,978	4,697,535	
\$ 49,430,166	\$ 5,337,000	\$ 54,767,166	\$ 4,748,365	

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2011**

	<u>General Fund</u>	<u>Admin/Judicial/ Correctional Complex Fund</u>
<b>Assets</b>		
<i>Current:</i>		
Cash and cash equivalents	\$ 3,678,240	\$ -
Short term investments	2,035,061	-
Accounts receivable		
Property taxes	1,608,039	-
Intergovernmental	21,997	-
Prepaid expenses	118,853	-
<i>Total assets</i>	<u>\$ 7,462,190</u>	<u>\$ -</u>
 <b>Liabilities and fund balances</b>		
<i>Liabilities</i>		
Accounts payable	\$ 39,190	\$ -
Accrued payroll liabilities	261,890	-
Deferred revenue - property taxes	1,466,723	-
<i>Total liabilities</i>	<u>1,767,803</u>	<u>-</u>
 <b>Fund balances</b>		
Nonspendable	118,853	-
Restricted	-	-
Committed	-	-
Assigned	-	-
Unassigned	5,575,534	-
<i>Total fund balances</i>	<u>5,694,387</u>	<u>-</u>
 <i>Total liabilities and fund balances</i>	<u>\$ 7,462,190</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

<u>NMFA Debt Service Fund</u>	<u>2007 Refunding Series Debt Service Fund</u>	<u>USDA/RUS Complex Debt Service Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
\$ -	\$ -	\$ 22,880	\$ 9,934,814	\$ 13,635,934
33,178	2,606,349	115,264	821,331	5,611,183
-	-	-	-	1,608,039
-	-	405,301	427,511	854,809
-	-	-	101,409	220,262
<u>\$ 33,178</u>	<u>\$ 2,606,349</u>	<u>\$ 543,445</u>	<u>\$ 11,285,065</u>	<u>\$ 21,930,227</u>
\$ -	\$ -	\$ 189,478	\$ 138,707	\$ 367,375
-	-	-	154,740	416,630
-	-	-	-	1,466,723
<u>-</u>	<u>-</u>	<u>189,478</u>	<u>293,447</u>	<u>2,250,728</u>
-	-	-	101,409	220,262
33,178	2,606,349	353,967	10,656,837	13,650,331
-	-	-	233,372	233,372
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,575,534</u>
<u>33,178</u>	<u>2,606,349</u>	<u>353,967</u>	<u>10,991,618</u>	<u>19,679,499</u>
<u>\$ 33,178</u>	<u>\$ 2,606,349</u>	<u>\$ 543,445</u>	<u>\$ 11,285,065</u>	<u>\$ 21,930,227</u>

The accompanying notes are an integral part of these financial statements

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**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**RECONCILIATION OF THE BALANCE SHEET**  
**TO THE STATEMENT OF NET ASSETS**  
**JUNE 30, 2011**

Exhibit B-1  
Page 3 of 3

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

Fund balances - total governmental funds	\$	19,679,499
Issuance costs, net of accumulated amortization		25,012
Original issue discounts, net of accumulated amortization		61,728
Bond underwriter premiums, net of accumulated amortization		(88,149)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		76,017,285
Other long-term assets are not available to pay for current-period expenditures and therefore, are deferred in the funds: Delinquent property taxes not collected within sixty days after year end are not considered "available" revenues and are considered to be deferred revenue in the fund financial statements, but are considered revenue in the Statement of Activities		1,466,723
Accrued interest		(159,844)
Current portion of accrued compensate absences		(78,415)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds		
Accrued compensated absences		(357,226)
Bonds payable		(14,378,173)
Notes & capital leases payable		(32,758,274)
		(47,493,673)
Net assets-Governmental Activities	\$	49,430,166

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDING JUNE 30, 2011**

Exhibit B-2  
Page 1 of 3

	General Fund	Admin/Judicial/ Correctional Complex Fund
<i>Revenues:</i>		
Property taxes	\$ 8,552,609	\$ -
Gross receipts taxes	263,817	1,654,011
Other taxes	4,174	-
State grants	143,611	-
Federal grants	1,479,353	-
Licenses and fees	397,807	-
Charges for services	41,888	-
Investment income	61,821	852
Miscellaneous	300,216	-
<i>Total Revenues</i>	11,245,296	1,654,863
<i>Expenditures:</i>		
<i>Current:</i>		
General Government	8,065,875	-
Public safety	-	-
Culture and recreation	-	-
Health and welfare	-	-
Education	-	-
Public works	-	-
Capital Outlay	10,176	-
<i>Debt Service:</i>		
Principal	-	31,315,000
Interest	-	1,367,316
<i>Total Expenditures</i>	8,076,051	32,682,316
<i>Excess (deficiency) of revenues over expenditures</i>	3,169,245	(31,027,453)
<i>Other financing sources (uses)</i>		
Proceeds from note payable	-	-
Operating transfers in	1,259,900	31,773,160
Operating transfers (out)	(4,920,254)	(891,074)
<i>Total other financing sources (uses)</i>	(3,660,354)	30,882,086
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures</i>	(491,109)	(145,367)
<i>Fund balance - beginning of year</i>	6,185,496	145,367
<i>Fund balance - end of year</i>	\$ 5,694,387	\$ -

The accompanying notes are an integral part of these financial statements

NMDFA Debt Service Fund	2007 Refunding Series Debt Service Fund	USDA/RUS Complex Debt Service Fund	Nonmajor Governmental Funds	Total
\$ -	\$ -	\$ -	\$ -	\$ 8,552,609
-	3,184,733	1,034,937	4,477,820	10,615,318
-	-	-	472,478	476,652
-	-	-	2,892,942	3,036,553
-	-	-	734,934	2,214,287
-	-	-	688,731	1,086,538
-	-	50,558	305,329	397,775
49,445	-	-	317,450	429,568
-	-	64,000	76,266	440,482
<u>49,445</u>	<u>3,184,733</u>	<u>1,149,495</u>	<u>9,965,950</u>	<u>27,249,782</u>
-	-	-	260,303	8,326,178
-	-	-	3,551,977	3,551,977
-	-	-	221,140	221,140
-	-	-	2,866,834	2,866,834
-	-	-	1,454,912	1,454,912
-	-	-	2,186,491	2,186,491
10,858,502	-	5,791,180	7,661,399	24,321,257
-	2,855,000	-	5,140,151	39,310,151
-	184,765	-	1,705,952	3,258,033
<u>10,858,502</u>	<u>3,039,765</u>	<u>5,791,180</u>	<u>25,049,159</u>	<u>85,496,973</u>
<u>(10,809,057)</u>	<u>144,968</u>	<u>(4,641,685)</u>	<u>(15,083,209)</u>	<u>(58,247,191)</u>
33,260,000	-	12,925,173	52,250	46,237,423
100,302	3,826,611	-	19,538,894	56,498,867
<u>(33,260,208)</u>	<u>(3,826,611)</u>	<u>(8,016,501)</u>	<u>(6,056,756)</u>	<u>(56,971,404)</u>
<u>100,094</u>	<u>-</u>	<u>4,908,672</u>	<u>13,534,388</u>	<u>45,764,886</u>
(10,708,963)	144,968	266,987	(1,548,821)	(12,482,305)
<u>10,742,141</u>	<u>2,461,381</u>	<u>86,980</u>	<u>12,540,439</u>	<u>32,161,804</u>
<u>\$ 33,178</u>	<u>\$ 2,606,349</u>	<u>\$ 353,967</u>	<u>\$ 10,991,618</u>	<u>\$ 19,679,499</u>

The accompanying notes are an integral part of these financial statements

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**STATE OF NEW MEXICO**  
**TAOS COUNTY**

Exhibit B-2  
Page 3 of 3

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDING JUNE 30, 2011

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

Net change in fund balances - total governmental funds	\$ (12,482,305)
--	-----------------

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	8,285,446
Depreciation expense	(2,736,698)

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

Increase in deferred property taxes	134,183
-------------------------------------	---------

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 bond issuance costs	(13,241)
Amortization of original issue discount on bonds	(40,886)
Amortization of bond underwriter premium on bonds	80,597
Increase in the reserve for compensated absences	(7,275)
Decrease in accrued interest payable	91,620
Proceeds of bonds issued	(12,925,173)
Proceeds of notes issued	(33,312,250)
Principal payments on bonds	5,147,000
Principal payments on notes payable	34,062,731
Note payable forgiven	11,000
Principal payments on capital leases	100,420
Capital lease obligation relieved by return of equipment	<u>530,026</u>

Change in net assets of governmental activities	<u><u>\$ (13,074,805)</u></u>
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The accompanying notes are an integral part of these financial statements

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## STATE OF NEW MEXICO

Exhibit C-1

TAOS COUNTY  
GENERAL FUNDSTATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 8,734,251	\$ 8,734,251	\$ 8,960,425	\$ 226,174
Intergovernmental	1,587,200	1,587,200	1,626,065	38,865
Licenses and fees	390,110	390,110	399,348	9,238
Charges for services	28,200	28,200	41,888	13,688
Investment income	90,000	90,000	61,821	(28,179)
Miscellaneous	197,030	197,030	305,307	108,277
<i>Total revenues</i>	<u>11,026,791</u>	<u>11,026,791</u>	<u>11,394,854</u>	<u>368,063</u>
<i>Expenditures:</i>				
Current				
General Government	8,989,709	8,950,785	8,094,630	856,155
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	20,000	21,050	10,176	10,874
Debt service				-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>9,009,709</u>	<u>8,971,835</u>	<u>8,104,806</u>	<u>867,029</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>2,017,082</u>	<u>2,054,956</u>	<u>3,290,048</u>	<u>1,235,092</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	150,000	150,000	1,259,900	1,109,900
Operating transfers (out)	(4,394,611)	(4,394,611)	(4,920,254)	(525,643)
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	2,227,529	2,189,655	-	(2,189,655)
<i>Total other financing sources (uses)</i>	<u>(2,017,082)</u>	<u>(2,054,956)</u>	<u>(3,660,354)</u>	<u>(1,605,398)</u>
<i>Net change in fund balances</i>	-	-	(370,306)	(370,306)
<i>Fund balances - beginning of year</i>	-	-	6,083,607	6,083,607
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,713,301</u>	<u>\$ 5,713,301</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			(149,558)	
Expenditure accruals			28,755	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (491,109)</u>	

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

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**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**STATEMENT OF NET ASSETS**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2011**

Exhibit D-1

	<u>Enterprise Funds</u>		<u>Total</u>
	<u>Solid Waste Enterprise Fund</u>	<u>Ambulance Enterprise Fund</u>	
<b>Assets</b>			
Current Assets:			
Cash and investments	\$ 113,563	\$ 75,488	\$ 189,051
Receivables			
Intergovernmental	20,036	-	20,036
Customers (net of allowance for uncollectibles)	-	487,645	487,645
Prepaid insurance	4,855	7,985	12,840
Total current assets	<u>138,454</u>	<u>571,118</u>	<u>709,572</u>
Noncurrent Assets:			
Capital assets	718,144	9,931,386	10,649,530
Less: accumulated depreciation	<u>(398,668)</u>	<u>(5,421,903)</u>	<u>(5,820,571)</u>
Total noncurrent assets	<u>319,476</u>	<u>4,509,483</u>	<u>4,828,959</u>
Total assets	<u>\$ 457,930</u>	<u>\$ 5,080,601</u>	<u>\$ 5,538,531</u>
<b>Liabilities</b>			
Current Liabilities:			
Accounts payable	\$ 22,792	\$ -	\$ 22,792
Accrued payroll liabilities	30,351	51,403	81,754
Current portion of accrued compensated absences	<u>10,580</u>	<u>12,987</u>	<u>23,567</u>
Total current liabilities	<u>63,723</u>	<u>64,390</u>	<u>128,113</u>
Noncurrent Liabilities:			
Noncurrent portion of accrued compensated absences	<u>32,959</u>	<u>40,459</u>	<u>73,418</u>
Total liabilities	<u>96,682</u>	<u>104,849</u>	<u>201,531</u>
<b>Net Assets</b>			
Invested in capital assets, net of related debt	319,476	4,509,483	4,828,959
Unrestricted	<u>41,772</u>	<u>466,269</u>	<u>508,041</u>
Total net assets	<u>361,248</u>	<u>4,975,752</u>	<u>5,337,000</u>
Total liabilities and net assets	<u>\$ 457,930</u>	<u>\$ 5,080,601</u>	<u>\$ 5,538,531</u>

The accompanying notes are an integral part of these financial statements

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**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN NET ASSETS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

Exhibit D-2

	Solid Waste Enterprise Fund	Ambulance Enterprise Fund	Total
<i>Operating revenues:</i>			
Charges for services	\$ 718,662	\$ 935,526	\$ 1,654,188
 Total operating revenues	 <u>718,662</u>	 <u>935,526</u>	 <u>1,654,188</u>
<i>Operating expenses:</i>			
Personnel services	645,034	991,790	1,636,824
Contractual services	207,706	34,550	242,256
Administration	99,767	59,511	159,278
Maintenance and materials	38,924	35,201	74,125
Depreciation	40,787	305,060	345,847
 Total operating expenses	 1,032,218	 1,426,112	 2,458,330
 Operating income (loss)	 (313,556)	 (490,586)	 (804,142)
<i>Non-operating revenues:</i>			
Taxes	173,810	-	173,810
Miscellaneous	1,610	178	1,788
 Total non-operating revenues	 <u>175,420</u>	 <u>178</u>	 <u>175,598</u>
 Transfers in	 11,301	 466,555	 477,856
Transfer of capital assets	236,271	(236,271)	-
Transfers (out)	(5,319)	-	(5,319)
 Total transfers	 <u>242,253</u>	 <u>230,284</u>	 <u>472,537</u>
 <i>Net Income</i>	 104,117	 (260,124)	 (156,007)
 <i>Total net assets - beginning</i>	 <u>257,131</u>	 <u>5,235,876</u>	 <u>5,493,007</u>
 <i>Total net assets - ending</i>	 <u>\$ 361,248</u>	 <u>\$ 4,975,752</u>	 <u>\$ 5,337,000</u>

The accompanying notes are an integral part of these financial statements

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**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

Exhibit D-3

	Enterprise Funds		Total
	Solid Waste Enterprise Fund	Ambulance Enterprise Fund	
<b>Cash Flows From Operating Activities:</b>			
Cash received from customers	\$ 728,567	\$ 817,291	\$ 1,545,858
Cash paid to suppliers and employees	(992,448)	(1,115,622)	(2,108,070)
<b>Net Cash (Used) by Operating Activities</b>	<b>(263,881)</b>	<b>(298,331)</b>	<b>(562,212)</b>
<b>Cash Flows From Non-Capital Financing Activities</b>			
Operating transfers	5,982	466,555	472,537
Non-operating transfer	109,938	(109,938)	-
Miscellaneous income	1,610	178	1,788
<b>Net Cash (Used) by Non-Capital Financing Activities</b>	<b>117,530</b>	<b>356,795</b>	<b>474,325</b>
<b>Cash Flows From Investing Activities:</b>			
Purchase of capital assets	-	(114,852)	(114,852)
Gross receipt taxes	173,810	-	173,810
<b>Net Cash (Used) by Investing Activities</b>	<b>173,810</b>	<b>(114,852)</b>	<b>58,958</b>
Net (Decrease) in Cash and Cash Equivalents	27,459	(56,388)	(28,929)
Cash and Cash Equivalents, Beginning of Year	86,104	131,876	217,980
Cash and Cash Equivalents, End of Year	<u>\$ 113,563</u>	<u>\$ 75,488</u>	<u>\$ 189,051</u>
<b>Reconciliation of Operating (Loss) to Net Cash (Used) by Operating Activities:</b>			
Operating income (loss)	\$ (313,556)	\$ (490,586)	(804,142)
Adjustments to reconcile operating (loss) to net cash (used) by operating activities:			
Depreciation	40,787	305,060	345,847
Change in assets and liabilities:			
Accounts receivable	9,905	(118,235)	(108,330)
Prepaid insurance	34	826	860
Accounts payable	(5,598)	-	(5,598)
Accrued liabilities	3,153	2,894	6,047
Accrued compensated absences	1,394	1,710	3,104
<b>Net Cash (Used) by Operating Activities</b>	<b>\$ (263,881)</b>	<b>\$ (298,331)</b>	<b>\$ (562,212)</b>

**Summary of Significant Noncash Activities:**

There was a transfer of assets in the amount of \$236,271 from the Ambulance Fund to the Solid Waste Fund which is the only significant noncash activity during the year ended June 30, 2011.

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

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**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**FIDUCIARY FUNDS**  
**AGENCY FUNDS**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**JUNE 30, 2011**

Exhibit E-1

<i>Assets</i>	
Cash	567,912
Taxes receivable	<u>3,718,638</u>
Total assets	<u><u>\$ 4,286,550</u></u>
<i>Liabilities</i>	
Due to schools	2,116,074
Due to municipalities	405,529
Due to other	<u>1,764,947</u>
Total liabilities	<u><u>\$ 4,286,550</u></u>

The accompanying notes are an integral part of these financial statements

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**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

Taos County (the "County") is a political sub-division of the State of New Mexico established under the provisions of Section 4-29-1 of NMSA, 1978 compilation and regulated by the constitution of the State of New Mexico. The County operates under a commission-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, low rent housing assistance, planning and zoning, property assessment, tax collection and general administrative services.

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

1. Sue or be sued;
2. Enter into contracts and leases;
3. Acquire and hold property, both real and personal;
4. Have 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.

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

*A. Financial Reporting Entity*

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

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

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

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

A. *Financial Reporting Entity (continued)*

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 County has one component unit, as defined by GASB Statement No. 14 and / or GASB Statement No. 39. There are no other primary governments with which the County Commissioners are financially accountable. The following is a brief review of the County's component unit addressed in defining the County's reporting entity.

*Discretely Presented Component Unit*

*Taos County Housing Authority: ("The Authority"):* The Authority has been discretely presented as a component unit of Taos County. This component unit has a separately elected and/or appointed board and provides services to residents, generally within the geographic boundaries of the County. The New Mexico State Auditor, through NMAC 2.2.2.10 A., 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 Authority's activities are detailed in Exhibits A-1 and A-2 in the County's financial reports. The financial statement 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 are presented on a consolidated basis by column and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt obligations. The County's net assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is 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*.

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

*B. Government-wide and fund financial statements (continued)*

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the combining 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 fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been 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.

The County follows FASB statements and interpretations issued on or before November 30, 1989, Accounting Principles Board opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements. Governments also have the option of following subsequent private-sector guidance for their government-wide financial statement, subject to the same limitation. The County has elected not to apply subsequent private-sector guidance.

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 *agency funds* are custodial in nature (assets equal liabilities) and do not represent results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the County holds for others in an agency capacity. The County has one agency fund that accounts for the property tax collections and disbursements.

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

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

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

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. Revenues are provided through property and other taxes, federal sources, state sources, charges for services, licenses and fees, and other miscellaneous recoveries and revenue. Expenditures include costs associated with the daily operation of the County except for items included in other funds.

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

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.

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

Under the requirements of GASB No. 34, the County is required to present certain of its governmental funds as major based upon certain criteria. The major funds presented in the fund financial statements include the following (in addition to the General Fund).

The *Admin/Judicial/Correctional Complex Fund* is a capital project fund used to account for the debt service of a loan from the New Mexico Finance Authority (NMFA) to finance the construction project of the Taos County Admin/Judicial/Detention Complex.

The *NMFA Debt Service Fund* is a debt service fund used to account for the accumulation of resources and payments on the County's New Mexico Finance Authority (NMFA) Debt Service.

The *2007 Refunding Series Debt Service Fund* is a debt service fund used to account for revenues received for the purchase of equipment. Authority for this fund is established by an Ordinance of the County Commission.

The *USDA/RUS Complex Debt Service Fund* is a debt service fund used to account for the accumulation of resources and payments on the County's USDA/RUS Loan used in complex construction.

The County also 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.

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

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

Additionally, the government reports the following fund types:

The *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 for the various functions concerned as reported in the Statement of Activities.

Program revenues included in the Statement of Activities derive 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 to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, (b) program-specific operating grants, which includes revenues received from federal and state sources to be used as specified within each program grant agreement, and (c) program-specific capital grants and contributions, which include revenues 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 and other items not properly included among programs revenues.

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 the 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 County's policy to use restricted resources first, then unrestricted resources as they are needed.

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

**Cash & Cash Equivalents:** 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.

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

Investments for the County are reported at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties. The State Treasurer's Pool

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

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

operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

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

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

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. In the government-wide and governmental fund financial statements, 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 10<sup>th</sup> are considered delinquent and the County may assess penalties and interest. The taxes attach as an enforceable lien on property as of January 1<sup>st</sup>.

Certain Special Revenue funds are administered on a reimbursement method of funding; other funds are operated on a cash advance method of funding. The funds incurred the cost and submitted the necessary request for reimbursement or advance, respectively.

**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.

**Capital Assets:** Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column 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 II government for the purposes of implementing GASB Statement No. 34. Therefore, the County's historical cost of major general infrastructure assets, (retroactive to June 30, 1980) are to be included as part of the governmental capital assets reported in the government wide statements. Information Technology Equipment including computer software is included as a capital asset and recorded with furniture, fixtures, and equipment in accordance with NMAC 2.20.1.9C(5). Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction.

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

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

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

<u>Assets</u>	<u>Years</u>
Infrastructure	30
Buildings & building improvements	40-45
Machinery, equipment and vehicles	5-10

**Accrued Expenses:** Accrued expenses are comprised of the payroll expenditures based on amounts earned by the employees through June 30, 2011, along with applicable PERA, FICA, Medicare, and Retiree Health Care contributions.

**Deferred Revenues:** The County recognizes grant revenue at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as deferred revenues. Amounts receivable from the property taxes levied for the current year that are not considered to be “available” under the current financial resources measurement focus are reported as deferred revenues in the governmental fund financial statements.

**Compensated Absences:** Qualified employees are entitled to earn annual leave according to a graduated leave schedule depending on length of service. No more than two hundred forty (240) hours of annual leave may be carried over from one calendar year to the next. All excess annual leave shall be forfeited, if not used, unless extenuating circumstances warrant approval of an extension by the Board of County Commissioners of Taos County.

Qualified employees are entitled to earn sick leave. Sick leave can be carried over from year to year up to 1200 hours. Upon termination, employees receive no pay for sick time accumulated. Employees eligible for retirement who have more than six hundred (600) hours of sick leave upon retirement from the County shall be paid for each hour in excess of six hundred (600) hours at the rate of half (1/2) their hourly rate of pay at the time of retirement.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as 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 statements 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 or the straight line method if the difference from using the effective method is inconsequential. 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 bonds are issued. Bond proceeds are reported as other financing sources net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

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

**Fund Equity:** Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The detail of the County's fund balances is presented in Note 18.

**Equity Classifications:** In the government-wide financial 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. The government-wide statement of net assets reports \$13,985,112 of restricted net assets.
- 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."

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

**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. Significant estimates affecting the County's financial statements include management's estimate of the useful lives of capital assets.

**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 Board of 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 in accordance with the above procedures.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds.



**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 2. Stewardship, Compliance and Accountability (continued)**

*Budgetary Information (continued)*

The County is required to balance its budgets each year. Accordingly, amounts that are excess or deficient are presented as changes in cash designated for expenditures, not as an excess or deficiency of revenues over expenditures.

The accompanying Statements of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual presents 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 generally accepted accounting principles 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, 2011 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 fund budgetary statement.

**NOTE 3. Deposits & Investments**

**Cash & Cash Equivalents**

State statutes authorize the investment of County funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the County properly followed State investment requirements as of June 30, 2009.

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

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

According to the Federal Deposit Insurance Corporation (FDIC), public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution. Additionally, from December 31, 2010 through December 31, 2012, all deposits in non-interest bearing transaction accounts (such as non-interest bearing checking accounts) are fully guaranteed, regardless of dollar amount.

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 3. Cash & Investments (continued)**

The schedule listed below discloses the State of New Mexico, Office of the State Auditor's requirements on reporting the insured portion of the County's deposits.

	First Community <u>Bank</u>	Centinel Bank <u>Bank</u>	People's Bank <u>Bank</u>	<u>Total</u>
Total amounts of deposits*	\$ 8,767,172	\$ 5,668,357	\$ 2,485,435	\$16,920,964
FDIC Coverage	<u>(2,106,335)</u>	<u>(250,180)</u>	<u>(250,000)</u>	<u>(2,856,515)</u>
Total uninsured public funds	<u>\$ 6,660,837</u>	<u>\$ 5,418,176</u>	<u>\$ 1,985,435</u>	<u>\$ 14,064,449</u>
Collateral requirement (50% of uninsured public funds)	3,330,418	2,709,088	992,717	7,032,225
Pledged collateral	<u>(8,400,460)</u>	<u>(2,744,967)</u>	<u>(1,700,460)</u>	<u>(12,845,887)</u>
Under (Over) collateralized	<u>\$ (5,070,042)</u>	<u>\$ (35,879)</u>	<u>\$ (707,743)</u>	<u>\$ (5,813,662)</u>

\* - Total amount of deposits per bank includes deposit accounts and certificates of deposit.

**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 government does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978). At June 30, 2011, \$14,064,449 of \$16,920,964 was exposed to custodial credit risk because it was uninsured and the collateral was held by the pledging bank's trust department, not in the County's name.

The County utilizes pooled accounts for their funds. The General, Special Revenue, Capital Projects, and Agency Funds are all in multiple accounts. Separate accounts also exist for Sheriff's Office confiscation related funds.

**Investments**

All investments are government securities whose fair market value approximates face value plus any accrued interest. The County had no investments that were highly sensitive to changes in interest rates. The County's policy related to investments is to comply with the state statute as put forth in the Public Money Act (Section 6-10-1 to 6-10-63 NMSA 1978)

As of June 30, 2011 the County had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in Years)</u>			
		<u>less than 1</u>	<u>1 to 5</u>	<u>6-10</u>	<u>More than 10</u>
U.S. Treasury Money					
Market Mutual Funds	<u>10,298,023</u>	<u>10,298,023</u>	<u>—</u>	<u>—</u>	<u>—</u>
Total	<u>10,298,023</u>	<u>10,298,023</u>	<u>—</u>	<u>—</u>	<u>—</u>

**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. Currently the County's investments are held as reserve accounts for long term debt obligations.

**Credit risk - Investments.** The County's Investment Policy limits investments to those securities authorized by the laws of the State of New Mexico. As of June 30, 2011, the County's investments in U.S. Treasury Money Securities were rated AAA.

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**NOTE 3. Cash & Investments (continued)**

**Investments (continued)**

Concentration of Credit risk - *Investments*. For an investment, concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The County has no policy which limit on the amount the County may invest in any one issuer, except to follow the applicable statute at Section 6-10-10 NMSA 1978 regarding allowable government investment. At June 30, 2011, the investments in the U.S. Treasury Money Market mutual Funds are 100% of the County's investment Portfolio.

**NOTE 4. Receivables**

Receivables as of June 30, 2010, are as follows:

	General Fund	USDA/RUS Complex Debt Service Fund	Total Non-Major Funds	Total Governmental Funds
Property Taxes	\$ 1,608,039	\$ —	\$ —	\$ 1,608,039
Intergovernmental	21,997	405,301	427,511	854,809
Net Receivables	<u>\$ 1,630,036</u>	<u>\$ 405,301</u>	<u>\$ 427,511</u>	<u>\$ 2,462,848</u>

	Enterprise Funds	Fiduciary Funds
Property Taxes	\$ —	\$ 3,718,638
Intergovernmental	20,036	—
Customers, Gross	812,741	—
Allowance for doubtful accounts	(325,096)	—
Net Receivables	<u>\$ 507,681</u>	<u>\$ 3,718,638</u>

In accordance with GASB No. 33, property tax receivables are presented net of deferred revenues in the amount of \$1,466,723 of deferred revenue in the governmental funds.

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

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

<b>Governmental Activities:</b>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 1,259,900	\$ 4,920,254
Admin/Judicial/Correctional Complex Fund	31,773,160	891,074
NMFA Debt Service Fund	100,302	33,260,208
2007 Refunding Series Debt Service Fund	3,826,611	3,826,611
USDA/RUS Complex Debt Service Fund	—	8,016,501
Nonmajor Governmental Funds	19,538,894	6,056,756
Proprietary funds	472,537	—
Total Governmental Activities	<u>\$ 56,971,404</u>	<u>\$ 56,971,404</u>

There were no interfund receivables as of June 30, 2011.

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**NOTE 6. Capital Assets**

A summary of capital assets and changes occurring during the year ended June 30, 2010 follows.

<b>Capital Assets used in Governmental Activities:</b>	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
Capital assets not depreciated				
Land	\$ 4,745,514	\$ —	\$ —	\$ 4,745,514
Right of Way	18,750,380	—	—	18,750,380
Construction in Progress	<u>22,679,288</u>	<u>5,394,685</u>	<u>—</u>	<u>28,073,973</u>
Total not being depreciated	<u>\$ 46,175,182</u>	<u>\$ 5,394,685</u>	<u>\$ —</u>	<u>\$ 51,569,867</u>
Capital assets being depreciated				
Infrastructure	\$ 38,084,368	\$ 439,349	\$ —	\$ 38,523,717
Buildings & improvements	9,251,067	752,439	—	10,003,506
Machinery & equipment	4,070,404	1,039,181	—	5,109,585
Vehicles	<u>8,437,880</u>	<u>659,792</u>	<u>—</u>	<u>9,097,672</u>
Total being depreciated	<u>\$ 59,843,791</u>	<u>\$ 2,890,761</u>	<u>\$ —</u>	<u>\$ 62,734,480</u>
Total capital assets	<u>\$ 106,018,901</u>	<u>\$ 8,285,446</u>	<u>\$ —</u>	<u>\$ 114,304,347</u>
Less accumulated depreciation				
Infrastructure	\$ (23,188,420)	\$ (1,275,581)	\$ —	\$ 24,464,001
Buildings & improvements	(3,420,503)	(229,879)	—	3,650,382
Machinery & equipment	(2,319,908)	(589,949)	—	2,909,857
Vehicles	<u>(6,621,533)</u>	<u>(641,289)</u>	<u>—</u>	<u>7,262,822</u>
Total accumulated depreciation	<u>\$ (35,550,364)</u>	<u>\$ (2,736,698)</u>	<u>\$ —</u>	<u>\$ 38,287,062</u>
Net capital assets	<u>\$ 70,468,537</u>	<u>\$ 5,548,748</u>	<u>\$ —</u>	<u>\$ 76,017,285</u>

Depreciation expense for the year ended June 30, 2011 was charged to governmental activities as follows:

General Government	\$ 346,526
Public Safety	443,848
Public Works	1,835,460
Culture and Recreation	<u>110,864</u>
Total	<u>\$ 2,736,898</u>

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**NOTE 6. Capital Assets (continued)**

<b>Capital Assets used in Business-Type Activities:</b>	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011
Capital assets being depreciated				
Buildings & improvements	\$ 9,798,589	\$ —	\$ —	\$ 9,798,589
Machinery & equipment	136,823	6,250	—	143,073
Vehicles	599,266	108,602	—	707,868
Total being depreciated	<u>\$ 10,534,678</u>	<u>\$ 114,852</u>	<u>\$ —</u>	<u>\$ 10,649,530</u>
Total capital assets	<u>\$ 10,534,678</u>	<u>\$ 114,852</u>	<u>\$ —</u>	<u>\$ 10,649,530</u>
Less accumulated depreciation				
Buildings & improvements	\$ (4,931,603)	\$ (249,287)	\$ —	\$ (5,180,890)
Machinery & equipment	(59,101)	(31,798)	—	(90,899)
Vehicles	(484,020)	(64,762)	—	(548,782)
Total accumulated depreciation	<u>\$ (5,474,724)</u>	<u>\$ (345,847)</u>	<u>\$ —</u>	<u>\$ (5,820,571)</u>
Net capital assets	<u>\$ 5,059,954</u>	<u>\$ (244,779)</u>	<u>\$ —</u>	<u>\$ 4,828,959</u>

Depreciation expense charged to business-type activities for the year ended June 30, 2011 was \$345,847.

**NOTE 7. Long-term Debt**

During the year ended June 30, 2011, the following changes occurred in the liabilities reported in the government-wide statement of net assets:

<b>Governmental Activities</b>	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2010	Due Within One Year
Bonds payable	\$ 6,600,000	\$ 12,925,173*	\$ 5,147,000	\$ 14,378,173	\$ 1,133,000
Notes payable	33,283,216	32,312,250	34,073,731	32,521,735	980,554
Capital leases	866,985	—	632,446	234,539	96,618
Compensated Absences	428,366	63,453	56,178	435,641	78,415
Total Long-Term Debt	<u>\$ 41,178,567</u>	<u>\$ 45,300,876</u>	<u>\$ 39,909,355</u>	<u>\$ 47,570,088</u>	<u>\$ 2,288,587</u>

\*The total amount of the Series 2010 USDA GRT Revenue Bonds is \$15,000,000, only \$12,925,173 has been drawn down as of June 30, 2011. The remainder is expected to be drawn down after June 30, 2011. Subsequent draw downs will be treated as additions to the debt in subsequent years.

Interest expense paid on long-term debt totaled \$3,166,413 for the year ended June 30, 2011.

**Bonds**

At June 30, 2011, the County had the following bonds outstanding:

	Series 1997 Lodger's Tax Bonds	Series 2007 Educational GRT Bonds	Series 2010 USDA GRT Revenue Bonds
Original Issue	\$ 77,000	\$ 13,895,000	15,000,000
Maturity Date	1/1/2037	10/1/2012	5/4/2050
Principal	January 1	October 1	May 4
Interest Rate	5.00%	4.00-4.50%	4.125%
Interest	January 1	October 1 April 1	May 4

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

**Bonds (continued)**

The annual requirements to amortize the Bonds as of June 30, 2011, including interest payments are as follows:

<u>Fiscal Year Ending June 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2012	\$ 1,133,000	\$ 709,773	\$ 1,842,773
2013	173,000	602,993	775,993
2014	194,000	544,393	738,393
2015	195,000	536,588	731,588
2016	195,000	528,413	723,413
2017-2021	1,150,000	2,592,692	3,742,692
2022-2026	1,395,000	2,349,067	3,744,067
2027-2031	1,726,000	2,053,467	3,779,467
2032-2036	2,126,000	1,686,042	3,812,042
2037-2041	2,446,000	1,249,117	3,695,117
2042-2046	2,920,000	751,817	3,671,817
2047-2050	725,173	149,567	874,740
	<u>\$ 14,378,173</u>	<u>\$ 13,753,930</u>	<u>\$ 28,132,103</u>

**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, 2011, including interest payments, are as follows:

<u>Fiscal Year Ending June 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2012	\$ 980,554	\$ 1,235,136	\$ 2,215,689
2013	982,626	1,224,362	2,206,988
2014	940,537	1,207,963	2,148,500
2015	936,812	1,184,008	2,120,820
2016	934,566	1,167,234	2,101,800
2017-2021	4,906,640	5,468,667	10,375,307
2022-2026	5,780,000	4,568,572	10,348,572
2027-2031	7,070,000	3,277,822	10,347,822
2032-2036	7,120,000	1,627,449	8,747,449
2047-2050	2,870,000	206,752	3,076,752
	<u>\$ 32,521,735</u>	<u>\$ 21,167,964</u>	<u>\$ 53,689,699</u>

The Department of Finance and Administration forgave the County's Debt in the amount of \$11,000 relating to a note payable on the purchase of voting machines.

New notes payable entered into during the year ended June 30, 2011 are as follows:

NMFA Loan No. Taos 40  
Description: NMFA Loan Refunding Loan No. 2572-PP  
Closing Date: April 29, 2011  
Maturity Date: June 1, 2038

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

**Notes Payable (continued)**

Taos County entered into a Loan Agreement and Intercept Agreement with the New Mexico Finance Authority (NMFA), evidencing a special limited obligation of the County to pay a principal amount of \$33,260,000, together with interest and administrative fees, refunding NMFA Loan No. Taos 26 and NMFA Loan No. Taos 29, and funding a Loan Agreement Reserve Account; providing for the payment of the principal of, and interest and administrative fees due under the Loan Agreement payment solely from the distributions of the County Equalization Distribution, the One-Eighth of One Percent County Infrastructure Gross Receipts Tax Revenues, the One-Fourth of One Percent County Capital outlay Gross Receipts Tax Revenues and the One-Eighth of One Percent of County Correctional Facility Gross Receipts Tax Revenues from the State Taxation and Revenue Department to be redirected to the NMFA or its assigns pursuant to Sections 7-16.13 and 7-1-6.15, NMSA 1978.

**New Mexico Environmental Department (NMED) Loan**

Description: Solid Waste Construction Project

Loan Amount: \$500,000

Closing Date: January 2, 2009

Maturity Date: January 2, 2029

The Taos County Solid Waste Department entered into an Agreement with the NM Environment Department pursuant to the authority of the NM Rural Infrastructure Act, as amended (Sections 75-1-1 through 5-1-6 NMSA, 1978 Compilations). The New Mexico Environment Department (NMED) acting as the administrator of the Rural Infrastructure Program (RIP) hereby certifies that the Taos County Solid Waste Department has met all the eligibility requirements of the Rural Infrastructure Act, and the Regulations and therefore entitled to a loan not to exceed Five Hundred Thousand Dollars (\$500,000) from the Rural Infrastructure Revolving Loan Fund. The loan amount is available for a period of three years from the date of this contract. The terms of the loan are (3%) per annum interest for a period not to exceed twenty (20) years. During the year ended June 30, 2011, Taos County has drawn down \$52,250 of the loan principal.

**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, 2010, including interest payments, is as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt</u> <u>Service</u>
2012	\$ 96,618	\$ 8,087	\$ 104,705
2013	86,590	4,045	90,635
2014	25,161	2,058	27,219
2015	<u>26,170</u>	<u>1,049</u>	<u>27,219</u>
Total	<u>\$ 234,539</u>	<u>\$ 15,239</u>	<u>\$ 249,778</u>

The County previously leased motor graders under multiple capital leases. During the year ended June 30, 2011 the county made \$7,745 in scheduled principal payments. Instead of making the final purchase payment, the County returned the motor graders to Caterpillar Financial, thus extinguishing the debt related to them in the amount of \$532,026.

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

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

**Proprietary Funds**

The proprietary funds have incurred various forms of debt which were used for the purposes of the 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, 2011:

<b>Business-Type Activities</b>	<b>Balance</b>			<b>Balance</b>		<b>Due Within One Year</b>
	<b>June 30, 2010</b>	<b>Additions</b>	<b>Deletions</b>	<b>June 30, 2011</b>		
Compensated Absences	\$ 93,881	\$ 12,289	\$ 9,185	\$ 96,985	\$ 23,567	
Total Long-Term Debt	<u>\$ 93,881</u>	<u>\$ 12,289</u>	<u>\$ 9,185</u>	<u>\$ 96,985</u>	<u>\$ 23,567</u>	

**NOTE 8. Risk Management**

The County is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries and natural disasters. The County participates in the New Mexico Self-Insurer's 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-Insurer's Fund assesses and estimates the potential for loss and handles all aspects of the claim. Insurance coverage has not changed significantly from prior years and coverage is expected to be continued.

At June 30, 2011, 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-Insurer's 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 prior fiscal year.

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

Generally accepted accounting principles require disclosures as part of the Combining Statements - Overview of certain information concerning individual funds including:

A. Deficit fund balance of individual funds:

There were no funds with a deficit fund balance for the year ended June 30, 2011.

B. Excess of expenditures over appropriations:

There were no funds with expenditures in excess of appropriations for the year ended June 30, 2011.

**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](http://www.pera.state.nm.us).



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**NOTE 10. PERA Pension Plan (continued)**

*Funding Policy.* Plan members are required to contribute the following percentages of their gross salary: 16.3% for law enforcement and fire protection employees, 16.65% for detention center employees, and 15.65% for municipal employees. The County is required to contribute 18.5% for law enforcement and fire protection employees, 16.65% for detention center employees, and 11.65% for municipal employees of the gross covered salary. The contribution requirements of plan members and Taos County are established under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The County's contributions to PERA for years ending June 30, 2011, 2010 and 2009 were \$839,557, \$824,344, and \$736,318, respectively, which equal the amount of the required contributions for each fiscal year.

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

*Plan Description.* Taos 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 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](http://www.nmrhca.state.nm.us).

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. During the fiscal year ended June 30, 2011, the statute required each participating employer to contribute 1.666% of each participating employee's annual salary; each participating employee was required to contribute .833% of their salary. In the fiscal years ending June 30, 2012 and June 30, 2013 the contribution rates for employees and employers will rise as follows:

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**NOTE 11. Post-Employment Benefits – State Retiree Health Care Plan (continued)**

(1) For employees who are not members of an enhanced retirement plan the contribution rates will be:

Fiscal Year	Employer Contribution Rate	Employee Contribution Rate
FY12	1.834%	.917%
FY13	2.000%	1.000%

(2) For employees who are members of an enhanced retirement plan (state police and adult correctional officer coverage plan 1; municipal police member coverage plans 3, 4 and 5; municipal fire member coverage plan 3, 4 and 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act [10-12B-1 NMSA 1978]), during the fiscal year ended June 30, 2011, the statute required each participating employer to contribute 2.084% of each participating employee’s annual salary, and each participating employee was required to contribute 1.042% of their annual salary. In the fiscal years ending June 30, 2012 and June 30, 2013 the contribution rates for both employees and employers will rise as follows:

Fiscal Year	Employer Contribution Rate	Employee Contribution Rate
FY12	2.292%	1.146%
FY13	2.500%	1.250%

Also, employers joining the program after 1/1/98 are 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.

Taos County's contributions to the RHCA for the years ended June 30, 2011, 2010 and 2009 were \$112,087, \$118,900 and \$108,900, respectively, which equal the required contributions for each year.

**NOTE 12. Commitments**

The County had various construction and purchase commitments totaling approximately \$2,047,827 as of June 30, 2011. The funding to cover the various commitments was bond and/or note proceeds, including bonds and grants.

**NOTE 13. Contingent Liabilities**

The County is exposed to various claims and lawsuits in the normal course of business. Management and the County’s manager 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 14. Federal and State Grants**

In the normal course of operations, the County receives grant funds from various federal and state agencies. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

**NOTE 17 Subsequent Accounting Standard Pronouncements**

In December 2009, the GASB issued Statement No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plan, which is effective for financial statement periods beginning after June 15, 2011. The objective of this Statement is to address issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans (that is, agent employers).

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**NOTE 17      Subsequent Accounting Standard Pronouncements (continued)**

In November 2010, the GASB issued Statement No. 61, The Financial Reporting Entity: Omnibus—an amendment of GASB Statements No. 14 and No. 34, which is effective for financial statement periods beginning after June 15, 2012. The objective of this Statement is to improve financial reporting for a governmental financial reporting entity. The requirements of Statement No. 14, The Financial Reporting Entity, and the related financial reporting requirements of Statement No. 34, Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments, were amended to better meet user needs and to address reporting entity issues that have arisen since the issuance of those Statements. This Statement modifies certain requirements for inclusion of component units in the financial reporting entity and amends the criteria for reporting component units as if they were part of the primary government in certain circumstances.

In December of 2010, the GASB issued Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which is effective for financial statements for periods beginning after December 15, 2011. The objective of this Statement is to incorporate into the GASB’s authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements:

1. Financial Accounting Standards Board (FASB) Statements and Interpretations
2. Accounting Principles Board Opinions
3. Accounting Research Bulletins of the American Institute of Certified Public Accountants’ (AICPA) Committee on Accounting Procedure.

The requirements in this Statement will improve financial reporting by contributing to the GASB’s efforts to codify all sources of generally accepted accounting principles for state and local governments so that they derive from a single source.

In June 2011, the GASB issued Statement No. 63, Financial reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and net Position which is effective for financial statements for periods beginning after December 15, 2011. Earlier application is encouraged. The objective of this statement is to provide financial reporting guidance for deferred outflows of resources and deferred inflows of resources. Concepts Statement No. 4, Elements of Financial Statements, introduced and defined those elements as a consumption of net assets by the government that is applicable to a future reporting period, and an acquisition of net assets by the government that is applicable to a future reporting period, respectively. Previous financial reporting standards do not include guidance for reporting those financial statement elements, which are distinct from assets and liabilities. Concepts Statement 4 also identifies net position as the residual of all other elements presented in a statement of financial position. This Statement amends the net asset reporting requirements in Statement No. 34, Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 18. Governmental Fund Balance**

**Fund Balance:** In the fund financial statements, governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Some governments may not have policies or procedures that are comparable to those policies that underlie the classifications and therefore would not report amounts in all possible fund balance classifications.

In the governmental financial statements, fund balance is classified and is displayed in five components:

*Nonspendable:* Consists of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

*Restricted:* Consists of amounts that are restricted to specific purposes as a result of a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

*Committed:* Consist of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

*Assigned:* Consist of amounts that are constrained by the government's *intent* to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

*Unassigned:* Represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

Detail relating to the fund balance classifications is displayed below:

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**NOTE 18. Fund Balance (continued)**

<b>Fund balances:</b>	<b>General Fund</b>	<b>Admin/ Judicial/ Correctional Complex Fund</b>	<b>NMFA Debt Service Fund</b>	<b>2007 Refunding Series Debt Service Fund</b>	<b>USDA/RUS Complex Debt Service Fund</b>	<b>Nonmajor Governmental Funds</b>
<b>Nonspendable:</b>						
Prepaid Expenses	118,853	-	-	-	-	101,409
<b>Restricted</b>						
Housing of Prisoners	-	-	-	-	-	287,225
Roads & Highways	-	-	-	-	-	531,634
Care of Indigent Citizens	-	-	-	-	-	794,200
Emergency Services	-	-	-	-	-	21,311
Fire Departments	-	-	-	-	-	2,833,244
Law Enforcement	-	-	-	-	-	1,429,405
Solid Waste Services	-	-	-	-	-	34,186
Valuation Services	-	-	-	-	-	345,419
Conservation	-	-	-	-	-	12,914
Recreation	-	-	-	-	-	126,769
Healthcare	-	-	-	-	-	45,540
Senior Citizens	-	-	-	-	-	-
County Clerk	-	-	-	-	-	264,153
Intergovernmental Projects	-	-	-	-	-	629,502
Capital Projects	-	-	-	-	-	2,315,804
Debt Service	-	-	33,178	2,606,349	353,967	985,531
<b>Committed:</b>						
County Projects	-	-	-	-	-	164,847
Disaster Relief	-	-	-	-	-	68,525
<b>Assigned:</b>	-	-	-	-	-	-
<b>Unassigned:</b>	<u>5,575,534</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total fund balances</i>	<u>5,694,387</u>	<u>-</u>	<u>33,178</u>	<u>2,606,349</u>	<u>353,967</u>	<u>10,991,618</u>

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**SUPPLEMENTARY INFORMATION**

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**NONMAJOR GOVERNMENTAL FUNDS**

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**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2011**

Statement A-1

	Special Revenue	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Current:				
Cash and cash equivalents	\$ 7,597,330	\$ 2,337,484	\$ -	\$ 9,934,814
Short term investments	-	-	821,331	821,331
Accounts receivable				
Property taxes	-	-	-	-
Intergovernmental	263,311	-	164,200	427,511
Interfund balances	-	-	-	-
Prepaid expenses	101,409	-	-	101,409
	<u>\$ 7,962,050</u>	<u>\$ 2,337,484</u>	<u>\$ 985,531</u>	<u>\$ 11,285,065</u>
<i>Total current assets</i>				
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts payable	\$ 120,711	\$ 17,996	\$ -	\$ 138,707
Accrued expenses	151,056	3,684	-	154,740
	<u>271,767</u>	<u>21,680</u>	<u>-</u>	<u>293,447</u>
<i>Total current liabilities</i>				
Fund balance:				
Reserved				
Nonspendable	101,409	-	-	101,409
Restricted	7,355,502	2,315,804	985,531	10,656,837
Committed	233,372	-	-	233,372
Assigned	-	-	-	-
Unassigned	-	-	-	-
	<u>7,690,283</u>	<u>2,315,804</u>	<u>985,531</u>	<u>10,991,618</u>
<i>Total fund balance</i>				
<i>Total liabilities and fund balance</i>	<u>\$ 7,962,050</u>	<u>\$ 2,337,484</u>	<u>\$ 985,531</u>	<u>\$ 11,285,065</u>

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

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## STATE OF NEW MEXICO

Statement A-2

## TAOS COUNTY

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2011

	Special Revenue	Capital Projects	Debt Service	Total Nonmajor Governmental Funds
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,721,714	49,794	706,312	4,477,820
Licenses and fees	472,478	-	-	472,478
Charges for services	2,661,918	231,024	-	2,892,942
Intergovernmental	734,934	-	-	734,934
Licenses and fees	688,731	-	-	688,731
Charges for services	305,329	-	-	305,329
Investment income	5,090	21	312,339	317,450
Miscellaneous	23,576	52,690	-	76,266
<i>Total revenues</i>	<u>8,613,770</u>	<u>333,529</u>	<u>1,018,651</u>	<u>9,965,950</u>
<i>Expenditures:</i>				
Current				
General Government	260,303	-	-	260,303
Public safety	3,551,870	107	-	3,551,977
Culture and recreation	221,140	-	-	221,140
Health and welfare	2,866,834	-	-	2,866,834
Education	-	1,454,912	-	1,454,912
Public works	1,605,115	581,376	-	2,186,491
Capital outlay	1,861,668	5,799,731	-	7,661,399
Debt service				
Principal	188,404	-	4,951,747	5,140,151
Interest	30,906	-	1,675,046	1,705,952
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>10,586,240</u>	<u>7,836,126</u>	<u>6,626,793</u>	<u>25,049,159</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,972,470)</u>	<u>(7,502,597)</u>	<u>(5,608,142)</u>	<u>(15,083,209)</u>
<i>Other financing sources (uses):</i>				
Proceeds of bond/note issuance	-	52,250	-	52,250
Operating transfers in	4,432,850	8,416,794	6,689,250	19,538,894
Operating transfers (out)	(2,000,535)	(474,757)	(3,581,464)	(6,056,756)
<i>Total other financing sources (uses)</i>	<u>2,432,315</u>	<u>7,994,287</u>	<u>3,107,786</u>	<u>13,534,388</u>
<i>Net change in fund balances</i>	459,845	491,690	(2,500,356)	(1,548,821)
<i>Fund balances - beginning of year</i>	<u>7,230,438</u>	<u>1,824,114</u>	<u>3,485,887</u>	<u>12,540,439</u>
<i>Fund balances - end of year</i>	<u>\$ 7,690,283</u>	<u>\$ 2,315,804</u>	<u>\$ 985,531</u>	<u>\$ 10,991,618</u>

The accompanying notes are an integral part of these financial statements

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**NONMAJOR SPECIAL REVENUE FUNDS**

## **NONMAJOR 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)).

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

**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 expanded 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 promoting 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.

**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).



## **NONMAJOR SPECIAL REVENUE FUNDS**

**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).

**Clerk's Recording Fees** – To account for an additional \$4.00 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.

**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.

**Solid Waste Equipment** – To account for revenues received for the purchase of equipment. Authority for this fund is established by an Ordinance of the County Commission.

**Taos County Donations** – To account for donated funds received by the County. Authority for this fund is established by an Ordinance of the County Commission.

**Taos County Grant Match Fund** – To account for funds received for the Taos County Project. Authority for this fund is established by an Ordinance of the County Commission.

**DWI Program**– 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).

**DWI Intake Supervision** – To account for intake fees received by the County from DWI incidences. Authority for this fund is established by an Ordinance of the County Commission.

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

**DWI School** – To account for DWI fees received by the County. Authority for this fund is established by an Ordinance of the County Commission.

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

**Fire District Discretionary** – To account for non-restricted revenues and expenditures of the Fire Districts

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

**Intergovernmental**– To account for the revenues and expenditures for various grant activity, legislative appropriations, and construction projects.

**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.

**Disaster Relief Fund** – To account for money for disaster relief within the County. Authority established an Ordinance of the County Commission.

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2011**

	<u>Health Care Fund</u>	<u>GRT Judicial Complex Fund</u>	<u>Corrections Fund</u>	<u>Property Valuation Fund</u>	<u>Road Fund</u>
<b>ASSETS</b>					
<i>Current:</i>					
Cash and temporary investments	\$ 16,190	\$ 1,349,500	\$ 23,971	\$ 354,832	\$ 342,311
Accounts receivable					
Property taxes	-	-	-	-	-
Intergovernmental	29,350	3,946	-	-	60,407
Other receivables	-	-	-	-	-
Interfund balances	-	-	-	-	-
Prepaid expenses	-	-	-	-	5,889
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total current assets</i>	<u>\$ 45,540</u>	<u>\$ 1,353,446</u>	<u>\$ 23,971</u>	<u>\$ 354,832</u>	<u>\$ 408,607</u>
 <b>LIABILITIES AND FUND BALANCE</b>					
<i>Current Liabilities:</i>					
Accounts payable	\$ -	\$ 43,803	\$ -	\$ -	\$ 22,525
Accrued payroll liabilities	-	-	-	9,413	39,268
Interfund balances	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Deferred revenue - property taxes	-	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total current liabilities</i>	<u>-</u>	<u>43,803</u>	<u>-</u>	<u>9,413</u>	<u>61,793</u>
 <i>Fund balance:</i>					
Nonspendable	-	-	-	-	5,889
Restricted	45,540	1,309,643	23,971	345,419	340,925
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total fund balance</i>	<u>45,540</u>	<u>1,309,643</u>	<u>23,971</u>	<u>345,419</u>	<u>346,814</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<i>Total liabilities and fund balance</i>	<u>\$ 45,540</u>	<u>\$ 1,353,446</u>	<u>\$ 23,971</u>	<u>\$ 354,832</u>	<u>\$ 408,607</u>

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

Emergency Medical Services Ambulance Fund	Farm and Range Fund	Fire Protection Fund	Law Enforcement Protection Fund	Lodger's Tax Promotional Fund	Lodger's Tax Non-Promotional Fund	Recreation Fund	Indigent Fund
\$ 21,311	\$ 12,914	\$ 1,114,309	\$ 11,874	\$ 59,315	\$ 46,844	\$ 9,045	\$ 694,117
-	-	-	-	-	-	-	-
-	-	-	-	5,904	8,857	-	118,849
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	19,249	-	-	-	-	423
<u>\$ 21,311</u>	<u>\$ 12,914</u>	<u>\$ 1,133,558</u>	<u>\$ 11,874</u>	<u>\$ 65,219</u>	<u>\$ 55,701</u>	<u>\$ 9,045</u>	<u>\$ 813,389</u>
\$ -	\$ -	\$ 2,485	\$ -	\$ -	\$ -	\$ -	\$ 16,315
-	-	-	-	-	1,768	1,428	2,451
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	2,485	-	-	1,768	1,428	18,766
-	-	19,249	-	-	-	-	423
21,311	12,914	1,111,824	11,874	65,219	53,933	7,617	794,200
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>21,311</u>	<u>12,914</u>	<u>1,131,073</u>	<u>11,874</u>	<u>65,219</u>	<u>53,933</u>	<u>7,617</u>	<u>794,623</u>
<u>\$ 21,311</u>	<u>\$ 12,914</u>	<u>\$ 1,133,558</u>	<u>\$ 11,874</u>	<u>\$ 65,219</u>	<u>\$ 55,701</u>	<u>\$ 9,045</u>	<u>\$ 813,389</u>

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

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2011**

	Fire Rescue Excise Tax Fund	Clerk's Recording Fees Fund	Detention Fund	Youth Build Fund	Solid Waste Equipment Fund
<b>ASSETS</b>					
<i>Current:</i>					
Cash and temporary investments	\$ 1,675,731	\$ 264,153	\$ 340,972	\$ -	\$ 34,186
Accounts receivable					
Property taxes	-	-	-	-	-
Intergovernmental	33,302	-	2,696	-	-
Other receivables	-	-	-	-	-
Due from other funds	-	-	-	-	-
Prepaid expenses	-	-	75,230	-	-
<i>Total current assets</i>	<u>\$ 1,709,033</u>	<u>\$ 264,153</u>	<u>\$ 418,898</u>	<u>\$ -</u>	<u>\$ 34,186</u>
 <b>LIABILITIES AND FUND BALANCE</b>					
<i>Current Liabilities:</i>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	80,414	-	-
Due to other funds	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Deferred revenue - property taxes	-	-	-	-	-
<i>Total current liabilities</i>	<u>-</u>	<u>-</u>	<u>80,414</u>	<u>-</u>	<u>-</u>
<i>Fund balance:</i>					
Nonspendable	-	-	75,230	-	-
Restricted	1,709,033	264,153	263,254	-	34,186
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<i>Total fund balance</i>	<u>1,709,033</u>	<u>264,153</u>	<u>338,484</u>	<u>-</u>	<u>34,186</u>
<i>Total liabilities and fund balance</i>	<u>\$ 1,709,033</u>	<u>\$ 264,153</u>	<u>\$ 418,898</u>	<u>\$ -</u>	<u>\$ 34,186</u>

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

Taos County Donations Fund	Taos County Grant Match Fund	DWI Program Fund	DWI Grant Fund	DWI Intake Supervision Fund	DWI Domestic Violence Fund	DWI School Fund	Forest Reserve Title III Fund
\$ 2,100	\$ 162,747	\$ 90,365	\$ 20,169	\$ 42,115	\$ 3,653	\$ -	\$ 191,196
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	618	-
<u>\$ 2,100</u>	<u>\$ 162,747</u>	<u>\$ 90,365</u>	<u>\$ 20,169</u>	<u>\$ 42,115</u>	<u>\$ 3,653</u>	<u>\$ 618</u>	<u>\$ 191,196</u>
\$ -	\$ -	\$ -	\$ -	\$ 35,583	\$ -	\$ -	\$ -
-	-	11,100	1,731	-	-	-	487
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	11,100	1,731	35,583	-	-	487
-	-	-	-	-	-	618	-
-	-	79,265	18,438	6,532	3,653	-	190,709
2,100	162,747	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>2,100</u>	<u>162,747</u>	<u>79,265</u>	<u>18,438</u>	<u>6,532</u>	<u>3,653</u>	<u>618</u>	<u>190,709</u>
<u>\$ 2,100</u>	<u>\$ 162,747</u>	<u>\$ 90,365</u>	<u>\$ 20,169</u>	<u>\$ 42,115</u>	<u>\$ 3,653</u>	<u>\$ 618</u>	<u>\$ 191,196</u>

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

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**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2011**

Statement B-1  
 (Page 3 of 3)

	Fire Districts Discretionary Fund	Taos County Animal Shelter Fund	Inter- Governmental Fund	NMSA Aging- Chamisal Fund	Disaster Relief Fund	Total
<b>ASSETS</b>						
<i>Current:</i>						
Cash and temporary investments	\$ 12,387	\$ -	\$ 632,498	\$ -	\$ 68,525	\$ 7,597,330
Accounts receivable						
Property taxes	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	263,311
Other receivables	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Prepaid expenses	-	-	-	-	-	101,409
<i>Total current assets</i>	<u>\$ 12,387</u>	<u>\$ -</u>	<u>\$ 632,498</u>	<u>\$ -</u>	<u>\$ 68,525</u>	<u>\$ 7,962,050</u>
 <b>LIABILITIES AND FUND BALANCE</b>						
<i>Current Liabilities:</i>						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 120,711
Accrued payroll liabilities	-	-	2,996	-	-	151,056
Due to other funds	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
Deferred revenue - property taxes	-	-	-	-	-	-
<i>Total current liabilities</i>	<u>-</u>	<u>-</u>	<u>2,996</u>	<u>-</u>	<u>-</u>	<u>271,767</u>
<i>Fund balance:</i>						
Nonspendable	-	-	-	-	-	101,409
Restricted	12,387	-	629,502	-	-	7,355,502
Committed	-	-	-	-	68,525	233,372
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
<i>Total fund balance</i>	<u>12,387</u>	<u>-</u>	<u>629,502</u>	<u>-</u>	<u>68,525</u>	<u>7,690,283</u>
<i>Total liabilities and fund balance</i>	<u>\$ 12,387</u>	<u>\$ -</u>	<u>\$ 632,498</u>	<u>\$ -</u>	<u>\$ 68,525</u>	<u>\$ 7,962,050</u>

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

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

	Health Care Fund	GRT Judicial Complex Fund	Corrections Fund	Property Valuation Fund	Road Fund
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross receipts taxes	356,360	1,048,872	-	-	89,113
Other taxes	-	-	-	-	209,664
State grants	-	-	-	-	-
Federal grants	-	-	-	-	245,290
Licenses and fees	-	-	-	223,945	401,664
Charges for services	-	-	77,274	-	-
Investment income	-	-	-	-	-
Miscellaneous	-	-	-	-	7,381
<i>Total revenues</i>	<u>356,360</u>	<u>1,048,872</u>	<u>77,274</u>	<u>223,945</u>	<u>953,112</u>
<i>Expenditures:</i>					
Current					
General Government	-	-	-	187,109	-
Public safety	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Health and welfare	-	-	-	-	-
Public works	-	-	-	-	1,538,130
Capital outlay	-	177,803	-	4,240	54,874
Debt service					
Principal	-	-	-	-	100,420
Interest	-	-	-	-	25,008
<i>Total expenditures</i>	<u>-</u>	<u>177,803</u>	<u>-</u>	<u>191,349</u>	<u>1,718,432</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>356,360</u>	<u>871,069</u>	<u>77,274</u>	<u>32,596</u>	<u>(765,320)</u>
<i>Other financing sources (uses):</i>					
Proceeds from note payable	-	-	-	-	-
Operating transfers in	129,602	-	-	-	650,318
Operating transfers (out)	(628,742)	(380,000)	(70,000)	-	-
<i>Total other financing sources (uses)</i>	<u>(499,140)</u>	<u>(380,000)</u>	<u>(70,000)</u>	<u>-</u>	<u>650,318</u>
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures</i>	(142,780)	491,069	7,274	32,596	(115,002)
<i>Fund balances - beginning of year</i>	<u>188,320</u>	<u>818,574</u>	<u>16,697</u>	<u>312,823</u>	<u>461,816</u>
<i>Fund balances - end of year</i>	<u>\$ 45,540</u>	<u>\$ 1,309,643</u>	<u>\$ 23,971</u>	<u>\$ 345,419</u>	<u>\$ 346,814</u>

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



Emergency Medical Services Ambulance Fund	Farm and Range Fund	Fire Protection Fund	Law Enforcement Protection Fund	Lodger's Tax Promotional Fund	Lodger's Tax Non-Promotional Fund	Parks and Recreation Fund	Indigent Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
44,585	-	-	-	-	-	-	1,483,201
-	-	-	-	104,852	157,277	685	-
-	-	742,066	40,200	-	-	-	1,201,444
-	1,768	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	7,431	1,200	-
-	-	88	-	301	171	-	-
-	-	-	-	-	-	-	-
<u>44,585</u>	<u>1,768</u>	<u>742,154</u>	<u>40,200</u>	<u>105,153</u>	<u>164,879</u>	<u>1,885</u>	<u>2,684,645</u>
-	-	-	-	-	-	-	-
34,539	-	284,566	-	-	-	-	-
-	-	-	-	106,128	72,910	37,201	-
-	-	-	-	-	-	-	2,866,674
-	-	-	-	-	-	-	-
-	-	304,527	30,000	-	-	-	-
-	-	52,409	-	-	-	-	-
-	-	2,712	-	-	-	-	-
<u>34,539</u>	<u>-</u>	<u>644,214</u>	<u>30,000</u>	<u>106,128</u>	<u>72,910</u>	<u>37,201</u>	<u>2,866,674</u>
<u>10,046</u>	<u>1,768</u>	<u>97,940</u>	<u>10,200</u>	<u>(975)</u>	<u>91,969</u>	<u>(35,316)</u>	<u>(182,029)</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	41,292	-
-	-	-	-	-	(86,542)	-	-
-	-	-	-	-	(86,542)	41,292	-
10,046	1,768	97,940	10,200	(975)	5,427	5,976	(182,029)
<u>11,265</u>	<u>11,146</u>	<u>1,033,133</u>	<u>1,674</u>	<u>66,194</u>	<u>48,506</u>	<u>1,641</u>	<u>976,652</u>
<u>\$ 21,311</u>	<u>\$ 12,914</u>	<u>\$ 1,131,073</u>	<u>\$ 11,874</u>	<u>\$ 65,219</u>	<u>\$ 53,933</u>	<u>\$ 7,617</u>	<u>\$ 794,623</u>

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

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

	Fire Rescue Excise Tax Fund	Clerk's Recording Fees Fund	Detention Fund	Youth Build Fund	Solid Waste Equipment Fund
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross receipts taxes	385,871	-	65,294	-	35,541
Other taxes	-	-	-	-	-
State grants	-	-	-	-	-
Federal grants	-	-	3,927	-	-
Licenses and fees	-	28,981	-	-	-
Charges for services	-	-	219,269	-	-
Investment income	4,444	-	-	-	86
Miscellaneous	-	-	3,764	-	-
<i>Total revenues</i>	<u>390,315</u>	<u>28,981</u>	<u>292,254</u>	<u>-</u>	<u>35,627</u>
<i>Expenditures:</i>					
Current					
General Government	-	73,194	-	-	-
Public safety	89,965	-	2,615,067	-	-
Culture and recreation	-	-	-	-	-
Health and welfare	-	-	-	-	-
Public works	-	-	-	-	-
Capital outlay	175,012	-	-	-	-
Debt service					
Principal	-	-	-	-	35,575
Interest	-	-	-	-	3,186
<i>Total expenditures</i>	<u>264,977</u>	<u>73,194</u>	<u>2,615,067</u>	<u>-</u>	<u>38,761</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>125,338</u>	<u>(44,213)</u>	<u>(2,322,813)</u>	<u>-</u>	<u>(3,134)</u>
<i>Other financing sources (uses):</i>					
Proceeds from note payable	-	-	-	-	-
Operating transfers in (out)	-	-	2,493,808	-	3,311
Operating transfers in (out)	(162,999)	-	-	(209)	-
<i>Total other financing sources (uses)</i>	<u>(162,999)</u>	<u>-</u>	<u>2,493,808</u>	<u>(209)</u>	<u>3,311</u>
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures</i>	(37,661)	(44,213)	170,995	(209)	177
<i>Fund balances - beginning of year</i>	<u>1,746,694</u>	<u>308,366</u>	<u>167,489</u>	<u>209</u>	<u>34,009</u>
<i>Fund balances - end of year</i>	<u>\$ 1,709,033</u>	<u>\$ 264,153</u>	<u>\$ 338,484</u>	<u>\$ -</u>	<u>\$ 34,186</u>

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

Taos County Donations Fund	Taos County Grant Match Fund	DWI Program Fund	DWI Grant Fund	DWI Intake Supervision Fund	DWI Domestic Violence Fund	DWI School Fund	Forest Reserve Title III Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	226,268	52,296	-	-	-	-
-	-	-	-	-	-	-	40,401
-	-	-	-	32,041	2,100	-	-
-	-	-	-	-	155	-	-
-	-	-	-	-	-	-	-
-	-	-	-	7,948	-	-	-
-	-	226,268	52,296	39,989	2,255	-	40,401
-	-	-	-	-	-	-	-
-	-	250,323	77,845	47,446	1,564	2,346	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	64,036
-	-	-	-	-	-	-	570
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	250,323	77,845	47,446	1,564	2,346	64,606
-	-	(24,055)	(25,549)	(7,457)	691	(2,346)	(24,205)
-	-	-	-	-	-	-	-
-	200,000	10,335	-	-	-	-	-
-	(120,260)	-	-	-	-	-	-
-	79,740	10,335	-	-	-	-	-
-	79,740	(13,720)	(25,549)	(7,457)	691	(2,346)	(24,205)
2,100	83,007	92,985	43,987	13,989	2,962	2,964	214,914
\$ 2,100	\$ 162,747	\$ 79,265	\$ 18,438	\$ 6,532	\$ 3,653	\$ 618	\$ 190,709

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

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**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

Statement B-2  
(Page 3 of 3)

	Fire Districts Discretionary Fund	Taos County Animal Shelter Fund	Inter- Governmental Fund	NMSA Aging- Chamisal Fund	Disaster Relief Fund	Total
<i>Revenues:</i>						
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gross receipts taxes	-	-	212,877	-	-	3,721,714
Other taxes	-	-	-	-	-	472,478
State grants	963	-	387,379	11,302	-	2,661,918
Federal grants	-	-	443,548	-	-	734,934
Licenses and fees	-	-	-	-	-	688,731
Charges for services	-	-	-	-	-	305,329
Investment income	-	-	-	-	-	5,090
Miscellaneous	4,483	-	-	-	-	23,576
<i>Total revenues</i>	<u>5,446</u>	<u>-</u>	<u>1,043,804</u>	<u>11,302</u>	<u>-</u>	<u>8,613,770</u>
<i>Expenditures:</i>						
<i>Current</i>						
General Government	-	-	-	-	-	260,303
Public safety	5,375	-	91,359	-	51,475	3,551,870
Culture and recreation	-	-	4,901	-	-	221,140
Health and welfare	-	-	-	160	-	2,866,834
Public works	-	-	2,949	-	-	1,605,115
Capital outlay	-	-	1,103,500	11,142	-	1,861,668
Debt service						
Principal	-	-	-	-	-	188,404
Interest	-	-	-	-	-	30,906
<i>Total expenditures</i>	<u>5,375</u>	<u>-</u>	<u>1,202,709</u>	<u>11,302</u>	<u>51,475</u>	<u>10,586,240</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>71</u>	<u>-</u>	<u>(158,905)</u>	<u>-</u>	<u>(51,475)</u>	<u>(1,972,470)</u>
<i>Other financing sources (uses):</i>						
Proceeds from note payable	-	-	-	-	-	-
Operating transfers in (out)	-	-	654,184	-	250,000	4,432,850
Operating transfers in (out)	-	(25,000)	(396,783)	-	(130,000)	(2,000,535)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(25,000)</u>	<u>257,401</u>	<u>-</u>	<u>120,000</u>	<u>2,432,315</u>
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures</i>	71	(25,000)	98,496	-	68,525	459,845
<i>Fund balances - beginning of year</i>	<u>12,316</u>	<u>25,000</u>	<u>531,006</u>	<u>-</u>	<u>-</u>	<u>7,230,438</u>
<i>Fund balances - end of year</i>	<u>\$ 12,387</u>	<u>\$ -</u>	<u>\$ 629,502</u>	<u>\$ -</u>	<u>\$ 68,525</u>	<u>\$ 7,690,283</u>

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

## STATE OF NEW MEXICO

Statement B-3

## 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 375,300	\$ 375,300	\$ 391,491	\$ 16,191
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>375,300</u>	<u>375,300</u>	<u>391,491</u>	<u>16,191</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>375,300</u>	<u>375,300</u>	<u>391,491</u>	<u>16,191</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	129,602	129,602	129,602	-
Operating transfers (out)	(628,741)	(628,741)	(628,742)	(1)
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	123,839	123,839	-	(123,839)
<i>Total other financing sources (uses)</i>	<u>(375,300)</u>	<u>(375,300)</u>	<u>(499,140)</u>	<u>(123,840)</u>
<i>Net change in fund balances</i>	-	-	(107,649)	(107,649)
<i>Fund balances - beginning of year</i>	-	-	123,839	123,839
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,190</u>	<u>\$ 16,190</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			(35,131)	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (142,780)</u>	

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

## STATE OF NEW MEXICO

Statement B-4

## 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 1,001,322	\$ 1,001,322	\$ 1,065,301	\$ 63,979
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,001,322</u>	<u>1,001,322</u>	<u>1,065,301</u>	<u>63,979</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	133,000	134,010	134,000	10
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>133,000</u>	<u>134,010</u>	<u>134,000</u>	<u>10</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>868,322</u>	<u>867,312</u>	<u>931,301</u>	<u>63,989</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	850,000	850,000	-	(850,000)
Operating transfers (out)	(466,512)	(466,512)	(380,000)	86,512
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(1,251,810)	(1,250,800)	-	1,250,800
<i>Total other financing sources (uses)</i>	<u>(868,322)</u>	<u>(867,312)</u>	<u>(380,000)</u>	<u>487,312</u>
<i>Net change in fund balances</i>	-	-	551,301	551,301
<i>Fund balances - beginning of year</i>	-	-	798,199	798,199
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,349,500</u>	<u>\$ 1,349,500</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			(16,429)	
Expenditure accruals			(43,803)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 491,069</u>	

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

## STATE OF NEW MEXICO

Statement B-5

## 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	64,000	64,000	77,274	13,274
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>64,000</u>	<u>64,000</u>	<u>77,274</u>	<u>13,274</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>64,000</u>	<u>64,000</u>	<u>77,274</u>	<u>13,274</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(70,000)	(70,000)	(70,000)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	6,000	6,000	-	(6,000)
<i>Total other financing sources (uses)</i>	<u>(64,000)</u>	<u>(64,000)</u>	<u>(70,000)</u>	<u>(6,000)</u>
<i>Net change in fund balances</i>	-	-	7,274	7,274
<i>Fund balances - beginning of year</i>	-	-	16,697	16,697
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,971</u>	<u>\$ 23,971</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 7,274</u>	

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



## STATE OF NEW MEXICO

Statement B-6

## 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	175,000	175,000	223,945	48,945
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>175,000</u>	<u>175,000</u>	<u>223,945</u>	<u>48,945</u>
<i>Expenditures:</i>				
Current				
General Government	328,703	399,270	210,858	188,412
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	192,283	121,715	4,240	117,475
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>520,986</u>	<u>520,985</u>	<u>215,098</u>	<u>305,887</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(345,986)</u>	<u>(345,985)</u>	<u>8,847</u>	<u>354,832</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	345,986	345,985	-	(345,985)
<i>Total other financing sources (uses)</i>	<u>345,986</u>	<u>345,985</u>	<u>-</u>	<u>(345,985)</u>
<i>Net change in fund balances</i>	-	-	8,847	8,847
<i>Fund balances - beginning of year</i>	-	-	345,985	345,985
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 354,832</u>	<u>\$ 354,832</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			23,749	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 32,596</u>	

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

## STATE OF NEW MEXICO

Statement B-7

## TAOS COUNTY

## ROAD 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 243,000	\$ 243,000	\$ 309,957	\$ 66,957
Intergovernmental	285,800	285,800	245,290	(40,510)
Licenses and fees	381,075	381,075	395,866	14,791
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	7,381	7,381
<i>Total revenues</i>	<u>909,875</u>	<u>909,875</u>	<u>958,494</u>	<u>48,619</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	1,581,148	1,567,024	1,535,592	31,432
Education	-	-	-	-
Capital outlay	25,000	57,618	54,874	2,744
Debt service				
Principal	215,362	205,362	77,895	127,467
Interest	4,860	4,860	25,008	(20,148)
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>1,826,370</u>	<u>1,834,864</u>	<u>1,693,369</u>	<u>141,495</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(916,495)</u>	<u>(924,989)</u>	<u>(734,875)</u>	<u>190,114</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	650,318	650,318	650,318	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	266,177	274,671	-	(274,671)
<i>Total other financing sources (uses)</i>	<u>916,495</u>	<u>924,989</u>	<u>650,318</u>	<u>(274,671)</u>
<i>Net change in fund balances</i>	-	-	(84,557)	(84,557)
<i>Fund balances - beginning of year</i>	-	-	426,868	426,868
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 342,311</u>	<u>\$ 342,311</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			(5,382)	
Expenditure accruals			(25,063)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (115,002)</u>	

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

## STATE OF NEW MEXICO

Statement B-8

## 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 45,722	\$ 45,722	\$ 44,585	\$ (1,137)
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>45,722</u>	<u>45,722</u>	<u>44,585</u>	<u>(1,137)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	60,681	62,321	39,873	22,448
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>60,681</u>	<u>62,321</u>	<u>39,873</u>	<u>22,448</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(14,959)</u>	<u>(16,599)</u>	<u>4,712</u>	<u>21,311</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	14,959	16,599	-	(16,599)
<i>Total other financing sources (uses)</i>	<u>14,959</u>	<u>16,599</u>	<u>-</u>	<u>(16,599)</u>
<i>Net change in fund balances</i>	-	-	4,712	4,712
<i>Fund balances - beginning of year</i>	-	-	16,599	16,599
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,311</u>	<u>\$ 21,311</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			5,334	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 10,046</u>	

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

## STATE OF NEW MEXICO

Statement B-9

## 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	750	750	1,768	1,018
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>750</u>	<u>750</u>	<u>1,768</u>	<u>1,018</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	11,896	11,896	-	11,896
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>11,896</u>	<u>11,896</u>	<u>-</u>	<u>11,896</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(11,146)</u>	<u>(11,146)</u>	<u>1,768</u>	<u>12,914</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	11,146	11,146	-	(11,146)
<i>Total other financing sources (uses)</i>	<u>11,146</u>	<u>11,146</u>	<u>-</u>	<u>(11,146)</u>
<i>Net change in fund balances</i>	-	-	1,768	1,768
<i>Fund balances - beginning of year</i>	-	-	11,146	11,146
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,914</u>	<u>\$ 12,914</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 1,768</u>	

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

## STATE OF NEW MEXICO

Statement B-10

## 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	738,805	738,805	742,066	3,261
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	800	800	88	(712)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>739,605</u>	<u>739,605</u>	<u>742,154</u>	<u>2,549</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	694,550	737,550	330,491	407,059
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	1,051,029	1,008,029	304,527	703,502
Debt service				
Principal	52,485	52,485	52,409	76
Interest	2,794	2,794	2,712	82
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>1,800,858</u>	<u>1,800,858</u>	<u>690,139</u>	<u>1,110,719</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,061,253)</u>	<u>(1,061,253)</u>	<u>52,015</u>	<u>1,113,268</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	1,061,253	1,061,253	-	(1,061,253)
<i>Total other financing sources (uses)</i>	<u>1,061,253</u>	<u>1,061,253</u>	<u>-</u>	<u>(1,061,253)</u>
<i>Net change in fund balances</i>	-	-	52,015	52,015
<i>Fund balances - beginning of year</i>	-	-	1,062,294	1,062,294
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,114,309</u>	<u>\$ 1,114,309</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			45,925	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 97,940</u>	

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

## STATE OF NEW MEXICO

Statement B-11

## 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	40,200	40,200	40,200	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>40,200</u>	<u>40,200</u>	<u>40,200</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	41,874	11,874	-	11,874
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	30,000	30,000	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>41,874</u>	<u>41,874</u>	<u>30,000</u>	<u>11,874</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,674)</u>	<u>(1,674)</u>	<u>10,200</u>	<u>11,874</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	1,674	1,674	-	(1,674)
<i>Total other financing sources (uses)</i>	<u>1,674</u>	<u>1,674</u>	<u>-</u>	<u>(1,674)</u>
<i>Net change in fund balances</i>	-	-	10,200	10,200
<i>Fund balances - beginning of year</i>	-	-	1,674	1,674
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,874</u>	<u>\$ 11,874</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 10,200</u>	

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

## STATE OF NEW MEXICO

Statement B-12

## TAOS COUNTY

## LODGER'S 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 80,000	\$ 80,000	\$ 104,497	\$ 24,497
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	750	750	301	(449)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>80,750</u>	<u>80,750</u>	<u>104,798</u>	<u>24,048</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	141,396	141,395	106,128	35,267
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>141,396</u>	<u>141,395</u>	<u>106,128</u>	<u>35,267</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(60,646)</u>	<u>(60,645)</u>	<u>(1,330)</u>	<u>59,315</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	60,646	60,645	-	(60,645)
<i>Total other financing sources (uses)</i>	<u>60,646</u>	<u>60,645</u>	<u>-</u>	<u>(60,645)</u>
<i>Net change in fund balances</i>	-	-	(1,330)	(1,330)
<i>Fund balances - beginning of year</i>	-	-	60,645	60,645
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 59,315</u>	<u>\$ 59,315</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			355	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (975)</u>	

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

## STATE OF NEW MEXICO

Statement B-13

## 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 138,000	\$ 138,000	\$ 156,745	\$ 18,745
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	11,600	11,600	7,431	(4,169)
Investment income	100	100	171	71
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>149,700</u>	<u>149,700</u>	<u>164,347</u>	<u>14,647</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	77,171	77,171	72,779	4,392
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>77,171</u>	<u>77,171</u>	<u>72,779</u>	<u>4,392</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>72,529</u>	<u>72,529</u>	<u>91,568</u>	<u>19,039</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(94,746)	(94,746)	(86,542)	8,204
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	22,217	22,217	-	(22,217)
<i>Total other financing sources (uses)</i>	<u>(72,529)</u>	<u>(72,529)</u>	<u>(86,542)</u>	<u>(14,013)</u>
<i>Net change in fund balances</i>	-	-	5,026	5,026
<i>Fund balances - beginning of year</i>	-	-	41,818	41,818
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,844</u>	<u>\$ 46,844</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			532	
Expenditure accruals			(131)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 5,427</u>	

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



## STATE OF NEW MEXICO

Statement B-14

## TAOS COUNTY

## RECREATION 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ 685	\$ 685
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	1,500	1,500	1,200	(300)
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,500</u>	<u>1,500</u>	<u>1,885</u>	<u>385</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	54,072	54,072	37,208	16,864
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>54,072</u>	<u>54,072</u>	<u>37,208</u>	<u>16,864</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(52,572)</u>	<u>(52,572)</u>	<u>(35,323)</u>	<u>17,249</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	49,496	49,496	41,292	(8,204)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	3,076	3,076	-	(3,076)
<i>Total other financing sources (uses)</i>	<u>52,572</u>	<u>52,572</u>	<u>41,292</u>	<u>(11,280)</u>
<i>Net change in fund balances</i>	-	-	5,969	5,969
<i>Fund balances - beginning of year</i>	-	-	3,076	3,076
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,045</u>	<u>\$ 9,045</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			7	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 5,976</u>	

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

## STATE OF NEW MEXICO

Statement B-15

## TAOS COUNTY

## INDIGENT 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 1,500,000	\$ 1,500,000	\$ 1,556,781	\$ 56,781
Intergovernmental	1,446,573	1,446,573	1,201,444	(245,129)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>2,946,573</u>	<u>2,946,573</u>	<u>2,758,225</u>	<u>(188,348)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	3,733,545	3,733,545	2,851,080	882,465
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>3,733,545</u>	<u>3,733,545</u>	<u>2,851,080</u>	<u>882,465</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(786,972)</u>	<u>(786,972)</u>	<u>(92,855)</u>	<u>694,117</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	786,972	786,972	-	(786,972)
<i>Total other financing sources (uses)</i>	<u>786,972</u>	<u>786,972</u>	<u>-</u>	<u>(786,972)</u>
<i>Net change in fund balances</i>	-	-	(92,855)	(92,855)
<i>Fund balances - beginning of year</i>	-	-	786,972	786,972
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 694,117</u>	<u>\$ 694,117</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			(73,580)	
Expenditure accruals			(15,594)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (182,029)</u>	

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

## STATE OF NEW MEXICO

Statement B-16

## TAOS COUNTY

## FIRE RESCUE 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 396,000	\$ 396,000	\$ 424,118	\$ 28,118
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	4,444	4,444
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>396,000</u>	<u>396,000</u>	<u>428,562</u>	<u>32,562</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	506,111	559,611	90,675	468,936
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	1,230,557	1,177,057	182,639	994,418
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>1,736,668</u>	<u>1,736,668</u>	<u>273,314</u>	<u>1,463,354</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,340,668)</u>	<u>(1,340,668)</u>	<u>155,248</u>	<u>1,495,916</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(342,813)	(342,813)	(162,999)	179,814
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	1,683,481	1,683,481	-	(1,683,481)
<i>Total other financing sources (uses)</i>	<u>1,340,668</u>	<u>1,340,668</u>	<u>(162,999)</u>	<u>(1,503,667)</u>
<i>Net change in fund balances</i>	-	-	(7,751)	(7,751)
<i>Fund balances - beginning of year</i>	-	-	1,683,482	1,683,482
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,675,731</u>	<u>\$ 1,675,731</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			(38,247)	
Expenditure accruals			8,337	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (37,661)</u>	

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

## STATE OF NEW MEXICO

Statement B-17

## 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	35,000	35,000	28,981	(6,019)
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>35,000</u>	<u>35,000</u>	<u>28,981</u>	<u>(6,019)</u>
<i>Expenditures:</i>				
Current				
General Government	343,366	343,366	73,194	270,172
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>343,366</u>	<u>343,366</u>	<u>73,194</u>	<u>270,172</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(308,366)</u>	<u>(308,366)</u>	<u>(44,213)</u>	<u>264,153</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	308,366	308,366	-	(308,366)
<i>Total other financing sources (uses)</i>	<u>308,366</u>	<u>308,366</u>	<u>-</u>	<u>(308,366)</u>
<i>Net change in fund balances</i>	-	-	(44,213)	(44,213)
<i>Fund balances - beginning of year</i>	-	-	308,366	308,366
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 264,153</u>	<u>\$ 264,153</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (44,213)</u>	

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

## STATE OF NEW MEXICO

Statement B-18

## TAOS COUNTY

## 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 27,500	\$ 27,500	\$ 73,409	\$ 45,909
Intergovernmental	14,300	14,300	3,927	(10,373)
Licenses and fees	-	-	-	-
Charges for services	186,100	186,100	219,269	33,169
Investment income	-	-	-	-
Miscellaneous	17,500	17,500	13,564	(3,936)
<i>Total revenues</i>	<u>245,400</u>	<u>245,400</u>	<u>310,169</u>	<u>64,769</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	2,769,325	2,769,325	2,585,985	183,340
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>2,769,325</u>	<u>2,769,325</u>	<u>2,585,985</u>	<u>183,340</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,523,925)</u>	<u>(2,523,925)</u>	<u>(2,275,816)</u>	<u>248,109</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	2,493,808	2,493,808	2,493,808	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	30,117	30,117	-	(30,117)
<i>Total other financing sources (uses)</i>	<u>2,523,925</u>	<u>2,523,925</u>	<u>2,493,808</u>	<u>(30,117)</u>
<i>Net change in fund balances</i>	-	-	217,992	217,992
<i>Fund balances - beginning of year</i>	-	-	122,980	122,980
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 340,972</u>	<u>\$ 340,972</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			(17,915)	
Expenditure accruals			(29,082)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 170,995</u>	

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

## STATE OF NEW MEXICO

Statement B-19

## TAOS COUNTY

## YOUTH BUILD 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	160,000	160,000	-	(160,000)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>160,000</u>	<u>160,000</u>	<u>-</u>	<u>(160,000)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>160,000</u>	<u>160,000</u>	<u>-</u>	<u>(160,000)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(209)	(209)	(209)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(159,791)	(159,791)	-	159,791
<i>Total other financing sources (uses)</i>	<u>(160,000)</u>	<u>(160,000)</u>	<u>(209)</u>	<u>159,791</u>
<i>Net change in fund balances</i>	-	-	(209)	(209)
<i>Fund balances - beginning of year</i>	-	-	209	209
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (209)</u>	

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

## STATE OF NEW MEXICO

Statement B-20

## TAOS COUNTY

## SOLID WASTE EQUIPMENT 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 35,569	\$ 35,569	\$ 35,541	\$ (28)
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	75	75	86	11
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>35,644</u>	<u>35,644</u>	<u>35,627</u>	<u>(17)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	35,580	35,580	35,575	5
Interest	3,200	3,200	3,186	14
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>38,780</u>	<u>38,780</u>	<u>38,761</u>	<u>19</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(3,136)</u>	<u>(3,136)</u>	<u>(3,134)</u>	<u>2</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	3,311	3,311
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	3,136	3,136	-	(3,136)
<i>Total other financing sources (uses)</i>	<u>3,136</u>	<u>3,136</u>	<u>3,311</u>	<u>175</u>
<i>Net change in fund balances</i>	-	-	177	177
<i>Fund balances - beginning of year</i>	-	-	34,009	34,009
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,186</u>	<u>\$ 34,186</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 177</u>	

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

## STATE OF NEW MEXICO

Statement B-21

## TAOS COUNTY

## TAOS COUNTY DONATION 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	2,100	2,100	-	2,100
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>2,100</u>	<u>2,100</u>	<u>-</u>	<u>2,100</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,100)</u>	<u>(2,100)</u>	<u>-</u>	<u>2,100</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	2,100	2,100	-	-
<i>Total other financing sources (uses)</i>	<u>2,100</u>	<u>2,100</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	2,100	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,100</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

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



## STATE OF NEW MEXICO

Statement B-22

## TAOS COUNTY

TAOS COUNTY GRANT MATCH 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Operating transfers in	200,000	200,000	200,000	-
Operating transfers (out)	(120,260)	(120,260)	(120,260)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(79,740)	(79,740)	-	79,740
<i>Total other financing sources (uses)</i>	-	-	79,740	79,740
<i>Net change in fund balances</i>	-	-	79,740	79,740
<i>Fund balances - beginning of year</i>	-	-	83,007	83,007
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 162,747	\$ 162,747
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ 79,740	

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

## STATE OF NEW MEXICO

Statement B-23

## 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	247,090	247,090	226,268	(20,822)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>247,090</u>	<u>247,090</u>	<u>226,268</u>	<u>(20,822)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	259,249	259,250	248,977	10,273
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>259,249</u>	<u>259,250</u>	<u>248,977</u>	<u>10,273</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(12,159)</u>	<u>(12,160)</u>	<u>(22,709)</u>	<u>(10,549)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	10,335	10,335	10,335	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	1,824	1,825	-	(1,825)
<i>Total other financing sources (uses)</i>	<u>12,159</u>	<u>12,160</u>	<u>10,335</u>	<u>(1,825)</u>
<i>Net change in fund balances</i>	-	-	(12,374)	(12,374)
<i>Fund balances - beginning of year</i>	-	-	102,739	102,739
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 90,365</u>	<u>\$ 90,365</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			(1,346)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (13,720)</u>	

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

## STATE OF NEW MEXICO

Statement B-24

## TAOS COUNTY

## DWI GRANT MATCH 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	89,345	89,345	76,852	(12,493)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>89,345</u>	<u>89,345</u>	<u>76,852</u>	<u>(12,493)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	69,810	89,346	77,512	11,834
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>69,810</u>	<u>89,346</u>	<u>77,512</u>	<u>11,834</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>19,535</u>	<u>(1)</u>	<u>(660)</u>	<u>(659)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(19,535)	1	-	(1)
<i>Total other financing sources (uses)</i>	<u>(19,535)</u>	<u>1</u>	<u>-</u>	<u>(1)</u>
<i>Net change in fund balances</i>	-	-	(660)	(660)
<i>Fund balances - beginning of year</i>	-	-	20,829	20,829
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,169</u>	<u>\$ 20,169</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			(24,556)	
Expenditure accruals			(333)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (25,549)</u>	

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

## STATE OF NEW MEXICO

Statement B-25

## 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	13,120	13,120	32,041	18,921
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	7,948	7,948
<i>Total revenues</i>	<u>13,120</u>	<u>13,120</u>	<u>39,989</u>	<u>26,869</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	27,109	27,109	11,863	15,246
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>27,109</u>	<u>27,109</u>	<u>11,863</u>	<u>15,246</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(13,989)</u>	<u>(13,989)</u>	<u>28,126</u>	<u>42,115</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	13,989	13,989	-	(13,989)
<i>Total other financing sources (uses)</i>	<u>13,989</u>	<u>13,989</u>	<u>-</u>	<u>(13,989)</u>
<i>Net change in fund balances</i>	-	-	28,126	28,126
<i>Fund balances - beginning of year</i>	-	-	13,989	13,989
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,115</u>	<u>\$ 42,115</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			(35,583)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (7,457)</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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	1,250	1,250	2,100	850
Charges for services	300	300	155	(145)
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,550</u>	<u>1,550</u>	<u>2,255</u>	<u>705</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	4,512	4,512	1,564	2,948
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>4,512</u>	<u>4,512</u>	<u>1,564</u>	<u>2,948</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,962)</u>	<u>(2,962)</u>	<u>691</u>	<u>3,653</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	2,962	2,962	-	(2,962)
<i>Total other financing sources (uses)</i>	<u>2,962</u>	<u>2,962</u>	<u>-</u>	<u>(2,962)</u>
<i>Net change in fund balances</i>	-	-	691	691
<i>Fund balances - beginning of year</i>	-	-	2,962	2,962
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,653</u>	<u>\$ 3,653</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 691</u>	

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

## STATE OF NEW MEXICO

Statement B-27

## TAOS COUNTY

## DWI SCHOOL 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	1,235	1,235	1,235	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>1,235</u>	<u>1,235</u>	<u>1,235</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,235)</u>	<u>(1,235)</u>	<u>(1,235)</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	1,235	1,235	-	(1,235)
<i>Total other financing sources (uses)</i>	<u>1,235</u>	<u>1,235</u>	<u>-</u>	<u>(1,235)</u>
<i>Net change in fund balances</i>	-	-	(1,235)	(1,235)
<i>Fund balances - beginning of year</i>	-	-	1,235	1,235
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			(1,111)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (2,346)</u>	

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

## STATE OF NEW MEXICO

Statement B-28

## TAOS COUNTY

## FOREST RESERVE TITLE III SPECIAL REVENUE FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	47,500	47,500	40,401	(7,099)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>47,500</u>	<u>47,500</u>	<u>40,401</u>	<u>(7,099)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	202,414	202,414	63,549	138,865
Education	-	-	-	-
Capital outlay	60,000	60,000	570	59,430
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>262,414</u>	<u>262,414</u>	<u>64,119</u>	<u>198,295</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(214,914)</u>	<u>(214,914)</u>	<u>(23,718)</u>	<u>191,196</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	214,914	214,914	-	(214,914)
<i>Total other financing sources (uses)</i>	<u>214,914</u>	<u>214,914</u>	<u>-</u>	<u>(214,914)</u>
<i>Net change in fund balances</i>	-	-	(23,718)	(23,718)
<i>Fund balances - beginning of year</i>	-	-	214,914	214,914
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 191,196</u>	<u>\$ 191,196</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			(487)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (24,205)</u>	

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

## STATE OF NEW MEXICO

Statement B-29

## TAOS COUNTY

FIRE DISTRICTS DISCRETIONARY 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	100,000	100,000	963	(99,037)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	4,483	4,483	4,483	-
<i>Total revenues</i>	104,483	104,483	5,446	(99,037)
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	82,718	87,200	5,375	81,825
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	29,599	29,599	-	29,599
Debt service				-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	112,317	116,799	5,375	111,424
<i>Excess (deficiency) of revenues over expenditures</i>	(7,834)	(12,316)	71	12,387
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	7,834	12,316	-	(12,316)
<i>Total other financing sources (uses)</i>	7,834	12,316	-	(12,316)
<i>Net change in fund balances</i>	-	-	71	71
<i>Fund balances - beginning of year</i>	-	-	12,316	12,316
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 12,387	\$ 12,387
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ 71	

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



## STATE OF NEW MEXICO

Statement B-30

## 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	(25,000)	(25,000)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	25,000	-	(25,000)
<i>Total other financing sources (uses)</i>	-	-	(25,000)	(25,000)
<i>Net change in fund balances</i>	-	-	(25,000)	(25,000)
<i>Fund balances - beginning of year</i>	-	-	25,000	25,000
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (25,000)	

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

## STATE OF NEW MEXICO

Statement B-31

## 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 232,265	\$ 232,265	\$ 212,877	\$ (19,388)
Intergovernmental	1,129,936	1,129,936	971,536	(158,400)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,362,201</u>	<u>1,362,201</u>	<u>1,184,413</u>	<u>(177,788)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	94,793	258,407	88,363	170,044
Culture and recreation	8,125	8,125	4,901	3,224
Health and welfare	-	-	-	-
Public works	3,552	3,552	2,949	603
Education	-	-	-	-
Capital outlay	1,507,020	1,389,504	1,121,487	268,017
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>1,613,490</u>	<u>1,659,588</u>	<u>1,217,700</u>	<u>441,888</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(251,289)</u>	<u>(297,387)</u>	<u>(33,287)</u>	<u>264,100</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	76,775	654,184	654,184	-
Operating transfers (out)	-	(396,783)	(396,783)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	174,514	39,986	-	(39,986)
<i>Total other financing sources (uses)</i>	<u>251,289</u>	<u>297,387</u>	<u>257,401</u>	<u>(39,986)</u>
<i>Net change in fund balances</i>	-	-	224,114	224,114
<i>Fund balances - beginning of year</i>	-	-	408,384	408,384
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 632,498</u>	<u>\$ 632,498</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			(140,609)	
Expenditure accruals			14,991	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 98,496</u>	

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

## STATE OF NEW MEXICO

Statement B-32

## 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	11,302	11,302	11,302	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>11,302</u>	<u>11,302</u>	<u>11,302</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	160	160	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	11,142	11,142	11,142	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>11,142</u>	<u>11,302</u>	<u>11,302</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>160</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(160)	-	-	-
<i>Total other financing sources (uses)</i>	<u>(160)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

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

## STATE OF NEW MEXICO

Statement B-33

## TAOS COUNTY

## DISASTER RELIEF 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	250,000	51,475	198,525
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>250,000</u>	<u>51,475</u>	<u>198,525</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(250,000)</u>	<u>(51,475)</u>	<u>198,525</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	250,000	250,000	-
Operating transfers (out)	-	-	(130,000)	(130,000)
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>250,000</u>	<u>120,000</u>	<u>(130,000)</u>
<i>Net change in fund balances</i>	-	-	68,525	68,525
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 68,525</u>	<u>\$ 68,525</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 68,525</u>	

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

**NONMAJOR CAPITAL PROJECT FUNDS**

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## NONMAJOR CAPITAL PROJECTS FUNDS

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

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

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

**Department of Transportation** – To account for GRIP2 funding received for construction on West Rim Road.

**Amalia 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.

**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.

**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 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 Emergency 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.

**Admin/Judicial Complex Projects Fund** – To account for revenue and expenditures related to Admin/Judicial Complex Project.

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

**Taos County Complex Construction Fund** – This capital projects fund is 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.

**Arroyo Hondo Transfer Station Fund** – To account for funds used/received in order to build a retaining wall at the Arroyo Hondo Transfer Station.

**Amalia Ventero Water System Fund** – To account for engineering costs for water system improvements in Amalia Ventero area.

**NMED SW Loan Proceeds Fund** – To account for the proceeds received from the NMED Loan and the construction associated with the project..

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**COMBINING BALANCE SHEET**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**JUNE 30, 2011**

	Educational Bond Fund	Capital Enhancement Fund	Penasco Sub- Station Fund	Department of Transportation Fund
<b>ASSETS</b>				
Current:				
Cash and cash equivalents	\$ 202,418	\$ 285,782	\$ -	\$ -
Accounts receivable				
Property taxes	-	-	-	-
Intergovernmental	-	-	-	-
Other receivables	-	-	-	-
Interfund balances	-	-	-	-
<i>Total current assets</i>	<u>\$ 202,418</u>	<u>\$ 285,782</u>	<u>\$ -</u>	<u>\$ -</u>
 <b>LIABILITIES AND FUND BALANCE</b>				
<i>Current Liabilities:</i>				
Accounts payable	\$ -	\$ 17,996	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-
Interfund balances	-	-	-	-
Deferred revenue	-	-	-	-
Deferred revenue - property taxes	-	-	-	-
<i>Total current liabilities</i>	<u>-</u>	<u>17,996</u>	<u>-</u>	<u>-</u>
 <i>Fund balance:</i>				
Nonspendable	-	-	-	-
Restricted	202,418	267,786	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balance</i>	<u>202,418</u>	<u>267,786</u>	<u>-</u>	<u>-</u>
<i>Total liabilities and fund balance</i>	<u>\$ 202,418</u>	<u>\$ 285,782</u>	<u>\$ -</u>	<u>\$ -</u>

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



Amalia Community Center Fund	La Lama Community Center Fund	Talpa Community Center Fund	Old Courthouse Renovation Fund	Amalia/ Costilla Center Fund	Llano/Quemado Emergency Response Center Fund	Admin/Judicial/ Complex Fund	El Prado Community Center Fund
\$ 9,275	\$ -	\$ -	\$ 226	\$ -	\$ 3	\$ 93,346	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 9,275</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 226</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 93,346</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	3,684	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	3,684	-
-	-	-	-	-	-	-	-
9,275	-	-	226	-	3	89,662	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>9,275</u>	<u>-</u>	<u>-</u>	<u>226</u>	<u>-</u>	<u>3</u>	<u>89,662</u>	<u>-</u>
<u>\$ 9,275</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 226</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 93,346</u>	<u>\$ -</u>

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

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**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**COMBINING BALANCE SHEET**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**JUNE 30, 2011**

Statement C-1  
(Page 2 of 2)

	Taos County Complex Construction Fund	Arroyo Hondo Transfer Station Fund	Amalia Ventero Water Sstem Fund	NMED SW Loan Proceeds Fund	Total
<b>ASSETS</b>					
<i>Current:</i>					
Cash and cash equivalents	\$ 1,722,005	\$ 24,429	\$ -	\$ -	\$ 2,337,484
Accounts receivable					
Property taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Other receivables	-	-	-	-	-
Interfund balances	-	-	-	-	-
<i>Total current assets</i>	<u>\$ 1,722,005</u>	<u>\$ 24,429</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,337,484</u>
 <b>LIABILITIES AND FUND BALANCE</b>					
<i>Current Liabilities:</i>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 17,996
Accrued payroll liabilities	-	-	-	-	3,684
Interfund balances	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Deferred revenue - property taxes	-	-	-	-	-
<i>Total current liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,680</u>
<i>Fund balance:</i>					
Nonspendable	-	-	-	-	-
Restricted	1,722,005	24,429	-	-	2,315,804
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<i>Total fund balance</i>	<u>1,722,005</u>	<u>24,429</u>	<u>-</u>	<u>-</u>	<u>2,315,804</u>
<i>Total liabilities and fund balance</i>	<u>\$ 1,722,005</u>	<u>\$ 24,429</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,337,484</u>

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

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

	Educational Bond Fund	Capital Enhancement Fund	Penasco Sub- Station Fund	Department of Transportation Fund
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts taxes	-	-	-	-
Other taxes	-	-	-	-
State grants	-	-	50,000	106,116
Federal grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	8	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>8</u>	<u>-</u>	<u>50,000</u>	<u>106,116</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	442,469	-	-
Education	1,454,912	-	-	-
Capital outlay	-	417,245	69,794	(44,114)
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,454,912</u>	<u>859,714</u>	<u>69,794</u>	<u>(44,114)</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,454,904)</u>	<u>(859,714)</u>	<u>(19,794)</u>	<u>150,230</u>
<i>Other financing sources (uses):</i>				
Proceeds from bond/note	-	-	-	-
Operating transfers in	82,474	1,000,000	10,000	260,485
Operating transfers(out)	(82,475)	-	(69,259)	(101,443)
<i>Total other financing sources (uses)</i>	<u>(1)</u>	<u>1,000,000</u>	<u>(59,259)</u>	<u>159,042</u>
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures</i>	<u>(1,454,905)</u>	<u>140,286</u>	<u>(79,053)</u>	<u>309,272</u>
<i>Fund balances - beginning of year</i>	<u>1,657,323</u>	<u>127,500</u>	<u>79,053</u>	<u>(309,272)</u>
<i>Fund balances - end of year</i>	<u>\$ 202,418</u>	<u>\$ 267,786</u>	<u>\$ -</u>	<u>\$ -</u>

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

Amalia Community Center Fund	La Lama Community Center Fund	Talpa Community Center Fund	Old Courthouse Renovation Fund	Amalia/ Costilla Center Fund	Llano/Quemado Emergency Response Center Fund	Admin/Judicial/ Complex Fund	El Prado Community Center Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	22,696	-	-	-	27,098	-
-	-	-	-	-	-	-	-
-	-	-	-	1,398	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	52,690	-
-	-	22,696	-	1,398	-	79,788	-
-	-	-	-	-	-	-	-
-	-	-	-	-	107	-	-
-	-	-	-	-	-	-	-
-	-	-	435	-	-	89,170	-
-	-	-	-	-	-	-	-
-	-	-	-	1,398	-	57,201	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	435	1,398	107	146,371	-
-	-	22,696	(435)	-	(107)	(66,583)	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	95,665	-
-	(25,006)	(56,117)	-	(21,894)	(36,305)	(32,000)	(50,258)
-	(25,006)	(56,117)	-	(21,894)	(36,305)	63,665	(50,258)
-	(25,006)	(33,421)	(435)	(21,894)	(36,412)	(2,918)	(50,258)
9,275	25,006	33,421	661	21,894	36,415	92,580	50,258
\$ 9,275	\$ -	\$ -	\$ 226	\$ -	\$ 3	\$ 89,662	\$ -

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

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**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR CAPITAL PROJECT FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

Statement C-2  
(Page 2 of 2)

	Taos County Complex Construction Fund	Arroyo Hondo Transfer Station Fund	Amalia Ventero Water Sstem Fund	NMED SW Loan Proceeds Fund	Total
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Gross receipts taxes	-	-	-	-	49,794
Other taxes	-	-	-	-	-
State grants	-	24,404	49,106	-	231,024
Federal grants	-	-	-	-	-
Licenses and fees	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment income	13	-	-	-	21
Miscellaneous	-	-	-	-	52,690
<i>Total revenues</i>	<u>13</u>	<u>24,404</u>	<u>49,106</u>	<u>-</u>	<u>333,529</u>
<i>Expenditures:</i>					
Current					
General Government	-	-	-	-	-
Public safety	-	-	-	-	107
Culture and recreation	-	-	-	-	-
Health and welfare	-	-	-	-	-
Public works	196	-	49,106	-	581,376
Education	-	-	-	-	1,454,912
Capital outlay	5,195,982	49,975	-	52,250	5,799,731
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>5,196,178</u>	<u>49,975</u>	<u>49,106</u>	<u>52,250</u>	<u>7,836,126</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(5,196,165)</u>	<u>(25,571)</u>	<u>-</u>	<u>(52,250)</u>	<u>(7,502,597)</u>
<i>Other financing sources (uses):</i>					
Proceeds from bond/note (out)	-	-	-	52,250	52,250
Operating transfers in (out)	6,918,170	50,000	-	-	8,416,794
Operating transfers in (out)	-	-	-	-	(474,757)
<i>Total other financing sources (uses)</i>	<u>6,918,170</u>	<u>50,000</u>	<u>-</u>	<u>52,250</u>	<u>7,994,287</u>
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures</i>	1,722,005	24,429	-	-	491,690
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,824,114</u>
<i>Fund balances - end of year</i>	<u>\$ 1,722,005</u>	<u>\$ 24,429</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,315,804</u>

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

## STATE OF NEW MEXICO

Statement C-3

## TAOS COUNTY

ADMIN/JUDICIAL/CORRECTIONS COMPLEX CAPITAL PROJECT FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 2,139,400	\$ 2,139,400	\$ 1,654,011	\$ (485,389)
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	5,500	5,500	852	(4,648)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>2,144,900</u>	<u>2,144,900</u>	<u>1,654,863</u>	<u>(490,037)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	739,400	31,315,000	31,315,000	-
Interest	1,400,000	1,400,000	1,367,316	32,684
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>2,139,400</u>	<u>32,715,000</u>	<u>32,682,316</u>	<u>32,684</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>5,500</u>	<u>(30,570,100)</u>	<u>(31,027,453)</u>	<u>(457,353)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	30,570,100	31,773,160	1,203,060
Operating transfers (out)	-	-	(891,074)	(891,074)
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(5,500)	-	-	-
<i>Total other financing sources (uses)</i>	<u>(5,500)</u>	<u>30,570,100</u>	<u>30,882,086</u>	<u>311,986</u>
<i>Net change in fund balances</i>	-	-	(145,367)	(145,367)
<i>Fund balances - beginning of year</i>	-	-	145,367	145,367
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (145,367)</u>	

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



## STATE OF NEW MEXICO

Statement C-4

## TAOS COUNTY

## EDUCATIONAL BOND CAPITAL PROJECT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	10	10	8	(2)
Miscellaneous	125	125	-	(125)
<i>Total revenues</i>	<u>135</u>	<u>135</u>	<u>8</u>	<u>(127)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	1,642,418	1,642,418	1,454,912	187,506
Capital outlay	15,040	15,040	-	15,040
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>1,657,458</u>	<u>1,657,458</u>	<u>1,454,912</u>	<u>202,546</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,657,323)</u>	<u>(1,657,323)</u>	<u>(1,454,904)</u>	<u>202,419</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	82,474	82,474
Operating transfers (out)	-	-	(82,475)	(82,475)
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	1,657,323	1,657,323	-	(1,657,323)
<i>Total other financing sources (uses)</i>	<u>1,657,323</u>	<u>1,657,323</u>	<u>(1)</u>	<u>(1,657,324)</u>
<i>Net change in fund balances</i>	-	-	(1,454,905)	(1,454,905)
<i>Fund balances - beginning of year</i>	-	-	1,657,323	1,657,323
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 202,418</u>	<u>\$ 202,418</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (1,454,905)</u>	

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

## STATE OF NEW MEXICO

Statement C-5

## TAOS COUNTY

## CAPITAL ENHANCEMENT CAPITAL PROJECT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	743,100	617,720	424,473	193,247
Education	-	-	-	-
Capital outlay	409,000	534,380	417,245	117,135
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>1,152,100</u>	<u>1,152,100</u>	<u>841,718</u>	<u>310,382</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,152,100)</u>	<u>(1,152,100)</u>	<u>(841,718)</u>	<u>310,382</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	1,024,600	1,024,600	1,000,000	(24,600)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	127,500	127,500	-	(127,500)
<i>Total other financing sources (uses)</i>	<u>1,152,100</u>	<u>1,152,100</u>	<u>1,000,000</u>	<u>(152,100)</u>
<i>Net change in fund balances</i>	-	-	158,282	158,282
<i>Fund balances - beginning of year</i>	-	-	127,500	127,500
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 285,782</u>	<u>\$ 285,782</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			(17,996)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 140,286</u>	

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

## STATE OF NEW MEXICO

Statement C-6

## TAOS COUNTY

## PENASCO SUB-STATION CAPITAL PROJECT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	50,000	84,344	50,000	(34,344)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>50,000</u>	<u>84,344</u>	<u>50,000</u>	<u>(34,344)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	63,287	107,631	69,794	37,837
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>63,287</u>	<u>107,631</u>	<u>69,794</u>	<u>37,837</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(13,287)</u>	<u>(23,287)</u>	<u>(19,794)</u>	<u>3,493</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	10,000	10,000
Operating transfers (out)	-	-	(69,259)	(69,259)
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	13,287	23,287	-	(23,287)
<i>Total other financing sources (uses)</i>	<u>13,287</u>	<u>23,287</u>	<u>(59,259)</u>	<u>(82,546)</u>
<i>Net change in fund balances</i>	-	-	(79,053)	(79,053)
<i>Fund balances - beginning of year</i>	-	-	79,053	79,053
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (79,053)</u>	

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

## STATE OF NEW MEXICO

Statement C-7

## TAOS COUNTY

DEPARTMENT OF TRANSPORTATION CAPITAL PROJECT FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	444,699	444,699	106,116	(338,583)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>444,699</u>	<u>444,699</u>	<u>106,116</u>	<u>(338,583)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	448,125	448,125	268,584	179,541
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>448,125</u>	<u>448,125</u>	<u>268,584</u>	<u>179,541</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(3,426)</u>	<u>(3,426)</u>	<u>(162,468)</u>	<u>(159,042)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	260,485	260,485
Operating transfers (out)	-	-	(101,443)	(101,443)
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	3,426	3,426	-	(3,426)
<i>Total other financing sources (uses)</i>	<u>3,426</u>	<u>3,426</u>	<u>159,042</u>	<u>155,616</u>
<i>Net change in fund balances</i>	-	-	(3,426)	(3,426)
<i>Fund balances - beginning of year</i>	-	-	3,426	3,426
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			312,698	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 309,272</u>	

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

## STATE OF NEW MEXICO

Statement C-8

## TAOS COUNTY

AMALIA COMMUNITY CENTER CAPITAL PROJECT FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	9,275	9,275	-	9,275
Debt service				-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>9,275</u>	<u>9,275</u>	<u>-</u>	<u>9,275</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(9,275)</u>	<u>(9,275)</u>	<u>-</u>	<u>9,275</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	9,275	9,275	-	(9,275)
<i>Total other financing sources (uses)</i>	<u>9,275</u>	<u>9,275</u>	<u>-</u>	<u>(9,275)</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	9,275	9,275
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,275</u>	<u>\$ 9,275</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

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

## STATE OF NEW MEXICO

Statement C-9

## TAOS COUNTY

## LA LAMA COMMUNITY CENTER CAPITAL PROJECT FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	(25,006)	(25,006)
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(25,006)</u>	<u>(25,006)</u>
<i>Net change in fund balances</i>	-	-	(25,006)	(25,006)
<i>Fund balances - beginning of year</i>	-	-	25,006	25,006
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (25,006)</u>	

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

## STATE OF NEW MEXICO

Statement C-10

## TAOS COUNTY

## TALPA COMMUNITY CENTER CAPITAL PROJECT FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 40,016	\$ 40,016	\$ 22,696	\$ (17,320)
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>40,016</u>	<u>40,016</u>	<u>22,696</u>	<u>(17,320)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	10,000	10,000	-	10,000
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>10,000</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>30,016</u>	<u>30,016</u>	<u>22,696</u>	<u>(7,320)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(56,117)	(56,117)	(56,117)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	26,101	26,101	-	(26,101)
<i>Total other financing sources (uses)</i>	<u>(30,016)</u>	<u>(30,016)</u>	<u>(56,117)</u>	<u>(26,101)</u>
<i>Net change in fund balances</i>	-	-	(33,421)	(33,421)
<i>Fund balances - beginning of year</i>	-	-	33,421	33,421
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (33,421)</u>	

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

## STATE OF NEW MEXICO

Statement C-11

## TAOS COUNTY

OLD COURTHOUSE RENOVATION CAPITAL PROJECT FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	661	661	435	226
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	661	661	435	226
<i>Excess (deficiency) of revenues over expenditures</i>	(661)	(661)	(435)	226
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	661	661	-	(661)
<i>Total other financing sources (uses)</i>	661	661	-	(661)
<i>Net change in fund balances</i>	-	-	(435)	(435)
<i>Fund balances - beginning of year</i>	-	-	661	661
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 226	\$ 226
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (435)	

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



## STATE OF NEW MEXICO

Statement C-12

## TAOS COUNTY

## AMALIA/COSTILLA CENTER CAPITAL PROJECT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	8,997	8,997	8,509	(488)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>8,997</u>	<u>8,997</u>	<u>8,509</u>	<u>(488)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	1,500	1,500	-	1,500
Education	-	-	-	-
Capital outlay	23,164	23,164	7,281	15,883
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>24,664</u>	<u>24,664</u>	<u>7,281</u>	<u>17,383</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(15,667)</u>	<u>(15,667)</u>	<u>1,228</u>	<u>16,895</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	(21,894)	(21,894)
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	15,667	15,667	-	(15,667)
<i>Total other financing sources (uses)</i>	<u>15,667</u>	<u>15,667</u>	<u>(21,894)</u>	<u>(37,561)</u>
<i>Net change in fund balances</i>	-	-	(20,666)	(20,666)
<i>Fund balances - beginning of year</i>	-	-	20,666	20,666
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			(7,111)	
Expenditure accruals			5,883	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (21,894)</u>	

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

## STATE OF NEW MEXICO

Statement C-13

## TAOS COUNTY

LLANO QUEMADO RESPONSE CENTER CAPITAL PROJECT FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	110	110	107	3
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>110</u>	<u>110</u>	<u>107</u>	<u>3</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(110)</u>	<u>(110)</u>	<u>(107)</u>	<u>3</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(36,305)	(36,305)	(36,305)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	36,415	36,415	-	(36,415)
<i>Total other financing sources (uses)</i>	<u>110</u>	<u>110</u>	<u>(36,305)</u>	<u>(36,415)</u>
<i>Net change in fund balances</i>	-	-	(36,412)	(36,412)
<i>Fund balances - beginning of year</i>	-	-	36,415	36,415
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ 3</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (36,412)</u>	

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

## STATE OF NEW MEXICO

Statement C-14

## TAOS COUNTY

## ADMIN/JUDICIAL COMPLEX CAPITAL PROJECT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 42,416	\$ 42,416	\$ 27,098	\$ (15,318)
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	74,000	74,000	107,734	33,734
<i>Total revenues</i>	<u>116,416</u>	<u>116,416</u>	<u>134,832</u>	<u>18,416</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	111,581	111,581	88,896	22,685
Education	-	-	-	-
Capital outlay	130,756	130,756	78,511	52,245
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>242,337</u>	<u>242,337</u>	<u>167,407</u>	<u>74,930</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(125,921)</u>	<u>(125,921)</u>	<u>(32,575)</u>	<u>93,346</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	63,665	63,665	95,665	32,000
Operating transfers (out)	-	-	(32,000)	(32,000)
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	62,256	62,256	-	(62,256)
<i>Total other financing sources (uses)</i>	<u>125,921</u>	<u>125,921</u>	<u>63,665</u>	<u>(62,256)</u>
<i>Net change in fund balances</i>	-	-	31,090	31,090
<i>Fund balances - beginning of year</i>	-	-	62,256	62,256
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 93,346</u>	<u>\$ 93,346</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			(55,044)	
Expenditure accruals			21,036	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (2,918)</u>	

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

## STATE OF NEW MEXICO

Statement C-15

## TAOS COUNTY

## EL PRADO COMMUNITY CENTER CAPITAL PROJECT FUND

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN

## FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(50,258)	(50,258)	(50,258)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	50,258	50,258	-	(50,258)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(50,258)</u>	<u>(50,258)</u>
<i>Net change in fund balances</i>	-	-	(50,258)	(50,258)
<i>Fund balances - beginning of year</i>	-	-	50,258	50,258
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (50,258)</u>	

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

## STATE OF NEW MEXICO

Statement C-16

## TAOS COUNTY

TAOS COUNTY COMPLEX CONSTRUCTION CAPITAL PROJECT FUND  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	13	13
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>13</u>	<u>13</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	500	196	304
Education	-	-	-	-
Capital outlay	-	6,917,670	5,195,982	1,721,688
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>6,918,170</u>	<u>5,196,178</u>	<u>1,721,992</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(6,918,170)</u>	<u>(5,196,165)</u>	<u>1,722,005</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	6,918,170	6,918,170	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>6,918,170</u>	<u>6,918,170</u>	<u>-</u>
<i>Net change in fund balances</i>	-	-	1,722,005	1,722,005
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,722,005</u>	<u>\$ 1,722,005</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 1,722,005</u>	

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

## STATE OF NEW MEXICO

Statement C-17

## TAOS COUNTY

ARROYO HONDO TRANSFER STATION CAPITAL PROJECT FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	50,000	24,404	(25,596)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>50,000</u>	<u>24,404</u>	<u>(25,596)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	50,000	49,975	25
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>50,000</u>	<u>49,975</u>	<u>25</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>(25,571)</u>	<u>(25,571)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	50,000	50,000	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	(50,000)	-	50,000
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>
<i>Net change in fund balances</i>	-	-	24,429	24,429
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,429</u>	<u>\$ 24,429</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 24,429</u>	

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

## STATE OF NEW MEXICO

Statement C-18

## TAOS COUNTY

AMALIA VENTERO WATER SYSTEM CAPITAL PROJECT FUND  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
 FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	50,000	50,000	49,106	(894)
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	50,000	50,000	49,106	(894)
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	50,000	50,000	49,106	894
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	50,000	50,000	49,106	894
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ -	

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

## STATE OF NEW MEXICO

Statement C-19

## TAOS COUNTY

## NMED SW LOAN PROCEEDS CAPITAL PROJECT FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET (NON - GAAP BUDGETARY BASIS) AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	500,000	500,000	52,250	447,750
Debt service				-
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>500,000</u>	<u>500,000</u>	<u>52,250</u>	<u>447,750</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(500,000)</u>	<u>(500,000)</u>	<u>(52,250)</u>	<u>447,750</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	500,000	500,000	-	(500,000)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	52,250	52,250
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>500,000</u>	<u>500,000</u>	<u>52,250</u>	<u>(447,750)</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

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



**NONMAJOR DEBT SERVICE FUNDS**

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## Nonmajor Debt Service Funds

**2007 Educational Refunding Bond Reserve**– 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.

**2003 Bond Debt Service** – To account for the accumulation of resources and payment of the Bond Debt Service. Authority for this fund is established by an Ordinance of the County Commission.

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

**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 for this fund is established by an Ordinance of the County Commission.

**NMFA Solid Waste Vehicle Bond Series**– To account for revenues received for the purchase of equipment. Authority for this fund is established by an Ordinance of the County Commission.

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

**NMFA Taos Backhoe** – To account for the loan agreement for the purchase of equipment for the Solid Waste Department

**NMFA Latir Taos** – To account for the Loan agreement for the purchase of fire apparatus for the Latir Fire District.

**La Lama Loan** – To account for the Loan agreement for the purchase of fire apparatus for the La Lama Fire District.

**USDA Loan Reserve** – To account for the bond reserves required by the USDA loan agreement.

**NMED SW Loan Debt Service Fund** – To account for the debt service on the NMED Loan.

**USDA Loan Proceeds Fund**- To account for the loan proceeds of the USDA loan agreement.

**USDA BoA Debt Service Fund** – To account for funds used to pay principal and interest on the USDA loan agreement.

**Taos County Complex Restructuring Fund** – To account for loan proceeds of NMFA Loan No. 40, which was a restructuring of NMFA Loan No. 26 and No. 29.

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**COMBINING BALANCE SHEET**  
**NONMAJOR DEBT SERVICE FUNDS**  
**JUNE 30, 2011**

	Educational Refunding Bond Reserve Fund	2003 Bond Debt Service Fund	Education Bond Fund	2004 Education Bond Series Fund
<b>ASSETS</b>				
Current:				
Short term investments	\$ 346,115	\$ 37,176	\$ 25,236	\$ 222
Accounts receivable				
Property taxes	-	-	-	-
Intergovernmental	-	-	-	-
Other receivables	-	-	-	-
Interfund balances	-	-	-	-
	<u>\$ 346,115</u>	<u>\$ 37,176</u>	<u>\$ 25,236</u>	<u>\$ 222</u>
<i>Total current assets</i>	<u>\$ 346,115</u>	<u>\$ 37,176</u>	<u>\$ 25,236</u>	<u>\$ 222</u>
 <b>LIABILITIES AND FUND BALANCE</b>				
<i>Current Liabilities:</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-
Interfund balances	-	-	-	-
Deferred revenue	-	-	-	-
Deferred revenue - property taxes	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total current liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <i>Fund balance:</i>				
Nonspendable	-	-	-	-
Restricted	346,115	37,176	25,236	222
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
	<u>346,115</u>	<u>37,176</u>	<u>25,236</u>	<u>222</u>
<i>Total fund balance</i>	<u>346,115</u>	<u>37,176</u>	<u>25,236</u>	<u>222</u>
<i>Total liabilities and fund balance</i>	<u>\$ 346,115</u>	<u>\$ 37,176</u>	<u>\$ 25,236</u>	<u>\$ 222</u>

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

<u>NMFA Solid Waste Vehicle Bond Fund</u>	<u>Land Purchase Judicial Complex Fund</u>	<u>NMFA Taos Backhoe Fund</u>	<u>NMFA Latir Taos Fund</u>	<u>La Lama Loan Fund</u>	<u>USDA Loan Reserve Fund</u>	<u>NMED SW Loan Debt Service Fund</u>
\$ -	\$ -	\$ 2,089	\$ 46,031	\$ 75	\$ 64,347	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,089</u>	<u>\$ 46,031</u>	<u>\$ 75</u>	<u>\$ 64,347</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	2,089	46,031	75	64,347	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	2,089	46,031	75	64,347	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,089</u>	<u>\$ 46,031</u>	<u>\$ 75</u>	<u>\$ 64,347</u>	<u>\$ -</u>

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

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**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**COMBINING BALANCE SHEET**  
**NONMAJOR DEBT SERVICE FUNDS**  
**JUNE 30, 2011**

Statement D-1  
(Page 2 of 2)

	USDA Loan Proceeds Fund	USDA BoA Debt Service Fund	Taos County Complex Restructuring Fund	Total
<b>ASSETS</b>				
Current:				
Short term investments	\$ 112,160	\$ 35,710	\$ 152,170	\$ 821,331
Accounts receivable				
Property taxes	-	-	-	-
Intergovernmental	-	-	164,200	164,200
Other receivables	-	-	-	-
Interfund balances	-	-	-	-
<i>Total current assets</i>	\$ 112,160	\$ 35,710	\$ 316,370	\$ 985,531
 <b>LIABILITIES AND FUND BALANCE</b>				
<i>Current Liabilities:</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll liabilities	-	-	-	-
Interfund balances	-	-	-	-
Deferred revenue	-	-	-	-
Deferred revenue - property taxes	-	-	-	-
<i>Total current liabilities</i>	-	-	-	-
 <i>Fund balance:</i>				
Nonspendable	-	-	-	-
Restricted	112,160	35,710	316,370	985,531
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
<i>Total fund balance</i>	112,160	35,710	316,370	985,531
<i>Total liabilities and fund balance</i>	\$ 112,160	\$ 35,710	\$ 316,370	\$ 985,531

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

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR DEBT SERVICE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2011**

	Educational Refunding Bond Reserve Fund	2003 Bond Debt Service Fund	Education Bond Fund	2004 Education Bond Series Fund
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts taxes	-	2,946	-	-
Other taxes	-	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	277,691	199	27,975	6,247
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>277,691</u>	<u>3,145</u>	<u>27,975</u>	<u>6,247</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	2,120,000	12,000	-	-
Interest	253,650	33,250	-	8,765
<i>Total expenditures</i>	<u>2,373,650</u>	<u>45,250</u>	<u>-</u>	<u>8,765</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,095,959)</u>	<u>(42,105)</u>	<u>27,975</u>	<u>(2,518)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	2,113,534	45,250	1	2,740
Operating transfers (out)	(2,952,715)	-	(2,740)	-
<i>Total other financing sources (uses)</i>	<u>(839,181)</u>	<u>45,250</u>	<u>(2,739)</u>	<u>2,740</u>
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures</i>	(2,935,140)	3,145	25,236	222
<i>Fund balances - beginning of year</i>	<u>3,281,255</u>	<u>34,031</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 346,115</u>	<u>\$ 37,176</u>	<u>\$ 25,236</u>	<u>\$ 222</u>

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



NMFA Solid Waste Vehicle Bond Fund	Land Purchase Judicial Complex Fund	NMFA Taos Backhoe Fund	NMFA Latir Taos Fund	La Lama Loan Fund	USDA Loan Reserve Fund	NMED SW Loan Debt Service Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10,539	83,037	13,076	4,661	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
14	66	12	8	-	4	-
-	-	-	-	-	-	-
<u>10,553</u>	<u>83,103</u>	<u>13,088</u>	<u>4,669</u>	<u>-</u>	<u>4</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
13,633	1,460,366	11,087	4,661	-	-	-
<u>1,657</u>	<u>64,128</u>	<u>2,670</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
15,290	1,524,494	13,757	4,661	-	-	-
<u>(4,737)</u>	<u>(1,441,391)</u>	<u>(669)</u>	<u>8</u>	<u>-</u>	<u>4</u>	<u>-</u>
1,171	1,492,406	923	17	75	64,343	-
-	(69,832)	-	-	(100,377)	-	-
<u>1,171</u>	<u>1,422,574</u>	<u>923</u>	<u>17</u>	<u>(100,302)</u>	<u>64,343</u>	<u>-</u>
(3,566)	(18,817)	254	25	(100,302)	64,347	-
<u>3,566</u>	<u>18,817</u>	<u>1,835</u>	<u>46,006</u>	<u>100,377</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,089</u>	<u>\$ 46,031</u>	<u>\$ 75</u>	<u>\$ 64,347</u>	<u>\$ -</u>

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

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## STATE OF NEW MEXICO

## TAOS COUNTY

Statement D-2

(Page 2 of 2)

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR DEBT SERVICE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2011

	USDA Loan Proceeds Fund	USDA BoA Debt Service Fund	Taos County Complex Restructuring Fund	Total
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
Gross receipts taxes	-	99,709	492,344	706,312
Other taxes	-	-	-	-
State grants	-	-	-	-
Federal grants	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	17	16	90	312,339
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>17</u>	<u>99,725</u>	<u>492,434</u>	<u>1,018,651</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	160,000	1,170,000	4,951,747
Interest	317,834	192,402	800,690	1,675,046
<i>Total expenditures</i>	<u>317,834</u>	<u>352,402</u>	<u>1,970,690</u>	<u>6,626,793</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(317,817)</u>	<u>(252,677)</u>	<u>(1,478,256)</u>	<u>(5,608,142)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in (out)	834,242	339,922	1,794,626	6,689,250
Operating transfers in (out)	(404,265)	(51,535)	-	(3,581,464)
<i>Total other financing sources (uses)</i>	<u>429,977</u>	<u>288,387</u>	<u>1,794,626</u>	<u>3,107,786</u>
<i>Excess (deficiency) of revenues and other sources (uses) over expenditures</i>	<u>112,160</u>	<u>35,710</u>	<u>316,370</u>	<u>(2,500,356)</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,485,887</u>
<i>Fund balances - end of year</i>	<u>\$ 112,160</u>	<u>\$ 35,710</u>	<u>\$ 316,370</u>	<u>\$ 985,531</u>

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

## STATE OF NEW MEXICO

Statement D-3

## 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	10,090	10,090	49,445	39,355
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>10,090</u>	<u>10,090</u>	<u>49,445</u>	<u>39,355</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	10,865,320	10,865,320	10,858,502	6,818
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>10,865,320</u>	<u>10,865,320</u>	<u>10,858,502</u>	<u>6,818</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(10,855,230)</u>	<u>(10,855,230)</u>	<u>(10,809,057)</u>	<u>46,173</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	146,377	146,377	100,302	(46,075)
Operating transfers (out)	(33,260,000)	(33,260,000)	(33,260,208)	(208)
Bond proceeds	33,260,000	33,260,000	33,260,000	-
Designated cash (budgeted increase in cash)	10,708,853	10,708,853	-	(10,708,853)
<i>Total other financing sources (uses)</i>	<u>10,855,230</u>	<u>10,855,230</u>	<u>100,094</u>	<u>(10,755,136)</u>
<i>Net change in fund balances</i>	-	-	(10,708,963)	(10,708,963)
<i>Fund balances - beginning of year</i>	-	-	10,742,141	10,742,141
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,178</u>	<u>\$ 33,178</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (10,708,963)</u>	

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

## STATE OF NEW MEXICO

Statement D-4

## 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 2,573,900	\$ 2,573,900	\$ 3,184,733	\$ 610,833
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	150	150	-	(150)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>2,574,050</u>	<u>2,574,050</u>	<u>3,184,733</u>	<u>610,683</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	2,925,000	2,925,000	2,855,000	70,000
Interest	247,045	247,045	184,765	62,280
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>3,172,045</u>	<u>3,172,045</u>	<u>3,039,765</u>	<u>132,280</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(597,995)</u>	<u>(597,995)</u>	<u>144,968</u>	<u>742,963</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	3,826,611	3,826,611	-
Operating transfers (out)	-	(3,826,611)	(3,826,611)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	597,995	597,995	-	(597,995)
<i>Total other financing sources (uses)</i>	<u>597,995</u>	<u>597,995</u>	<u>-</u>	<u>(597,995)</u>
<i>Net change in fund balances</i>	-	-	144,968	144,968
<i>Fund balances - beginning of year</i>	-	-	2,461,381	2,461,381
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,606,349</u>	<u>\$ 2,606,349</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 144,968</u>	

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

## STATE OF NEW MEXICO

Statement D-5

## TAOS COUNTY

## USDA/RUS 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 664,140	\$ 980,370	\$ 1,034,937	\$ 54,567
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	106,250	106,250	50,558	(55,692)
Investment income	-	-	-	-
Miscellaneous	150,606	150,606	64,000	(86,606)
<i>Total revenues</i>	<u>920,996</u>	<u>1,237,226</u>	<u>1,149,495</u>	<u>(87,731)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	8,300,000	8,300,000	5,601,702	2,698,298
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>8,300,000</u>	<u>8,300,000</u>	<u>5,601,702</u>	<u>2,698,298</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(7,379,004)</u>	<u>(7,062,774)</u>	<u>(4,452,207)</u>	<u>2,610,567</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	(7,707,976)	(8,016,501)	(8,016,501)	-
Bond proceeds	15,000,000	15,000,000	12,519,872	(2,480,128)
Designated cash (budgeted increase in cash)	86,980	79,275	-	(79,275)
<i>Total other financing sources (uses)</i>	<u>7,379,004</u>	<u>7,062,774</u>	<u>4,503,371</u>	<u>(2,559,403)</u>
<i>Net change in fund balances</i>	-	-	51,164	51,164
<i>Fund balances - beginning of year</i>	-	-	86,980	86,980
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 138,144</u>	<u>\$ 138,144</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			405,301	
Expenditure accruals			(189,478)	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 266,987</u>	

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

## STATE OF NEW MEXICO

Statement D-6

## TAOS COUNTY

EDUCATION 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	317,600	317,600	277,691	(39,909)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>317,600</u>	<u>317,600</u>	<u>277,691</u>	<u>(39,909)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	2,500,000	2,500,000	2,120,000	380,000
Interest	722,175	722,175	253,650	468,525
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>3,222,175</u>	<u>3,222,175</u>	<u>2,373,650</u>	<u>848,525</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,904,575)</u>	<u>(2,904,575)</u>	<u>(2,095,959)</u>	<u>808,616</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	2,113,534	2,113,534
Operating transfers (out)	-	-	(2,952,715)	(2,952,715)
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	2,904,575	2,904,575	-	(2,904,575)
<i>Total other financing sources (uses)</i>	<u>2,904,575</u>	<u>2,904,575</u>	<u>(839,181)</u>	<u>(3,743,756)</u>
<i>Net change in fund balances</i>	-	-	(2,935,140)	(2,935,140)
<i>Fund balances - beginning of year</i>	-	-	3,281,255	3,281,255
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 346,115</u>	<u>\$ 346,115</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (2,935,140)</u>	

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

## STATE OF NEW MEXICO

Statement D-7

## TAOS COUNTY

## 2003 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 5,500	\$ 5,500	\$ 3,585	\$ (1,915)
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	500	500	199	(301)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>6,000</u>	<u>6,000</u>	<u>3,784</u>	<u>(2,216)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	25,467	25,467	-	25,467
Debt service				
Principal	12,000	12,000	12,000	-
Interest	33,250	33,250	33,250	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>70,717</u>	<u>70,717</u>	<u>45,250</u>	<u>25,467</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(64,717)</u>	<u>(64,717)</u>	<u>(41,466)</u>	<u>23,251</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	45,250	45,250	45,250	-
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	19,467	19,467	-	(19,467)
<i>Total other financing sources (uses)</i>	<u>64,717</u>	<u>64,717</u>	<u>45,250</u>	<u>(19,467)</u>
<i>Net change in fund balances</i>	-	-	3,784	3,784
<i>Fund balances - beginning of year</i>	-	-	33,392	33,392
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,176</u>	<u>\$ 37,176</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			(639)	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 3,145</u>	

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



## STATE OF NEW MEXICO

Statement D-8

## TAOS COUNTY

## EDUCATION 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	27,980	27,980	27,975	(5)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>27,980</u>	<u>27,980</u>	<u>27,975</u>	<u>(5)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	27,980	27,980	-	27,980
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>27,980</u>	<u>27,980</u>	<u>-</u>	<u>27,980</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>27,975</u>	<u>27,975</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	1	1
Operating transfers (out)	-	-	(2,740)	(2,740)
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(2,739)</u>	<u>(2,739)</u>
<i>Net change in fund balances</i>	-	-	25,236	25,236
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,236</u>	<u>\$ 25,236</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 25,236</u>	

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

## STATE OF NEW MEXICO

Statement D-9

## TAOS COUNTY

## 2004 EDUCATION 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	7,957	8,954	6,247	(2,707)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>7,957</u>	<u>8,954</u>	<u>6,247</u>	<u>(2,707)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	7,957	8,954	8,765	189
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>7,957</u>	<u>8,954</u>	<u>8,765</u>	<u>189</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	(2,518)	(2,518)
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	2,740	2,740
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>2,740</u>	<u>2,740</u>
<i>Net change in fund balances</i>	-	-	222	222
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 222</u>	<u>\$ 222</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 222</u>	

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

## STATE OF NEW MEXICO

Statement D-10

## TAOS COUNTY

NMFA SOLID WASTE VEHICLE 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 12,882	\$ 12,882	\$ 10,539	\$ (2,343)
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	25	25	14	(11)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	12,907	12,907	10,553	(2,354)
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	13,633	13,633	13,633	-
Interest	420	1,668	1,657	11
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	14,053	15,301	15,290	11
<i>Excess (deficiency) of revenues over expenditures</i>	(1,146)	(2,394)	(4,737)	(2,343)
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	1,171	1,171
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	1,146	2,394	-	(2,394)
<i>Total other financing sources (uses)</i>	1,146	2,394	1,171	(1,223)
<i>Net change in fund balances</i>	-	-	(3,566)	(3,566)
<i>Fund balances - beginning of year</i>	-	-	3,566	3,566
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (3,566)	

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

## STATE OF NEW MEXICO

Statement D-11

## 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 97,351	\$ 97,351	\$ 83,037	\$ (14,314)
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	25	65	66	1
Miscellaneous	-	-	-	-
<i>Total revenues</i>	97,376	97,416	83,103	(14,313)
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	32,696	1,460,366	1,460,366	-
Interest	64,655	64,655	64,128	527
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	97,351	1,525,021	1,524,494	527
<i>Excess (deficiency) of revenues over expenditures</i>	25	(1,427,605)	(1,441,391)	(13,786)
<i>Other financing sources (uses):</i>				
Operating transfers in	-	1,492,406	1,492,406	-
Operating transfers (out)	-	(69,832)	(69,832)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(25)	5,031	-	(5,031)
<i>Total other financing sources (uses)</i>	(25)	1,427,605	1,422,574	(5,031)
<i>Net change in fund balances</i>	-	-	(18,817)	(18,817)
<i>Fund balances - beginning of year</i>	-	-	18,817	18,817
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ -	\$ -
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ (18,817)	

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

## STATE OF NEW MEXICO

Statement D-12

## TAOS COUNTY

## NMFA TAOS BACKHOE 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 16,744	\$ 16,744	\$ 13,076	\$ (3,668)
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	25	25	12	(13)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>16,769</u>	<u>16,769</u>	<u>13,088</u>	<u>(3,681)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	12,015	12,015	11,087	928
Interest	2,872	3,435	2,670	765
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>14,887</u>	<u>15,450</u>	<u>13,757</u>	<u>1,693</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,882</u>	<u>1,319</u>	<u>(669)</u>	<u>(1,988)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	920	920	923	3
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(2,802)	(2,239)	-	2,239
<i>Total other financing sources (uses)</i>	<u>(1,882)</u>	<u>(1,319)</u>	<u>923</u>	<u>2,242</u>
<i>Net change in fund balances</i>	-	-	254	254
<i>Fund balances - beginning of year</i>	-	-	1,835	1,835
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,089</u>	<u>\$ 2,089</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 254</u>	

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

## STATE OF NEW MEXICO

Statement D-13

## TAOS COUNTY

## NMFA LATIR TAOS 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 4,661	\$ 4,661	\$ 4,661	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	25	25	8	(17)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>4,686</u>	<u>4,686</u>	<u>4,669</u>	<u>(17)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	4,661	4,661	4,661	-
Interest	31	31	-	31
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>4,692</u>	<u>4,692</u>	<u>4,661</u>	<u>31</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(6)</u>	<u>(6)</u>	<u>8</u>	<u>14</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	17	17
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	6	6	-	(6)
<i>Total other financing sources (uses)</i>	<u>6</u>	<u>6</u>	<u>17</u>	<u>11</u>
<i>Net change in fund balances</i>	-	-	25	25
<i>Fund balances - beginning of year</i>	-	-	46,006	46,006
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,031</u>	<u>\$ 46,031</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 25</u>	

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

## STATE OF NEW MEXICO

Statement D-14

## TAOS COUNTY

## LA LAMA LOAN 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ 14,644	\$ 14,644	\$ -	\$ (14,644)
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	25	25	-	(25)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>14,669</u>	<u>14,669</u>	<u>-</u>	<u>(14,669)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	13,404	13,404	-	13,404
Interest	1,240	1,240	-	1,240
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>14,644</u>	<u>14,644</u>	<u>-</u>	<u>14,644</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>25</u>	<u>25</u>	<u>-</u>	<u>(25)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	75	75
Operating transfers (out)	(100,377)	(100,377)	(100,377)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	100,352	100,352	-	(100,352)
<i>Total other financing sources (uses)</i>	<u>(25)</u>	<u>(25)</u>	<u>(100,302)</u>	<u>(100,277)</u>
<i>Net change in fund balances</i>	-	-	(100,302)	(100,302)
<i>Fund balances - beginning of year</i>	-	-	100,377	100,377
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 75</u>	<u>\$ 75</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ (100,302)</u>	

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

## STATE OF NEW MEXICO

Statement D-15

## TAOS COUNTY

## USDA LOAN 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	250	250	4	(246)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>250</u>	<u>250</u>	<u>4</u>	<u>(246)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>250</u>	<u>250</u>	<u>4</u>	<u>(246)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	78,000	78,000	64,343	(13,657)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(78,250)	(78,250)	-	78,250
<i>Total other financing sources (uses)</i>	<u>(250)</u>	<u>(250)</u>	<u>64,343</u>	<u>64,593</u>
<i>Net change in fund balances</i>	-	-	64,347	64,347
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,347</u>	<u>\$ 64,347</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 64,347</u>	

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



## STATE OF NEW MEXICO

Statement D-16

## TAOS COUNTY

## NMED SW LOAN 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				-
Principal	18,608	18,608	-	18,608
Interest	15,000	15,000	-	15,000
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>33,608</u>	<u>33,608</u>	<u>-</u>	<u>33,608</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(33,608)</u>	<u>(33,608)</u>	<u>-</u>	<u>33,608</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	-	-	-
Operating transfers (out)	-	-	-	-
Bond proceeds	500,000	500,000	-	(500,000)
Designated cash (budgeted increase in cash)	(466,392)	(466,392)	-	466,392
<i>Total other financing sources (uses)</i>	<u>33,608</u>	<u>33,608</u>	<u>-</u>	<u>(33,608)</u>
<i>Net change in fund balances</i>	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ -</u>	

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

## STATE OF NEW MEXICO

Statement D-17

## TAOS COUNTY

## USDA LOAN 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	1,000	1,000	17	(983)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>1,000</u>	<u>1,000</u>	<u>17</u>	<u>(983)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	161,226	-	-	-
Interest	619,750	317,835	317,834	1
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>780,976</u>	<u>317,835</u>	<u>317,834</u>	<u>1</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(779,976)</u>	<u>(316,835)</u>	<u>(317,817)</u>	<u>(982)</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	779,976	834,242	834,242	-
Operating transfers (out)	-	(404,265)	(404,265)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	-	(113,142)	-	113,142
<i>Total other financing sources (uses)</i>	<u>779,976</u>	<u>316,835</u>	<u>429,977</u>	<u>113,142</u>
<i>Net change in fund balances</i>	-	-	112,160	112,160
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 112,160</u>	<u>\$ 112,160</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 112,160</u>	

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

## STATE OF NEW MEXICO

Statement D-18

## TAOS COUNTY

## USDA BOA 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ 99,709	\$ 99,709	\$ -
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	100	100	16	(84)
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>100</u>	<u>99,809</u>	<u>99,725</u>	<u>(84)</u>
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	160,000	160,000	-
Interest	-	193,902	192,402	1,500
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>353,902</u>	<u>352,402</u>	<u>1,500</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>100</u>	<u>(254,093)</u>	<u>(252,677)</u>	<u>1,416</u>
<i>Other financing sources (uses):</i>				
Operating transfers in	-	367,682	339,922	(27,760)
Operating transfers (out)	-	(51,535)	(51,535)	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(100)	(62,054)	-	62,054
<i>Total other financing sources (uses)</i>	<u>(100)</u>	<u>254,093</u>	<u>288,387</u>	<u>34,294</u>
<i>Net change in fund balances</i>	-	-	35,710	35,710
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,710</u>	<u>\$ 35,710</u>
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			-	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			<u>\$ 35,710</u>	

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

## STATE OF NEW MEXICO

Statement D-19

## TAOS COUNTY

TAOS COUNTY COMPLEX RESTRUCTURING 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, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
<i>Revenues:</i>				
Taxes	\$ -	\$ -	\$ 328,144	\$ 328,144
Intergovernmental	-	-	-	-
Licenses and fees	-	-	-	-
Charges for services	-	-	-	-
Investment income	20	20	90	70
Miscellaneous	-	-	-	-
<i>Total revenues</i>	20	20	328,234	328,214
<i>Expenditures:</i>				
Current				
General Government	-	-	-	-
Public safety	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Public works	-	-	-	-
Education	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	1,170,000	1,170,000	-
Interest	-	800,690	800,690	-
Bond issuance costs	-	-	-	-
<i>Total expenditures</i>	-	1,970,690	1,970,690	-
<i>Excess (deficiency) of revenues over expenditures</i>	20	(1,970,670)	(1,642,456)	328,214
<i>Other financing sources (uses):</i>				
Operating transfers in	-	1,970,670	1,794,626	(176,044)
Operating transfers (out)	-	-	-	-
Bond proceeds	-	-	-	-
Designated cash (budgeted increase in cash)	(20)	-	-	-
<i>Total other financing sources (uses)</i>	(20)	1,970,670	1,794,626	(176,044)
<i>Net change in fund balances</i>	-	-	152,170	152,170
<i>Fund balances - beginning of year</i>	-	-	-	-
<i>Fund balances - end of year</i>	\$ -	\$ -	\$ 152,170	\$ 152,170
<i>Reconciliation to GAAP Basis:</i>				
Revenue accruals			164,200	
Expenditure accruals			-	
Excess (deficiency) of revenues and other sources (uses) over expenditures (GAAP Basis)			\$ 316,370	

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

**SUPPORTING SCHEDULES**

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**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**SCHEDULE OF COLLATERAL PLEDGED BY DEPOSITORY**  
**FOR THE YEAR ENDED JUNE 30, 2011**

Security Description	CUSIP Number	Fair Market Value	Maturity Date	Name and Location of Safekeeper
<b>First Community Bank</b>				
GNR 2009-91 KE, 4.00%	38376KD73	7,572,633	12/20/2033	FHLB, Dallas, TX
GNR 2009-87 CA, 5.00%	38376KNR8	827,826	1/20/2033	FHLB, Dallas, TX
<b>Total - First Community Bank</b>		<u>\$ 8,400,459</u>		
<b>People's Bank</b>				
FHLMC 2717-HP, 4.50%	31394MZW3	\$ 124,091	12/15/2013	Overland Park, KS
FNR 2004-86 KC, 4.50%	31394BAT1	103,760	5/25/2019	Overland Park, KS
FHLMC GOLD POOL #G11982, 5.50%	3128M1CT4	283,001	11/1/2019	Overland Park, KS
GNMA 2003 66-EG, 5.00%	38374BTZ6	442,470	2/20/2030	Overland Park, KS
FNMA 2004 87-LG, 5.00%	38374JLV6	317,056	9/20/2031	Overland Park, KS
FNMA 2004 1-CK, 5.50%	31393UW41	32,948	11/25/2031	Overland Park, KS
GNMA 2009 8-BL, 4.00%	38374TFW9	109,408	4/20/2033	Overland Park, KS
GNMA 2008 42-QA, 4.50%	38375QJR1	159,623	11/20/2034	Overland Park, KS
FNMA 2008 94-A, 6.50%	31397MM46	36,026	2/25/2037	Overland Park, KS
FHLMC GOLD #G14044, 3.00%	3128MCWD3	92,076	1/1/2026	Overland Park, KS
<b>Total - People's Bank</b>		<u>\$ 1,700,459</u>		
<b>Centinel Bank</b>				
FFCB, 2.90%	31331JAV5	2,523,728	1/5/2015	TIB, Irvring, TX
FFCB, 4.75%	31331GCR8	168,661	9/30/2015	TIB, Irvring, TX
Farmington SD #5, 3.65%	311441HN2	52,578	9/1/2017	TIB, Irvring, TX
<b>Total - Centinel Bank</b>		<u>\$ 2,744,967</u>		
<b>Total</b>		<u><u>\$ 12,845,885</u></u>		

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**SCHEDULE OF DEPOSITORES**  
**FOR THE YEAR ENDED JUNE 30, 2010**

Schedule II

<u>Bank Name/Account Name</u>	<u>Acct. Type</u>	<u>Bank Balance</u>	<u>Deposits in Transit</u>	<u>Outstanding Checks</u>	<u>Carrying Balance</u>
<b>First Community Bank</b>					
General	Checking	\$ 4,875,776	\$ 79,037	\$ 45,979	\$ 4,908,834
Payroll	Checking	-	9,269	-	9,269
Accounts Payable	Checking	-	13,290	-	13,290
Taos County Internet Account	Checking	224	-	-	224
Misc Account	Checking	90	-	-	90
Office of the Justice	Checking	4,755	-	-	4,755
Taos County Courthouse Construction	Checking	1,722,005	-	-	1,722,005
TAD/Bail Bond	Checking	52	-	-	52
TAD/Commissary	Checking	14,228	-	-	14,228
Sheriff Clearing	Checking	1,610	-	-	1,610
U.S. Deptmt of Energy Old Courthouse	Checking	102,752	-	-	102,752
Certificates of Deposits	CD	2,035,061	-	-	2,035,061
<b>Centinel Bank</b>					
General Account	Checking	4,735,282	-	-	4,735,282
A G Center	Checking	15,038	-	-	15,038
Property Tax Payment Account	Checking	-	-	-	-
Credit Card Payment	Checking	180	-	-	180
Judicial Complex USDA Construction Account	Checking	-	-	-	-
Money Market Account	CD	917,928	-	-	917,928
<b>People's Bank</b>					
General Account	Checking	956,039	-	-	956,039
Money Market Account	Checking	1,413,395	-	-	1,413,395
Certificate of Deposit	CD	58,000	-	-	58,000
Certificate of Deposit	CD	58,000	-	-	58,000
<b>Bank of New York Mellon</b>					
Debt Service Fund	Trust	1,157	-	-	1,157
Reserve Fund	Trust	426,714	-	-	426,714
EDUC Admin Exp.	Trust	-	-	-	-
ACQ/UNM Taos MSD	Trust	-	-	-	-
Educ. Extra Ordinary	Trust	7,901	-	-	7,901
ACQ/Taos MSD	Trust	21	-	-	21
ACQ/UNM Taos	Trust	1	-	-	1
ACQ/Questa	Trust	-	-	-	-
ACQ/Penasco	Trust	305	-	-	305
Education Reserve Fund	Trust	403,329	-	-	403,329
Education Debt Service	Trust	189	-	-	189
Education-Admin Expense	Trust	32	-	-	32
Taos County 07 ACQ UNM Taos	Trust	187,054	-	-	187,054
ACQ/UNM Taos	Trust	-	-	-	-
ACQ/Questa	Trust	-	-	-	-
ACQ/Pensaco	Trust	-	-	-	-
ACQ/Income	Trust	-	-	-	-
Income Bond	Trust	4,834,826	-	4,703,207	131,619
Education Debt Service	Trust	2,075,187	-	2,018,694	56,493
Extra Mandatory Redemption	Trust	527,109	-	-	527,109

The accompanying notes are an integral part of these financial statements



**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**SCHEDULE OF DEPOSITORES**  
**FOR THE YEAR ENDED JUNE 30, 2010**

Schedule II

**NMFA Bank**

Solid Waste Equipment Loan Taos 12	Trust	34,186	-	-	34,186
Rio Fernando Fire Department Taos 4	Trust	19	-	-	19
La Lama Fire Department Taos 7	Trust	7	-	-	7
Latir VFD Taos 8	Trust	17	-	-	17
Amalia Fire Department Taos 10	Trust	18	-	-	18
Hondo Seco Fire Department Taos 20	Trust	29	-	-	29
Solid Waste Vehicle Taos 19	Trust	-	-	-	-
Admin/Judicial Correctional Complex	Trust	-	-	-	-
Solid Waste Backhoe Taos 35	Trust	2,089	-	-	2,089
Latir Fire Pumper Taos 38	Trust	25	-	-	25
La Lama Fire Pumper Taos 39	Trust	75	-	-	75
Taos 40	Trust	152,170	-	-	152,170

**Bank of Albuquerque**

Solid Waste Equipment Reserve Taos 12A	Trust	33,175	-	-	33,175
Land Acquisition/Judicial Complex Taos 26A	Trust	3	-	-	3
Land Acquisition/Judicial Complex Taos 26A	Trust	-	-	-	-
Admin/Judicial Correctional Complex Taos 29A	Trust	67	-	-	67
Admin/Judicial Correctional Complex Taos 29A	Trust	-	-	-	-
Solid Waste Backhoe Taos 35	Trust	-	-	-	-
Later FD Fire Pumper Taos	Trust	-	-	-	-
Taos County NM GRT 2010 BAB Fund	Trust	112,160	-	-	112,160
Taos County NM GRT 2010 BAB Reserve Fund	Trust	64,347	-	-	64,347
Taos County NM GRT 2010 BAB Bond Fund	Trust	35,709	-	-	35,709
Taos 40	Trust	1,400,102	-	-	1,400,102

Total cash in bank	<u>\$ 27,208,438</u>	<u>\$ 101,596</u>	<u>\$ 6,767,880</u>	<u>\$ 20,542,154</u>
Less: Outstanding Accounts Payable Warrants				(582,271)
Less: Fiduciary Cash				(526,065)
Petty Cash				2,350
Total Cash				<u>19,436,168</u>
Cash in Business-Type Activities Per Ex A-1				189,051
Cash in Governmental Activities Per Ex A-1				19,247,117

The accompanying notes are an integral part of these financial statements

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**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**TAX ROLL RECONCILIATION - CHANGES IN TAXES RECEIVABLE**  
**FOR THE YEAR ENDED JUNE 30, 2011**

Schedule III

Property taxes receivable, beginning of year	\$	4,451,535
Changes to Tax Roll:		
Net taxes charged to Treasurer for fiscal year		23,109,370
Adjustments:		
Increases in taxes receivable		253,768
Charge off of taxes receivable		<u>(76,394)</u>
Total receivables prior to collections		27,738,279
Collections for fiscal year ended June 30, 2011		<u>22,411,602</u>
Property taxes receivable, end of year	\$	<u><u>5,326,677</u></u>
Property taxes receivable by year:		
2000		123,129
2001		131,650
2002		166,780
2003		175,805
2004		199,936
2005		239,017
2006		298,464
2007		467,972
2008		798,483
2009		<u>2,725,441</u>
Total taxes receivable	\$	<u><u>5,326,677</u></u>

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

STATE OF NEW MEXICO  
 TAOS COUNTY  
 PROPERTY TAXES RECEIVABLE BY AGENCY  
 JUNE 30, 2011

Schedule IV

Agency/ Tax Year	Property Taxes Levied	Collected in Current Year	Collected to Date	Distributed in Current Year	Distributed to Date	Amount Uncollectible	Undistributed at Year End	County Receivable at Year End
<b>El Prado Water &amp; Sanitation District</b>								
2010	116,320	94,537	94,537	94,537	90,644	291	3,893	25,385
2009	112,877	5,325	98,722	5,325	98,722	282	-	13,873
2008	105,570	2,663	102,454	2,663	102,454	264	-	2,852
2007	97,668	759	95,827	759	95,827	244	-	1,597
2006	93,019	13	91,985	13	91,985	233	-	801
2005	97,240	15	95,527	15	95,527	243	-	1,470
2004	94,876	-	93,475	-	93,475	237	-	1,164
2003	100,177	-	96,717	-	96,717	250	-	3,210
2002	96,884	-	95,916	-	95,916	242	-	726
2001	87,891	-	85,225	-	85,225	220	-	2,446
<b>Total</b>	<b>1,002,522</b>	<b>103,312</b>	<b>950,385</b>	<b>103,312</b>	<b>946,492</b>	<b>2,506</b>	<b>3,893</b>	<b>53,524</b>
<b>El Valle de Los Ranchos Sanitation &amp; Water District</b>								
2010	553,019	485,855	485,855	485,855	470,275	1,383	15,580	81,361
2009	543,598	29,870	507,226	29,870	507,226	1,359	-	35,013
2008	451,199	8,233	435,081	8,233	435,081	1,128	-	14,990
2007	350,625	1,498	342,949	1,498	342,949	877	-	6,799
2006	305,395	425	298,351	425	298,351	763	-	6,281
2005	294,592	358	289,910	358	289,910	736	-	3,946
2004	257,835	140	255,004	140	255,004	645	-	2,186
2003	304,347	135	240,123	135	240,123	761	-	63,463
2002	267,164	43	263,453	43	263,453	668	-	3,043
2001	208,262	-	203,783	-	203,783	521	-	3,958
<b>Total</b>	<b>3,536,036</b>	<b>526,557</b>	<b>3,321,735</b>	<b>526,557</b>	<b>3,306,155</b>	<b>8,841</b>	<b>15,580</b>	<b>221,040</b>
<b>Taos Soil &amp; Conservation Service</b>								
2010	936,931	835,759	835,759	835,759	808,764	2,342	26,995	125,825
2009	919,377	50,499	871,843	50,499	871,843	2,298	-	45,236
2008	809,223	15,100	788,791	15,100	788,791	2,023	-	18,409
2007	756,425	3,194	737,558	3,194	737,558	1,891	-	16,976
2006	651,380	991	639,845	991	639,845	1,628	-	9,907
2005	479,486	73	468,596	73	468,596	1,199	-	9,691
2004	448,572	29	440,263	29	440,263	1,121	-	7,188
2003	421,753	52	413,469	52	413,469	1,054	-	7,230
2002	404,201	34	396,686	34	396,686	1,011	-	6,504
2001	383,926	7	376,223	7	376,223	960	-	6,743
<b>Total</b>	<b>6,211,274</b>	<b>905,738</b>	<b>5,969,033</b>	<b>905,738</b>	<b>5,942,038</b>	<b>15,527</b>	<b>26,995</b>	<b>253,709</b>
<b>Taos Education Center</b>								
2010	1,634,756	1,469,211	1,469,211	1,469,211	1,425,260	4,087	43,951	205,409
2009	1,605,719	94,639	1,534,778	94,639	1,534,778	4,014	-	66,927
2008	1,446,980	27,451	1,406,134	27,451	1,406,134	3,617	-	37,229
2007	1,296,367	5,252	1,271,702	5,252	1,271,702	3,241	-	21,424
2006	1,155,636	1,553	1,134,376	1,553	1,134,376	2,889	-	18,371
2005	1,049,484	168	1,034,597	168	1,034,597	2,624	-	12,263
2004	973,095	28	959,671	28	959,671	2,433	-	10,991
2003	911,778	62	899,061	62	899,061	2,279	-	10,438
2002	871,990	32	860,751	32	860,751	2,180	-	9,059
2001	831,048	11	817,032	11	817,032	2,078	-	11,938
<b>Total</b>	<b>11,776,853</b>	<b>1,598,407</b>	<b>11,387,313</b>	<b>1,598,407</b>	<b>11,343,362</b>	<b>29,442</b>	<b>43,951</b>	<b>404,049</b>

STATE OF NEW MEXICO  
 TAOS COUNTY  
 PROPERTY TAXES RECEIVABLE BY AGENCY  
 JUNE 30, 2011

Schedule IV

Town of Taos								
2010	858,116	738,749	738,749	738,749	718,557	2,145	20,192	137,414
2009	845,581	65,316	801,249	65,316	801,249	2,114	-	42,218
2008	760,321	17,611	730,540	17,611	730,540	1,901	-	27,880
2007	665,593	2,098	652,562	2,098	652,562	1,664	-	11,367
2006	579,405	(34)	569,054	(34)	569,054	1,449	-	8,902
2005	530,132	42	524,750	42	524,750	1,325	-	4,057
2004	496,957	8	491,542	8	491,542	1,242	-	4,173
2003	470,031	8	464,209	8	464,209	1,175	-	4,647
2002	453,089	10	445,230	10	445,230	1,133	-	6,726
2001	437,200	18	431,090	18	431,090	1,093	-	5,017
Total	6,096,425	823,826	5,848,975	823,826	5,828,783	15,241	20,192	252,401
Village of Questa								
2010	90,425	76,782	76,782	76,782	74,097	226	2,685	16,102
2009	90,526	5,826	84,649	5,826	84,649	226	-	5,651
2008	84,585	2,983	81,403	2,983	81,403	211	-	2,971
2007	78,504	489	76,583	489	76,583	196	-	1,725
2006	72,883	63	71,415	63	71,415	182	-	1,286
2005	49,423	1	48,924	1	48,924	124	-	375
2004	46,848	51	45,865	51	45,865	117	-	866
2003	27,732	60	27,063	60	27,063	69	-	600
2002	26,830	58	26,146	58	26,146	67	-	617
2001	25,407	-	24,715	-	24,715	64	-	628
Total	593,163	86,313	563,545	86,313	560,860	1,482	2,685	30,821
Town of Red River								
2010	295,212	271,850	271,850	271,850	264,500	738	7,350	29,974
2009	292,326	9,611	283,276	9,611	283,276	731	-	8,319
2008	271,960	2,649	266,969	2,649	266,969	680	-	4,311
2007	252,242	41	249,531	41	249,531	631	-	2,080
2006	238,247	34	234,997	34	234,997	596	-	2,654
2005	222,829	23	219,567	23	219,567	557	-	2,705
2004	214,123	20	211,168	20	211,168	535	-	2,420
2003	200,103	19	197,549	19	197,549	500	-	2,054
2002	194,188	18	191,686	18	191,686	485	-	2,017
2001	188,197	18	185,046	18	185,046	470	-	2,681
Total	2,369,427	284,283	2,311,639	284,283	2,304,289	5,923	7,350	59,215
Village of Taos Ski Valley								
2010	182,109	162,318	162,318	162,318	156,566	455	5,752	25,088
2009	176,591	13,065	175,948	13,065	175,948	441	-	202
2008	132,233	4,078	131,431	4,078	131,431	331	-	471
2007	116,129	3,645	118,324	3,645	118,324	290	-	(2,485)
2006	100,418	1,118	99,475	1,118	99,475	251	-	692
2005	77,354	-	76,439	-	76,439	193	-	722
2004	71,099	-	70,072	-	70,072	178	-	849
2003	68,464	-	68,038	-	68,038	171	-	255
2002	66,388	-	65,642	-	65,642	166	-	580
2001	64,491	-	63,592	-	63,592	161	-	738
Total	1,055,276	184,224	1,031,279	184,224	1,025,527	2,637	5,752	27,112

STATE OF NEW MEXICO  
 TAOS COUNTY  
 PROPERTY TAXES RECEIVABLE BY AGENCY  
 JUNE 30, 2011

Schedule IV

State Levy								
2010	1,999,151	1,793,903	1,793,903	1,793,903	1,744,524	4,998	49,379	249,629
2009	1,494,659	84,781	1,424,949	84,781	1,424,949	3,737	-	65,973
2008	1,460,685	27,121	1,416,018	27,121	1,416,018	3,652	-	41,015
2007	1,306,156	5,075	1,277,798	5,075	1,277,798	3,265	-	25,093
2006	1,159,207	1,419	1,134,029	1,419	1,134,029	2,898	-	22,280
2005	1,029,813	162	1,012,733	162	1,012,733	2,575	-	14,505
2004	756,888	48	744,124	48	744,124	1,892	-	10,872
2003	1,088,058	111	1,069,177	111	1,069,177	2,720	-	16,161
2002	760,033	59	787,815	59	787,815	1,900	-	(29,682)
2001	1,010,127	24	956,876	24	956,876	2,525	-	50,726
Total	12,064,777	1,912,703	11,617,422	1,912,703	11,568,043	30,162	49,379	466,572
Cattle, Sheep, Goats, Equine								
2010	10,134	7,109	7,109	7,109	6,608	25	501	3,501
2009	11,127	601	8,587	601	8,587	28	-	2,512
2008	10,095	284	8,267	284	8,267	25	-	1,803
2007	12,575	202	10,519	202	10,519	31	-	2,025
2006	10,408	100	8,965	100	8,965	26	-	1,417
2005	10,939	39	9,450	39	9,450	27	-	1,462
2004	10,449	35	8,450	35	8,450	26	-	1,973
2003	8,573	7	6,934	7	6,934	21	-	1,618
2002	9,551	-	8,288	-	8,288	24	-	1,239
2001	15,019	-	13,208	-	13,208	38	-	1,773
Total	108,870	8,377	89,777	8,377	89,276	271	501	19,323
Taos Municipal Schools								
2010	5,845,990	5,228,555	5,228,555	5,228,555	5,079,948	14,615	148,607	751,427
2009	4,517,677	273,521	4,311,544	273,521	4,311,544	11,294	-	194,839
2008	4,191,993	82,380	4,069,764	82,380	4,069,764	10,480	-	111,749
2007	3,827,087	16,096	3,753,528	16,096	3,753,528	9,568	-	63,991
2006	2,851,572	3,850	2,796,981	3,850	2,796,981	7,129	-	47,462
2005	2,872,934	459	2,833,414	459	2,833,414	7,182	-	32,338
2004	2,738,972	79	2,701,315	79	2,701,315	6,847	-	30,810
2003	2,511,759	167	2,476,546	167	2,476,546	6,279	-	28,934
2002	2,321,046	81	2,288,648	81	2,288,648	5,803	-	26,595
2001	2,167,289	33	2,131,767	33	2,131,767	5,418	-	30,104
Total	33,846,319	5,605,221	32,592,062	5,605,221	32,443,455	84,615	148,607	1,318,249
Penasco Independent Schools								
2010	294,866	263,758	263,758	263,758	255,388	737	8,370	38,741
2009	368,959	23,515	349,272	23,515	349,272	922	-	18,765
2008	218,680	4,810	211,878	4,810	211,878	547	-	6,255
2007	196,915	477	191,930	477	191,930	492	-	4,493
2006	190,657	184	186,790	184	186,790	477	-	3,390
2005	182,838	23	180,424	23	180,424	457	-	1,957
2004	138,630	1	136,993	1	136,993	347	-	1,290
2003	130,888	1	129,235	1	129,235	327	-	1,326
2002	132,530	-	131,142	-	131,142	331	-	1,057
2001	158,271	-	154,993	-	154,993	396	-	2,882
Total	2,013,234	292,769	1,936,415	292,769	1,928,045	5,033	8,370	80,156

STATE OF NEW MEXICO  
 TAOS COUNTY  
 PROPERTY TAXES RECEIVABLE BY AGENCY  
 JUNE 30, 2011

Schedule IV

Mesa Vista Consolidated Schools								
2010	340,426	279,710	279,710	279,710	269,537	851	10,173	70,038
2009	361,432	21,092	320,613	21,092	320,613	904	-	39,915
2008	368,909	6,463	330,593	6,463	330,593	922	-	37,394
2007	329,261	1,380	296,778	1,380	296,778	823	-	31,660
2006	203,209	303	180,551	303	180,551	508	-	22,150
2005	139,150	72	123,563	72	123,563	348	-	15,239
2004	141,528	67	126,587	67	126,587	354	-	14,587
2003	131,318	29	116,879	29	116,879	328	-	14,111
2002	189,290	31	168,578	31	168,578	473	-	20,239
2001	189,828	31	170,532	31	170,532	475	-	18,821
Total	2,394,351	309,178	2,114,384	309,178	2,104,211	5,986	10,173	284,154
Questa Independent Schools								
2010	883,489	822,904	822,904	822,904	804,853	2,209	18,051	76,427
2009	881,504	3,484	830,025	3,484	830,025	2,204	-	49,275
2008	597,930	7,364	583,779	7,364	583,779	1,495	-	12,656
2007	572,159	1,408	563,240	1,408	563,240	1,430	-	7,489
2006	626,719	334	617,327	334	617,327	1,567	-	7,825
2005	598,883	41	591,779	41	591,779	1,497	-	5,607
2004	602,597	107	593,502	107	593,502	1,506	-	7,589
2003	647,179	174	637,769	174	637,769	1,618	-	7,792
2002	554,389	190	546,638	190	546,638	1,386	-	6,365
2001	500,960	19	432,420	19	432,420	1,252	-	67,288
Total	6,465,809	836,025	6,219,383	836,025	6,201,332	16,164	18,051	248,313
1% Administrative Fee								
2010	230,066	206,727	206,727	206,727	206,727	575	-	22,764
2009	211,040	12,479	202,499	12,479	202,499	528	-	8,013
2008	188,724	3,752	184,137	3,752	184,137	472	-	4,115
2007	169,717	737	167,331	737	167,331	424	-	1,962
2006	145,619	186	143,356	186	143,356	364	-	1,899
2005	133,948	24	132,442	24	132,442	335	-	1,171
2004	124,008	11	122,582	11	122,582	310	-	1,116
2003	121,659	14	119,254	14	119,254	304	-	2,101
2002	112,844	10	112,191	10	112,191	282	-	371
2001	109,898	3	108,483	3	108,483	275	-	1,140
Total	1,547,523	223,943	1,499,002	223,943	1,499,002	3,869	-	44,652
Taos County								
2010	8,838,358	7,949,906	7,949,906	7,949,902	7,949,906	22,096	-	866,356
2009	8,683,992	528,587	8,460,530	528,587	8,460,530	21,710	-	201,752
2008	7,846,220	162,791	7,682,732	162,791	7,682,732	19,616	-	143,872
2007	7,066,083	31,420	6,946,150	31,420	6,946,150	17,665	-	102,268
2006	6,245,493	8,207	6,146,179	8,207	6,146,179	15,614	-	83,700
2005	5,737,775	1,051	5,631,003	1,051	5,631,003	14,344	-	92,428
2004	5,380,721	642	5,289,538	642	5,289,538	13,452	-	77,731
2003	5,098,457	527	5,082,871	527	5,082,871	12,746	-	2,840
2002	4,883,964	446	4,795,560	446	4,795,560	12,210	-	76,194
2001	4,652,320	147	4,724,443	147	4,724,443	11,631	-	(83,754)
Total	64,433,383	8,683,724	62,708,912	8,683,720	62,708,912	161,084	-	1,563,387
Grand Total	\$ 155,515,242	\$ 22,384,600	\$ 150,161,261	\$ 22,384,596	\$ 149,799,782	\$ 388,783	\$ 361,479	\$ 5,326,677

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**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**AGENCY FUNDS**  
**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDED JUNE 30, 2011**

**Schedule V**

	<u>Balance</u> <u>July 1, 2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2011</u>
 <u>ASSETS</u>				
Cash	\$ 715,675	\$ 22,806,587	\$ 22,954,350	\$ 567,912
Taxes receivable	<u>2,863,620</u>	<u>14,040,944</u>	<u>13,185,926</u>	<u>3,718,638</u>
Total assets	<u><u>\$ 3,579,295</u></u>	<u><u>\$ 36,847,531</u></u>	<u><u>\$ 36,140,276</u></u>	<u><u>\$ 4,286,550</u></u>
 <u>LIABILITIES</u>				
Due to other entities	<u>\$ 3,579,295</u>	<u>\$ 36,847,531</u>	<u>\$ 36,140,276</u>	<u>\$ 4,286,550</u>
Total liabilities	<u><u>\$ 3,579,295</u></u>	<u><u>\$ 36,847,531</u></u>	<u><u>\$ 36,140,276</u></u>	<u><u>\$ 4,286,550</u></u>

The accompanying notes are an integral part of these financial statements

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**COMPLIANCE SECTION**

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# Griego Professional Services, LLC

Certified Public Accountants

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

Hector Balderas  
New Mexico State Auditor  
Taos County Commissioners  
Taos County  
Taos, New Mexico

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons of the general fund, and the combining and individual funds and related budgetary comparisons presented as supplementary information of Taos County, New Mexico (the County) as of and for the year ended June 30, 2011, and have issued our report thereon dated November 1, 2011. Our report includes reference to 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. Other auditors audited the financial statements of the Taos County Housing Authority, as described in our report on the County's financial statements. This 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 other 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 County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A deficiency in internal control 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 and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, as described in the accompanying schedule of findings and questioned costs as items FS-10-01 and FS 10-05, we identified certain deficiencies in internal control over financial reporting that we consider to significant deficiencies in internal control over financial reporting. A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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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 questioned costs as items FS 10-01 and FS 10-05.

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

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

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Albuquerque, New Mexico  
November 1, 2011

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**FEDERAL FINANCIAL ASSISTANCE**

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# Griego Professional Services, LLC

Certified Public Accountants

## **REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Hector Balderas  
New Mexico State Auditor  
The Board of Taos County Commissioners  
Taos County  
Taos, New Mexico

### Compliance

We have audited Taos County's (the "County") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of County's major federal programs for the year ended June 30, 2011. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

The County's basic financial statements include the operations of the Taos County Housing Authority, which received \$3,160,514 in federal awards which is not included in the schedule during the year ended June 30, 2011. Our audit, described below did not include the operations of the Taos County Housing Authority because the Housing Authority engaged other auditors to perform an audit in accordance with OMB Circular A-133.

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

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

### Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the County's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

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

A handwritten signature in cursive script that reads "Grigo Professional Services, LLC".

Albuquerque, New Mexico  
November 1, 2011

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2011**

Schedule VI

Federal Grantor or Pass-Through Grantor / Program Title	Passthrough Grant Number	Federal CFDA Number	Federal Expenditures
<b>U.S. Department of Agriculture</b>			
Community Facility Loans & Grants (1)	Bond Series 2010	10.780	<u>12,925,173</u>
<b>Total U.S. Department of Agriculture</b>			<u>12,925,173</u>
<b>U.S. Department of the Interior - Bureau of Land Management</b>			
BLM-NMAC Wildland Urban Grant	BLM MOU NM 910-2004-001	15.225	14,863
Taylor Grazing Act	N/A	15.237	<u>1,768</u>
<b>Total U.S. Department of the Interior - Bureau of Land Management</b>			<u>16,631</u>
<b>U.S. Department of Energy</b>			
U.S. FED/DFA Community Center	03-T-052	Unknown	<u>100,000</u>
<b>Total U.S. Department of Energy</b>			<u>100,000</u>
<b>U.S. Department of Housing &amp; Urban Development (HUD)</b>			
NM Mortgage Finance Authority - CDBG Program (1)	09-C-NR-I-01-G-02	14.228	<u>399,347</u>
<b>Total U.S. Department of Housing &amp; Urban Development (HUD)</b>			<u>399,347</u>
<b>U.S. Department of Justice</b>			
2009 Byrne Justice Assistance Grant	2009-SB-BP-3385	16.738	<u>10,806</u>
<b>Total U.S. Department of Justice</b>			<u>10,806</u>
<b>U.S. Forest Service</b>			
Federal Title II	FY 2010-2011	10.665	40,401
Federal Title III	FY 2010-2011	10.665	245,290
US Forest Service Patrol Reimbursement	FY 2010-2011	10.665	<u>8,131</u>
<b>Total U.S. Forest Service</b>			<u>293,822</u>
<b>U.S. Department of Homeland Security</b>			
NM DPS HS & EM (Homeland Security)	2010-SS-TO-0011	97.055	27,838
FEMA/DHS Grant Program Directorate	2009-2010	97.244	<u>18,565</u>
<b>Total U.S. Department of Homeland Security</b>			<u>46,403</u>
<b>Total Federal Financial Assistance</b>			<u>\$ 13,792,182</u>

(1) Denotes major program

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**JUNE 30, 2011**

Schedule VI

**Notes to Schedule of Expenditures of Federal Awards**

1. Basis of Presentation

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

2. Subrecipients

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

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

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 13,792,182
Total expenditures funded by other sources	<u>71,704,791</u>
Total expenditures	<u><u>85,496,973</u></u>

The accompanying notes are an integral part of these financial statements

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2011**

**Schedule VII**

**Section I – Summary of Audit Results**

*Financial Statements:*

- |  |             |
|--|-------------|
| 1. Type of auditors’ report issued   | Unqualified |
| 2. <i>Internal Control over Financial Reporting and on Compliance and Other Matters:</i> |             |
| a. Material weakness identified?   | No          |
| b. Significant deficiency identified not considered to be a material weaknesses?         | Yes         |
| c. Control deficiency identified not considered to be a significant deficiency?          | No          |
| d. Noncompliance material to the financial statements noted?                             | No          |

*Federal Awards:*

- |  |             |
|--|-------------|
| 1. Internal control over major programs:   |             |
| a. Material weaknesses identified?   | No          |
| b. Significant deficiency identified not considered to be material weaknesses?   | No          |
| c. Control deficiency identified not considered to be significant deficiency?  | No          |
| 2. Type of auditors’ opinion issued on the <i>Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in accordance with OMB Circular A-133</i> | Unqualified |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?  | No          |

4. Identification of major programs:

CFDA Number	Federal Program
10.780	Community Facility Loans & Grants
14.228	CDBG-State Program

- |   |           |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$413,765 |
| 6. Auditee qualified as low-risk auditee?                                   | No        |



STATE OF NEW MEXICO  
TAOS COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
JUNE 30, 2011

Schedule VII

**Section II – Financial Statement Findings**

**FS 10-01 – Capital Asset Accounting System – Repeated – Significant Deficiency**

*Condition:* The capital asset inventory system was not being reconciled completely with the County's general ledger. Ending capital assets balances were not being reconciled with the capital outlay expenditures as recorded in the budget reports as additions and deletions were occurring.

*Criteria:* Section 2.20.1 of NMAC requires agencies to properly account for capital assets. The required capital asset accounting system is described in Section 2.20.1.8 of NMAC. Proper controls over the capital assets are described in Section 2.20.1.15 of NMAC. The statutory annual inventory requirement is described in Section 2.20.1.16 of NMAC. The requirement to follow the applicable statutes when disposing of capital assets is described in Section 2.20.1.18 of NMAC.

*Effect:* The lack of proper implementation of controls over capital assets may result in the financial statements being misstated.

*Cause:* The County did not have internal controls in place to review the asset detail listing to ensure that it reconciled to the general ledger. The County had begun the process of putting these controls in place, however there was still an adjustment necessary to match the capital asset inventory to the general ledger.

*Auditors' Recommendations:* The County should continue its implementation of an internal controls system to manage and monitor the County's capital asset listing.

*Management's Response:* Taos County Finance Department continues to implement procedures to reconcile to the general ledger on a monthly basis, as well preparing a quarterly roll forward to include additions, deletions and adjustments to be reconciled to the Inventory Listing at year end. Taos County Fixed Asset staff has attended training on Understanding Reporting of Capital Assets.

**FS 10-05- Lack of Internal Controls over Fuel Purchases – Repeated – Significant Deficiency**

*Condition:* During our audit, it was noted that there is a lack of internal controls related to fuel purchases in the road department. Controls were being put in place but were not in place for the duration of the fiscal year.

*Criteria:* NMAC 6.20.2.11 states every County shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP, and that state and federal programs are managed in compliance with applicable laws and regulations. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP.

*Effect:* The lack of internal controls related to fuel purchases may result in unauthorized or fraudulent purchases that could go undetected.

*Cause:* The County did not maintain sufficient internal controls over fuel purchases in the road department.

*Auditors' Recommendations:* We recommend that the County implement internal controls that require sufficient documentation for fuel purchases and all fuel purchases be reviewed and authorized.

**STATE OF NEW MEXICO**  
**TAOS COUNTY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**JUNE 30, 2011**

**Schedule VII**

*Management's Response:* The Taos County Public Works Department, noted here as the road department, has repaired either the odometers or hour meters on all equipment needing repair. It should be noted that these instruments may get into disrepair at any time. Malfunctioning equipment, in this regard, will be repaired as needed. A new Daily Report form has been devised and implemented for use by all employees, with the exception of the office support staff and Director, (Copy Attached). Fuel consumption rates have been calculated for various, commonly used maintenance equipment, (Attached). In this initial attempt, it was determined, as may be expected, that fuel consumption rates may vary as much as 5 miles to the gallon depending on the activity the piece of equipment is engaged in. i.e., loaded vs. unloaded dump trucks. Fuel consumption rates still need to be determined by individual operators of equipment usually utilized by them. Now that Public Works is fully staffed with office support and with the refinement of fuel usage rates, the Daily Reports will be audited daily for required equipment usage and fuel purchase information. These will be reconciled with the Monthly Mileage and Usage Log on a monthly basis. Fuel consumption, as documented on Monthly Mileage and Usage Log, will be periodically calculated to detect any fraudulent or unauthorized purchases.

**Component Unit Findings:**

None

**Section III – Federal Award Findings**

None

**Section IV – Prior Year Audit Findings**

**County:**

- FS 10-01 – Capital Asset Accounting System- Revised & Repeated
- FS 10-02 – IT Control Deficiency- Cleared
- FS 10-03 – Cash Appropriations in Excess of Available Cash Balances-Cleared
- FS 10-04 – Expenditures in Excess of Budget – Cleared
- FS 10-05 – Lack of Internal Controls over Fuel Purchases – Repeated

**Component Unit:**

- HA FS 10-01 – Procurement-Contracts and Corresponding Purchase Order – Cleared
- HA FS 10-02 – Non-Compliance with County Purchasing Policy – Cleared

**Section V – Other Disclosures**

Auditor Prepared Financials

Griego Professional Services, LLC assisted in the preparation of the financial statements presented in this report. The County's management has reviewed and approved the financial statements and related notes and they believe that their records adequately support the financial statements.

Exit Conference

The contents of this report were discussed on November 10, 2011. The following individuals were in attendance.

Taos County  
Andrew Chavez, Commissioner  
Jacob Caldwell, County Manager  
Dayna Duran, Finance Director  
Evangeline Romero, County Treasurer  
Trudy Salazar, Deputy Treasurer

Griego Professional Services, LLC  
J.J. Griego, CPA, Partner