

STATE OF NEW MEXICO
CITY OF BLOOMFIELD
ANNUAL FINANCIAL REPORT
JUNE 30, 2008

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INTRODUCTORY SECTION

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STATE OF NEW MEXICO
City of Bloomfield
Official Roster
June 30, 2008

<u>Name</u>	<u>City Council</u>	<u>Title</u>
Scott Eckstein		Mayor
Lynne Raner		Mayor Pro-Tem
Sam Hinson		Councilor
Matt Pennington		Councilor
Curtis Lynch		Councilor
	<u>Administration</u>	
Edward Wood		Judge
Keith Johnson		City Manager
Carol Miller		City Clerk
Kevin Rodolph		Finance Director

STATE OF NEW MEXICO
City of Bloomfield
Annual Financial Report
For the Year Ended June 30, 2008

Table of Contents

	<u>Exhibit</u>	<u>Page</u>
INTRODUCTORY SECTION		
Official Roster		3
Table of Contents		4-5
FINANCIAL SECTION		
Independent Auditors' Report		7-8
Management's Discussion and Analysis		9-16
BASIC FINANCIAL STATEMENTS		
Government-wide Financial Statements		
Statement of Net Assets	A-1	18-19
Statement of Activities	A-2	20-21
Fund Financial Statements		
Balance Sheet – Governmental Funds	B-1	22-23
Reconciliation of the Balance Sheet to the Statement of Net Assets		24
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	B-2	25-26
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities		27
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	C-1	28
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Capital Equipment Replacement Special Revenue Fund	C-2	29
Statement of Net Assets-Proprietary Funds	D-1	30
Statement of Revenues, Expenses, and Changes in Net Assets-Proprietary Funds	D-2	31
Statement of Cash Flows –Proprietary Funds	D-3	32
Statement of Fiduciary Assets and Liabilities – Agency Funds	E-1	33
NOTES TO THE FINANCIAL STATEMENTS		34-59
SUPPLEMENTARY INFORMATION		
Nonmajor Fund Descriptions	<u>Statement</u>	61-64
COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES		
Combining Balance Sheet – Nonmajor Governmental Funds	A-1	65-71
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	A-2	72-78
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budgetary (Non-GAAP Budgetary Basis) and Actual		
Fire Protection Fund Special Revenue Fund	B-1	79
Recreation Fund Special Revenue Fund	B-2	80
Correction Fees Fund Special Revenue Fund	B-3	81
Police Evidence Fund Special Revenue Fund	B-4	82
DARE Fund Special Revenue Fund	B-5	83

STATE OF NEW MEXICO
City of Bloomfield
Annual Financial Report
For the Year Ended June 30, 2008

Table of Contents (continued)

	<u>Statement</u>	<u>Page</u>
COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (CONTINUED)		
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual -continued		
Library Fund Special Revenue Fund	B-6	84
Law Enforcement Fund Special Revenue Fund	B-7	85
Judicial Education Fund Special Revenue Fund	B-8	86
Traffic Safety Education Fund Special Revenue Fund	B-9	87
Court Automation Fund Special Revenue Fund	B-10	88
LLEBG Grant Special Revenue Fund	B-11	89
KAB - Bloomfield Pride Special Revenue Fund	B-12	90
Emergency Medical Special Revenue Fund	B-13	91
Senior Citizen’s Center Fund Special Revenue Fund	B-14	92
BLM Wildland Grant Special Revenue Fund	B-15	93
Enhanced 911 Addressing Special Revenue Fund	B-16	94
Lodger’s Tax Special Revenue Fund	B-17	95
Fire Department Construction Capital Projects Fund	B-18	96
Land Acquisition Capital Projects Fund	B-19	97
Park Purchase and Improvement Capital Projects Fund	B-20	98
Special Street Maintenance Capital Projects Fund	B-21	99
Highway Co-op Construction Capital Projects Fund	B-22	100
West Blanco III Fund Capital Projects Fund	B-23	101
Dam Rehabilitation Capital Projects Fund	B-24	102
CDBG Church Street Capital Projects Fund	B-25	103
Park Improvements Capital Projects Fund	B-26	104
CDBG Comp Plan Capital Projects Fund	B-27	105
G.O. Bond Debt Service Fund	B-28	106
1999 Refunding Bonds Fund Debt Service Fund	B-29	107
1999 Bond Reserve Fund Debt Service Fund	B-30	108
Fire, Police, CRT and City Hall Capital Projects Fund	B-31	109
Statement of Revenues, Expenditures, and Changes in Net Assets – Budget and Actual -		
Joint Utility Fund	C-1	110
Solid Waste Fund	C-2	111
 <u>Schedule</u> 		
SUPPORTING SCHEDULES		
Schedule of Deposit and Investment Accounts	I	113
Schedule of Collateral Pledged By Depository for Public Funds	II	114
Schedule of Changes in Fiduciary Assets and Liabilities-Agency Funds	III	115
 COMPLIANCE SECTION		
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performance in Accordance with <i>Government Auditing Standards</i>		117-118
Schedule of Findings and Responses		119-122
Other Disclosures		123

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Hector Balderas
New Mexico State Auditor
and
Scott Eckstein, Mayor
City Council Members
City of Bloomfield
Bloomfield, New Mexico

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the budgetary comparison for the general fund and the capital equipment replacement special revenue fund and the aggregate remaining fund information of the City of Bloomfield, New Mexico as of and for the year ended June 30, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the City's nonmajor governmental funds, the budgetary comparisons for the enterprise funds, Fire, Police, CRT, and City Hall capital projects fund, and the remaining nonmajor governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2008 as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

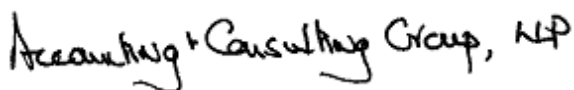
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and 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 City's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, 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 the City as of June 30, 2008, and the respective changes in financial position and cash flows where applicable, thereof, and the respective budgetary comparisons for the general fund and the capital equipment replacement special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the City as of June 30, 2008, and the respective changes in financial position thereof and the respective budgetary comparisons for the Fire, Police, CRT and City Hall Capital Projects Fund, the enterprise funds, and the remaining nonmajor governmental funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 24, 2008 on our consideration of the City'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 9 through 16 is not a required part of the basic financial statements, but is supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements, the combining and individual fund statements, and the budgetary comparisons. The accompanying financial information listed as supporting Schedules I through III in the table of contents are presented for purposes of additional analysis and are not a required part of the 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. The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

A handwritten signature in black ink that reads "Accounting & Consulting Group, LLP". The signature is written in a cursive, slightly slanted style.

Accounting & Consulting Group, LLP
Albuquerque, New Mexico
November 24, 2008

State of New Mexico
City of Bloomfield
Management's Discussion and Analysis
June 30, 2008

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

FINANCIAL HIGHLIGHTS

- The assets of City of Bloomfield exceeded its liabilities at the close of the most recent fiscal year by \$16,236,376 (*net assets*). Of this amount, \$4,446,844 (*unrestricted net assets*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$3,471,809 during the fiscal year. The majority of this increase is due to increase in gross receipts taxes for the year ended June 30, 2008.
- As of June 30, 2008, the City's governmental funds reported combined ending fund balances of \$3,802,807. Of this total, \$1,335,493 is designated for debt service and capital projects.
- At the close of the current fiscal year, unreserved, undesignated fund balance for the general fund was \$1,822,923, or 26 percent of total general fund expenditures.
- City of Bloomfield's total debt increased by \$2,000,887 during the current fiscal year. The key factor in this increase was the bond proceeds of \$2,238,664 in the City's governmental activities. Also during the year \$225,000 was paid on the principal of the various government loans.

Overview of the Financial Statements

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

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

The *statement of net assets* presents information on all of City of Bloomfield's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether or not the financial position of City of Bloomfield is improving or deteriorating.

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

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

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

State of New Mexico
City of Bloomfield
Management's Discussion and Analysis
June 30, 2008

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

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

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

City of Bloomfield maintains thirty-two individual governmental funds organized according to their type (special revenue, debt service and capital projects). Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund. Data from the other thirty governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

City of Bloomfield adopts an annual appropriated budget for its general fund, capital equipment replacement special revenue fund, fire, police, CRT, and city hall capital projects fund, and all other funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. In addition, the individual financial statements of the nonmajor governmental fund types include budgetary comparison data.

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

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

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the joint utility and solid waste operations of the City. The enterprise funds are considered to be major funds of the City and can be found at Exhibits D-1 through D-3 of this report.

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

City of Bloomfield fiduciary funds account for the collection of motor vehicle fees and their remittance to other governmental agencies.

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

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 34-59 of this report.

Combining statements. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 65-78 of this report.

State of New Mexico
City of Bloomfield
Management's Discussion and Analysis
June 30, 2008

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of City of Bloomfield, assets exceeded liabilities by \$16,236,376 at the close of the current fiscal year.

The largest portion of City of Bloomfield's net assets represents the City's investment of \$11,270,489 in capital assets (e.g., land improvements, buildings, infrastructure and machinery & equipment), less any related outstanding debt used to acquire those assets. City of Bloomfield uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although City of Bloomfield's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF BLOOMFIELD'S NET ASSETS*

	June 30, 2008			June 30, 2007		
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets						
Current and other assets	\$ 4,231,722	\$ 1,745,570	\$ 5,977,292	\$ 4,135,982	\$ 1,552,257	\$ 5,688,239
Restricted cash and cash equivalents	329,614	146,038	475,652	233,208	—	233,208
Bond issuance costs (net of amortization of \$504)	—	56,652	56,652	—	56,904	56,904
Capital assets, net of accumulated depreciation	<u>11,539,789</u>	<u>11,587,911</u>	<u>23,127,700</u>	<u>7,568,425</u>	<u>10,856,742</u>	<u>18,425,167</u>
Total Assets	<u>16,101,125</u>	<u>13,536,171</u>	<u>29,637,296</u>	<u>11,937,615</u>	<u>12,465,903</u>	<u>24,403,518</u>
Liabilities						
Long-term liabilities outstanding	4,059,482	7,474,974	11,534,456	2,153,475	7,685,729	9,839,204
Other liabilities	<u>1,138,025</u>	<u>728,439</u>	<u>1,866,464</u>	<u>756,624</u>	<u>1,043,123</u>	<u>1,799,747</u>
Total Liabilities	<u>5,197,507</u>	<u>8,203,413</u>	<u>13,400,920</u>	<u>2,910,099</u>	<u>8,728,852</u>	<u>11,638,951</u>
Net Assets						
Invested in capital assets, net of related debt	7,426,125	3,844,364	11,270,489	5,468,425	3,068,142	8,536,567
Restricted	519,043	—	519,043	360,192	124,630	484,822
Unrestricted	<u>2,958,450</u>	<u>1,488,394</u>	<u>4,446,844</u>	<u>3,198,899</u>	<u>544,279</u>	<u>3,743,178</u>
Total Net Assets	<u>10,903,618</u>	<u>5,332,758</u>	<u>16,236,376</u>	<u>9,027,516</u>	<u>3,737,051</u>	<u>12,764,567</u>
Total Liabilities and Net Assets	<u>\$16,101,125</u>	<u>\$13,536,171</u>	<u>\$29,637,296</u>	<u>\$11,937,615</u>	<u>\$12,465,903</u>	<u>\$24,403,518</u>

A portion of City of Bloomfield's governmental net assets (4 percent) represents resources that are subject to restrictions. The restrictions relate to covenants provided by the City's long-term debt issuance and capital projects. The remaining balance of *unrestricted net assets*, \$4,446,844 may be used to meet the government's ongoing obligations to citizens and creditors.

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

State of New Mexico
City of Bloomfield
Management's Discussion and Analysis
June 30, 2008

Analysis of Changes in Net Assets

The City's net assets overall increased by \$3,471,809 during the current fiscal year. These increases are explained in the government and business-type activities discussion below, and are primarily a result of increased revenues while reducing the City's expenditures during the fiscal year.

**Changes in Net Assets
For the Year Ended June 30, 2008**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Revenues			
Program revenues:			
Charges for service	\$ 662,353	\$ 4,212,839	\$ 4,875,192
Operating grants and contributions	2,641,387	—	2,641,387
Capital grants	23,000	796,991	819,991
General revenues:			
Property taxes	650,737	—	650,737
Gross receipts taxes	7,061,155	—	7,061,155
Franchise taxes	179,316	—	179,316
Cigarette and lodger's taxes	95,348	—	95,348
Motor vehicle and fuel taxes	397,909	—	397,909
Licenses and fees	408,003	—	408,003
Miscellaneous revenue	399,381	16,477	415,858
Unrestricted investment earnings	<u>94,744</u>	<u>24,614</u>	<u>119,358</u>
Total revenues	<u>12,613,333</u>	<u>5,050,921</u>	<u>17,664,254</u>
Expenses			
General government	3,433,746	—	3,433,746
Public safety	4,323,446	—	4,323,446
Culture and recreation	1,456,202	—	1,456,202
Health and welfare	275,976	—	275,976
Public works	1,080,606	—	1,080,606
Interest and other charges	147,569	—	147,569
Joint utility and solid waste	<u>—</u>	<u>3,474,900</u>	<u>3,474,900</u>
Total expenses	<u>10,717,545</u>	<u>3,474,900</u>	<u>14,192,445</u>
Increase in assets before transfers	<u>1,895,788</u>	<u>1,576,021</u>	<u>3,471,809</u>
Transfers	<u>(19,686)</u>	<u>19,686</u>	<u>—</u>
Increase in net assets	1,876,102	1,595,707	3,471,809
Net assets, beginning of year	<u>9,027,516</u>	<u>3,737,051</u>	<u>12,764,567</u>
Ending net assets	<u>\$ 10,903,618</u>	<u>\$ 5,332,758</u>	<u>\$ 16,236,376</u>

State of New Mexico
City of Bloomfield
Management's Discussion and Analysis
June 30, 2008

Changes in Net Assets
For the Year Ended June 30, 2007

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Revenues			
Program revenues:			
Charges for service	\$ 695,802	\$ 3,861,733	\$ 4,557,535
Operating grants and contributions	314,878	—	314,878
Capital grants	440,686	548,509	989,195
General revenues:			
Property taxes	536,227	—	536,227
Gross receipts taxes	5,487,611	—	5,487,611
Franchise taxes	374,117	—	374,117
Motor vehicle and fuel taxes	410,547	—	410,547
Licenses and Fees	307,429	—	307,429
Miscellaneous revenue	93,876	14,544	108,420
Gain on sale of land	33,148	—	33,148
Unrestricted investment earnings	<u>60,875</u>	<u>18,728</u>	<u>79,603</u>
Total revenues	<u>8,755,196</u>	<u>4,443,514</u>	<u>13,198,710</u>
Expenses			
General government	1,880,638	—	1,880,638
Public safety	3,039,304	—	3,039,304
Culture and recreation	733,053	—	733,053
Health and welfare	1,022,677	—	1,022,677
Public works	283,527	—	283,527
Interest and other charges	88,549	—	88,549
Joint utility and solid waste	<u>—</u>	<u>3,826,039</u>	<u>3,828,922</u>
Total expenses	<u>7,047,748</u>	<u>3,826,039</u>	<u>10,873,787</u>
Increase in assets before transfers	<u>1,707,448</u>	<u>617,475</u>	<u>2,324,923</u>
Transfers	<u>(1,060)</u>	<u>1,060</u>	<u>—</u>
Increase in net assets	1,706,388	618,535	2,324,923
Net assets, beginning of year	9,166,950	2,831,167	11,998,117
Net assets, restatement	<u>(1,845,822)</u>	<u>287,349</u>	<u>(1,558,473)</u>
Net assets, beginning as restated	<u>7,321,128</u>	<u>3,118,516</u>	<u>10,439,644</u>
Ending net assets	<u>\$ 9,027,516</u>	<u>\$ 3,737,051</u>	<u>\$ 12,764,567</u>

Governmental activities. Governmental activities increased City of Bloomfield's net assets by \$1,876,102. The key elements of this increase are as follows:

- The General fund received the majority of the City's program revenue, accounting for \$8,526,361 or 68 percent of total governmental revenues. The primary recipients of these revenues are general government and public safety.
- The City's direct charges to users of governmental services made up \$1,037,826 or 8 percent of total governmental revenues. These charges are for fees, fines and forfeitures, and licenses and permits.
- Tax revenues account for \$8,388,809 or 67 percent of governmental revenues. Tax revenues are made up of property, gross receipts, gasoline and motor vehicle and other taxes.
- The increase in revenues is because of good economic conditions within the City, which have increased gross receipts. Also, other taxes such as property, franchise and fuel have all increased from the prior year.

State of New Mexico
City of Bloomfield
Management's Discussion and Analysis
June 30, 2008

Business-type activities. Business-type activities increased the City's net assets by \$1,595,707. The City received the capital grants this year and due to a drop in expenditures and increased utility revenue from increased utility rates, the City generated excess revenue over expenditures.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, City of Bloomfield uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

Revenues for governmental functions overall totaled approximately \$12,617,972 in the fiscal year ended June 30, 2008, which represents an increase of \$3,899,736 from the fiscal year ended June 30, 2007. This is largely due to the increase in gross receipts tax. Expenditures for governmental functions, totaling \$14,873,227, increased by approximately \$7,318,354 from the fiscal year ended June 30, 2007. In the fiscal year ended June 30, 2008, expenditures for governmental functions exceeded revenues by approximately \$36,277.

The General Fund is the chief operating fund of City of Bloomfield. At the end of the current fiscal year, *unreserved* fund balance of the general fund was also the total fund balance of \$1,822,923.

The fund balance of City of Bloomfield's general fund decreased by \$506,125 during the current fiscal year, due to operating transfers to various funds for different activities. Overall, the general fund's performance resulted in revenues over expenditures in the fiscal year ended June 30, 2008 of \$1,416,583, a decrease of \$114,998 over the comparable figure from the prior year of \$1,531,581.

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

At the end of the fiscal year, the unrestricted net assets for enterprise funds were \$1,488,394. The total increase in net assets for the enterprise funds was \$1,595,707. Factors concerning the finances of this fund have been addressed previously in the discussion of the City's business-type activities.

Fiduciary Funds. The City maintains fiduciary funds for the assets of the Motor Vehicle Division for the State of New Mexico. Changes to the fiduciary funds were immaterial for the fiscal year.

General Fund Budgetary Highlights

City budgets reflect the same pattern as seen in the revenue and expenditures of the City. The State of New Mexico budget process is defined under state law and regulation. To enhance the process of developing a budget at the City level, City of Bloomfield utilizes goals and objectives defined by the City Commissioners, community input meetings, long term plans and input from various staff groups to develop the City budget. City priorities are well defined through this process.

GASB Statement No. 34 does not require a statement presenting the overall result of the budget for each year; however, all major budgetary funds are required to be reported as a separate statement.

The following table examines the summary budget performance of the general fund for the fiscal year ending June 30, 2008. Detailed budget performance is examined through the Statement of Revenues, Expenditures, and Changes in Fund Balance for the general fund found at Exhibit C-1. The City's final budget differs from the original budget due to budget increases and decreases that were made during the fiscal year. Net budget increase in the general fund totaled \$384,528 for expenditures. Actual general fund expenditures were \$147,970 less than the final budget amount (favorable variance). This was primarily to general governmental favorable variance of \$64,860. The difference between actual expenditures and budgeted expenditures is due to various expenditures that were expected to occur during the year ended June 30, 2008, but were delayed until the subsequent year.

State of New Mexico
City of Bloomfield
Management's Discussion and Analysis
June 30, 2008

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary	(Unfavorable)
			Basis)	Final to Actual
<i>Expenditures:</i>				
Current:				
General government	\$ 2,207,082	\$ 2,337,670	\$ 2,272,810	\$ 64,860
Public safety	3,159,387	3,318,602	3,286,308	32,294
Public Works	-	-	-	-
Culture and recreation	1,143,434	1,225,209	1,221,934	3,275
Health and welfare	351,710	364,660	305,276	59,384
Capital outlay	13,000	13,000	24,843	(11,843)
<i>Total expenditures</i>	<u>\$ 6,874,613</u>	<u>\$ 7,259,141</u>	<u>\$ 7,111,171</u>	<u>\$ 147,970</u>

Capital Asset and Debt Administration

Capital assets. City of Bloomfield's capital assets for its governmental and business-type activities as of June 30, 2008 amount to \$23,127,700 (net of accumulated depreciation). Capital assets include land, land improvements, buildings and improvements, furniture, fixtures and equipment, and water rights. The total in the City's capital assets (excluding accumulated depreciation) for the current fiscal year was an increase of \$4,441,468 for governmental activities and an increase of \$1,089,587 for business-like activities.

The significant additions to capital assets during the year were as follows:

- \$930,000 were additions to governmental buildings and improvements for completion of W. Blanco Phase II.
- \$2,561,461 were additions to governmental construction in progress for the fire station expansion.
- \$675,376 were additions to business type construction in progress for upgrades to water treatment plant.

Capital Assets, Net of Depreciation
June 30, 2008

	Governmental	Business-like	Total
	Activities	Activities	
Land	\$ 2,050,508	\$ 287,130	\$ 2,337,638
Buildings and improvements	6,560,257	13,703,181	20,263,438
Land improvements	551,347	34,065	585,412
Furniture, fixtures and equipment	5,720,380	71,515	5,791,895
Construction in Progress	2,944,976	52,564	2,997,540
Distribution system	—	4,003,616	4,003,616
Total capital assets	17,827,468	18,152,071	35,979,539
Accumulated depreciation	(6,287,679)	(6,564,160)	(12,851,839)
Capital assets, net of accumulated depreciation	<u>\$ 11,539,789</u>	<u>\$ 11,587,911</u>	<u>\$ 23,127,700</u>

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

State of New Mexico
City of Bloomfield
Management's Discussion and Analysis
June 30, 2008

Debt Administration. At the end of the current fiscal year, City of Bloomfield had total long-term obligations outstanding of \$12,289,081.

The significant additions to long term debt during the year were as follows:

- \$1,727,552 addition for NMFA loan for fire department expansion.
- \$511,112 addition for NMFA loan for fire pumper.
- \$206,278 addition for loan to purchase water rights.

City of Bloomfield's Outstanding Debt
As of June 30, 2008

	<u>Governmental Activities</u>	<u>Business-like Activities</u>	<u>Total</u>
General Obligation Bonds	\$ 1,875,000	\$ —	\$ 1,875,000
Lease Purchase Contracts	—	193,938	193,938
Loans Payable	—	4,894,463	4,894,463
NMFA Loans	2,238,664	—	2,238,664
EID notes	—	2,655,146	2,655,146
Compensated absences	<u>301,673</u>	<u>130,197</u>	<u>431,870</u>
Total long-term liabilities	<u>\$ 4,415,337</u>	<u>\$ 7,873,744</u>	<u>\$ 12,289,081</u>

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

The City knows of no currently known facts, decisions or conditions that are expected to have a significant effect on financial position or results of operations.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of City of Bloomfield's finances for all of those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Bloomfield Administration, City of Bloomfield, Post Office Box 1839, Bloomfield, New Mexico, 88413.

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**BASIC
FINANCIAL STATEMENTS**

STATE OF NEW MEXICO

City of Bloomfield

Statement of Net Assets

June 30, 2008

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Current assets			
Cash and cash equivalents	\$ 3,042,113	\$ 889,089	\$ 3,931,202
Property taxes receivable	47,204	-	47,204
Other taxes receivable	644,112	-	644,112
Due from customers	-	536,532	536,532
Other receivables	489,605	-	489,605
Inventory	-	328,637	328,637
Internal balances	8,688	(8,688)	-
	<u>4,231,722</u>	<u>1,745,570</u>	<u>5,977,292</u>
Total current assets			
Noncurrent assets			
Restricted cash and cash equivalents	329,614	146,038	475,652
Bond issuance costs (net of amortization of \$504)	-	56,652	56,652
Capital assets	17,827,468	18,152,071	35,979,539
Less: accumulated depreciation	<u>(6,287,679)</u>	<u>(6,564,160)</u>	<u>(12,851,839)</u>
	<u>11,869,403</u>	<u>11,790,601</u>	<u>23,660,004</u>
Total noncurrent assets			
Total assets	<u>\$ 16,101,125</u>	<u>\$ 13,536,171</u>	<u>\$ 29,637,296</u>

The accompanying notes are an integral part of these financial statements

	Governmental Activities	Business-type Activities	Total
Liabilities			
Current liabilities			
Accounts payable	\$ 419,252	\$ 98,633	\$ 517,885
Accrued payroll expenses	295,199	56,415	351,614
Accrued compensated absences	185,109	58,243	243,352
Meter deposits	-	70,945	70,945
Deferred revenue	18,000	61,600	79,600
Accrued interest	48,406	42,076	90,482
Current portion of long-term debt	172,059	340,527	512,586
	<u>1,138,025</u>	<u>728,439</u>	<u>1,866,464</u>
Total current liabilities			
Noncurrent liabilities			
Accrued compensated absences	116,564	71,954	188,518
Bond underwriter premiums (net of amortization of \$5,006)	1,313	-	1,313
Bonds payable	1,740,000	-	1,740,000
Loans and notes payable	2,201,605	7,403,020	9,604,625
	<u>4,059,482</u>	<u>7,474,974</u>	<u>11,534,456</u>
Total noncurrent liabilities			
	<u>5,197,507</u>	<u>8,203,413</u>	<u>13,400,920</u>
Total liabilities			
Net Assets			
Invested in capital assets, net of related debt	7,426,125	3,844,364	11,270,489
Restricted for:			
Debt service	436,765	-	436,765
Capital projects	82,278	-	82,278
Unrestricted	2,958,450	1,488,394	4,446,844
	<u>10,903,618</u>	<u>5,332,758</u>	<u>16,236,376</u>
Total net assets			
	<u>\$ 16,101,125</u>	<u>\$ 13,536,171</u>	<u>\$ 29,637,296</u>
Total liabilities and net assets			

STATE OF NEW MEXICO
City of Bloomfield
Statement of Activities
For the Year Ending June 30, 2008

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
General government	\$ 3,433,746	\$ 658,194	\$ 1,717,474	\$ -
Public safety	4,323,446	-	737,644	-
Public works	1,080,606	200	-	23,000
Culture and recreation	1,456,202	3,959	186,269	-
Health and welfare	275,976	-	-	-
Interest on long-term debt	147,569	-	-	-
<i>Total governmental activities</i>	10,717,545	662,353	2,641,387	23,000
Business-type Activities:				
Joint Utility	2,871,435	3,526,787	-	796,991
Solid Waste	603,465	686,052	-	-
<i>Total business type activities</i>	3,474,900	4,212,839	-	796,991
<i>Total</i>	\$ 14,192,445	\$ 4,875,192	\$ 2,641,387	\$ 819,991

General Revenues:

Taxes

- Property taxes, levied for general purposes
- Property taxes, levied for debt service
- Gross receipts taxes
- Gasoline and motor vehicle taxes
- Franchise taxes
- Cigarette and lodger's taxes

Licenses and fees

Investment income

Miscellaneous income

Transfers

Total General Revenues and Transfers

Change in net assets

Net assets, beginning

Net assets, ending

The accompanying notes are an integral part of these financial statements

Net (Expense) Revenue and Changes in Net Assets		
Primary Government		
<u>Government Activities</u>	<u>Business Type Activities</u>	<u>Total</u>
\$ (1,058,078)	\$ -	\$ (1,058,078)
(3,585,802)	-	(3,585,802)
(1,057,406)	-	(1,057,406)
(1,265,974)	-	(1,265,974)
(275,976)	-	(275,976)
(147,569)	-	(147,569)
<u>(7,390,805)</u>	<u>-</u>	<u>(7,390,805)</u>
-	1,452,343	1,452,343
-	82,587	82,587
<u>-</u>	<u>1,534,930</u>	<u>1,534,930</u>
<u>(7,390,805)</u>	<u>1,534,930</u>	<u>(5,855,875)</u>
443,206	-	443,206
207,531	-	207,531
7,061,155	-	7,061,155
397,909	-	397,909
179,316	-	179,316
95,348	-	95,348
408,003	-	408,003
94,744	24,614	119,358
399,381	16,477	415,858
(19,686)	19,686	-
<u>9,266,907</u>	<u>60,777</u>	<u>9,327,684</u>
<u>1,876,102</u>	<u>1,595,707</u>	<u>3,471,809</u>
<u>9,027,516</u>	<u>3,737,051</u>	<u>12,764,567</u>
<u>\$ 10,903,618</u>	<u>\$ 5,332,758</u>	<u>\$ 16,236,376</u>

STATE OF NEW MEXICO

City of Bloomfield
Balance Sheet
Governmental Funds
June 30, 2008

	<u>General Fund</u>	<u>Capital Equipment Replacement Special Revenue Fund</u>	<u>Fire, Police, CRT, and City Hall Capital Projects Fund</u>
<i>Assets</i>			
Cash and cash equivalents	\$ 1,005,676	\$ 353,000	\$ 1,562,276
Receivables:			
Property taxes	32,961	-	-
Other taxes	608,240	-	-
Other receivables	6,105	-	-
Due from other funds	492,167	-	-
	<u>2,145,149</u>	<u>353,000</u>	<u>1,562,276</u>
<i>Total assets</i>	<u>\$ 2,145,149</u>	<u>\$ 353,000</u>	<u>\$ 1,562,276</u>
<i>Liabilities and fund balances</i>			
<i>Liabilities</i>			
Accounts payable	\$ 34,305	\$ -	\$ 375,116
Accrued payroll expenses	270,289	-	-
Deferred revenue	17,632	-	-
Due to other funds	-	-	-
	<u>322,226</u>	<u>-</u>	<u>375,116</u>
<i>Total liabilities</i>	<u>322,226</u>	<u>-</u>	<u>375,116</u>
<i>Fund balances</i>			
Unreserved, reported in:			
General	1,822,923	-	-
Special revenue	-	353,000	-
Capital projects	-	-	1,187,160
Debt service	-	-	-
	<u>1,822,923</u>	<u>353,000</u>	<u>1,187,160</u>
<i>Total fund balances</i>	<u>1,822,923</u>	<u>353,000</u>	<u>1,187,160</u>
<i>Total liabilities and fund balances</i>	<u>\$ 2,145,149</u>	<u>\$ 353,000</u>	<u>\$ 1,562,276</u>

The accompanying notes are an integral part of these financial statements

Other Governmental Funds	Total
\$ 450,775	\$ 3,371,727
14,243	47,204
35,872	644,112
483,500	489,605
307	492,474
<u>\$ 984,697</u>	<u>\$ 5,045,122</u>
\$ 9,831	\$ 419,252
24,910	295,199
26,446	44,078
483,786	483,786
<u>544,973</u>	<u>1,242,315</u>
-	1,822,923
291,391	644,391
(48,355)	1,138,805
196,688	196,688
<u>439,724</u>	<u>3,802,807</u>
<u>\$ 984,697</u>	<u>\$ 5,045,122</u>

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STATE OF NEW MEXICO

City of Bloomfield

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Assets

June 30, 2008

Exhibit B-1

Page 2 of 2

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

Fund balances - total governmental funds	\$ 3,802,807
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	11,539,789
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	26,078
Other long-term assets are not available to pay for current period expenditures and therefore, are deferred in the funds:	
Bond underwriter premiums, net of amortization	(1,313)
Accrued interest	(48,406)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds	<u>(4,415,337)</u>
Net assets of governmental activities	<u>\$ 10,903,618</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ending June 30, 2008

	General Fund	Capital Equipment Replacement Special Revenue Fund	Fire, Police, CRT, and City Hall Capital Projects Fund
<i>Revenues:</i>			
Taxes:			
Property	\$ 446,731	\$ -	\$ -
Gross receipts	6,575,005	-	-
Gasoline and motor vehicle	-	-	-
Other	200,387	486,150	-
Intergovernmental			
Federal capital grants	-	-	-
State operating grants	274,895	-	-
State capital grants	-	279,449	1,066,944
Charges for services	509,910	119,250	-
Licenses and fees	361,950	-	-
Investment income	24,417	7	64,811
Miscellaneous	133,066	44,527	272,853
<i>Total revenues</i>	<u>8,526,361</u>	<u>929,383</u>	<u>1,404,608</u>
<i>Expenditures:</i>			
Current:			
General government	2,268,916	-	-
Public safety	3,294,901	925,494	-
Public works	-	-	216,101
Culture and recreation	1,224,118	-	-
Health and welfare	305,509	-	-
Capital outlay	16,334	598,674	2,896,460
Debt service:			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>7,109,778</u>	<u>1,524,168</u>	<u>3,112,561</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>1,416,583</u>	<u>(594,785)</u>	<u>(1,707,953)</u>
<i>Other financing sources (uses)</i>			
Bond Proceeds	-	-	1,727,552
Transfers in	-	1,007,695	-
Transfers out	(1,922,708)	(60,079)	(2,766)
<i>Total other financing sources (uses)</i>	<u>(1,922,708)</u>	<u>947,616</u>	<u>1,724,786</u>
<i>Net change in fund balance</i>	(506,125)	352,831	16,833
<i>Fund balance - beginning of year</i>	<u>2,329,048</u>	<u>169</u>	<u>1,170,327</u>
<i>Fund balance - end of year</i>	<u>\$ 1,822,923</u>	<u>\$ 353,000</u>	<u>\$ 1,187,160</u>

The accompanying notes are an integral part of these financial statements

Other Governmental Funds	Total
\$ 208,350	\$ 655,081
-	6,575,005
397,909	397,909
74,277	760,814
627,245	627,245
330,167	605,062
-	1,346,393
463	629,623
46,253	408,203
5,509	94,744
67,447	517,893
<u>1,757,620</u>	<u>12,617,972</u>
76,567	2,345,483
528,797	4,749,192
1,042,908	1,259,009
154,720	1,378,838
37,494	343,003
930,000	4,441,468
225,000	225,000
131,234	131,234
<u>3,126,720</u>	<u>14,873,227</u>
<u>(1,369,100)</u>	<u>(2,255,255)</u>
511,112	2,238,664
1,162,479	2,170,174
(204,307)	(2,189,860)
<u>1,469,284</u>	<u>2,218,978</u>
100,184	(36,277)
<u>339,540</u>	<u>3,839,084</u>
<u>\$ 439,724</u>	<u>\$ 3,802,807</u>

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STATE OF NEW MEXICO

City of Bloomfield

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

Exhibit B-2

Page 2 of 2

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

Net change in fund balances - total governmental funds	\$	(36,277)
--	----	----------

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 recorded in capital outlay		4,441,468
Depreciation expense		(470,104)

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

Change in deferred revenue related to property taxes receivable		(4,344)
---	--	---------

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 premiums and similar items when debt is first issued, whereas
these amounts are deferred and amortized in the statement of activities:

Increase in compensated absences		(24,642)
Increase in accrued interest		(16,466)
Amortization of bond premium		131
Proceeds from the issuance of bonds		(2,238,664)
Principal payments on bonds		225,000

Change in net assets of governmental activities	\$	<u>1,876,102</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

City of Bloomfield

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance

Budget (Non-GAAP Budgetary Basis) and Actual

For the Year Ending June 30, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes				
Property	439,414	439,414	442,961	3,547
Gross receipts	5,400,000	6,295,418	6,525,907	230,489
Other	304,000	304,000	313,663	9,663
Intergovernmental income:				
State operating grant	269,500	319,500	272,621	(46,879)
Charges for services	300,200	372,200	541,803	169,603
Licenses and fees	515,050	406,480	389,104	(17,376)
Investment income	13,000	13,000	24,417	11,417
Miscellaneous	143,600	143,600	135,393	(8,207)
<i>Total revenues</i>	<u>7,384,764</u>	<u>8,293,612</u>	<u>8,645,869</u>	<u>352,257</u>
<i>Expenditures:</i>				
Current:				
General government	2,207,082	2,337,670	2,272,810	64,860
Public safety	3,159,387	3,318,602	3,286,308	32,294
Culture and recreation	1,143,434	1,225,209	1,221,934	3,275
Health and welfare	351,710	364,660	305,276	59,384
Capital outlay	13,000	13,000	24,843	(11,843)
<i>Total expenditures</i>	<u>6,874,613</u>	<u>7,259,141</u>	<u>7,111,171</u>	<u>147,970</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>510,151</u>	<u>1,034,471</u>	<u>1,534,698</u>	<u>500,227</u>
<i>Other financing sources (uses)</i>				
Designated cash	(1,744,836)	(3,037,546)	-	3,037,546
Transfers in	-	-	-	-
Transfers out	1,234,685	2,003,075	(1,922,708)	(3,925,783)
<i>Total other financing sources (uses)</i>	<u>(510,151)</u>	<u>(1,034,471)</u>	<u>(1,922,708)</u>	<u>(888,237)</u>
<i>Net change in fund balance</i>	-	-	(388,010)	(388,010)
<i>Fund balance - beginning of year</i>	-	-	1,823,303	1,823,303
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,435,293</u>	<u>\$ 1,435,293</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (388,010)	
Adjustments to revenues for accounts receivable			(119,508)	
Adjustments to expenditures for accounts payable and accrued expenses			1,393	
Net change in fund balance (GAAP)			<u>\$ (506,125)</u>	

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO

Exhibit C-2

City of Bloomfield
 Capital Equipment Replacement Special Revenue Fund
 Statement of Revenues, Expenditures and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ending June 30, 2008

	Budgeted Amounts		Actual	Variances Favorable (Unfavorable)
	Original	Final	(Non-GAAP Budgetary Basis)	Final to Actual
<i>Revenues:</i>				
Taxes				
Other	\$ 416,667	\$ 486,667	\$ 486,150	\$ (517)
Intergovernmental income:				
State operating grant	335,000	335,000	279,449	(55,551)
Charges for services	119,250	119,250	119,250	-
Investment income	-	-	7	7
Miscellaneous	-	-	44,527	44,527
<i>Total revenues</i>	870,917	940,917	929,383	(11,534)
<i>Expenditures:</i>				
Current:				
Public safety	707,200	975,550	925,872	49,678
Capital outlay	335,000	555,000	598,674	(43,674)
<i>Total expenditures</i>	1,042,200	1,530,550	1,524,546	6,004
<i>Excess (deficiency) of revenues over expenditures</i>	(171,283)	(589,633)	(595,163)	(5,530)
<i>Other financing sources (uses)</i>				
Designated cash	(479,258)	(479,258)	-	479,258
Transfers in	587,400	1,005,750	1,007,695	1,945
Transfers out	63,141	63,141	(60,079)	(123,220)
<i>Total other financing sources (uses)</i>	171,283	589,633	947,616	357,983
<i>Net change in fund balance</i>	-	-	352,453	352,453
<i>Fund balance - beginning of year</i>	-	-	547	547
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ 353,000	\$ 353,000
Net change in fund balance (non-GAAP budgetary basis)			\$ 352,453	
No adjustments to revenue			-	
Adjustments to expenditures for accounts payable			378	
Net change in fund balance (GAAP)			\$ 352,831	

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO

Exhibit D-1

City of Bloomfield
Statement of Net Assets
Proprietary Funds
June 30, 2008

	<u>Joint Utility</u>	<u>Solid Waste</u>	<u>Total</u>
<i>Assets</i>			
<i>Current assets</i>			
Cash and cash equivalents	\$ 801,563	\$ 87,526	\$ 889,089
Accounts receivable (net of allowance for doubtful accounts of \$169,641 and \$10,127, respectively)	506,661	29,871	536,532
Inventory	328,637	-	328,637
Due from other funds	-	39,249	39,249
<i>Total current assets</i>	<u>1,636,861</u>	<u>156,646</u>	<u>1,793,507</u>
<i>Noncurrent assets</i>			
Restricted cash and cash equivalents	129,776	16,262	146,038
Bond issuance costs (net of amortization of \$540)	56,652	-	56,652
Capital assets	18,152,071	-	18,152,071
Accumulated depreciation	(6,564,160)	-	(6,564,160)
<i>Total noncurrent assets</i>	<u>11,774,339</u>	<u>16,262</u>	<u>11,790,601</u>
<i>Total Assets</i>	<u>\$ 13,411,200</u>	<u>\$ 172,908</u>	<u>\$ 13,584,108</u>
<i>Liabilities and Net Assets</i>			
<i>Liabilities:</i>			
<i>Current liabilities</i>			
Accounts payable	\$ 45,394	\$ 53,239	\$ 98,633
Accrued payroll expenses	56,415	-	56,415
Accrued compensated absences	58,243	-	58,243
Meter deposits	70,945	-	70,945
Due to other funds	47,937	-	47,937
Deferred revenue	-	61,600	61,600
Accrued interest	42,076	-	42,076
Current maturity of loans, notes and capital leases payable	332,217	8,310	340,527
<i>Total current liabilities</i>	<u>653,227</u>	<u>123,149</u>	<u>776,376</u>
<i>Noncurrent liabilities</i>			
Accrued compensated absences	71,954	-	71,954
Loans, notes and capital leases payable	7,217,392	185,628	7,403,020
<i>Total noncurrent liabilities</i>	<u>7,289,346</u>	<u>185,628</u>	<u>7,474,974</u>
<i>Total liabilities</i>	<u>7,942,573</u>	<u>308,777</u>	<u>8,251,350</u>
<i>Net Assets:</i>			
Unreserved			
Unreserved, undesignated	5,468,627	(135,869)	5,332,758
<i>Total net assets</i>	<u>5,468,627</u>	<u>(135,869)</u>	<u>5,332,758</u>
<i>Total Liabilities and Net Assets</i>	<u>\$ 13,411,200</u>	<u>\$ 172,908</u>	<u>\$ 13,584,108</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO

Exhibit D-2

City of Bloomfield

Statement of Revenues, Expenses and Changes in Net Assets

Proprietary Funds

For the Year Ended June 30, 2008

	Joint Utility	Solid Waste	Total
<i>Operating revenues:</i>			
Charges for services	3,526,787	686,052	\$ 4,212,839
<i>Total operating revenues</i>	<u>3,526,787</u>	<u>686,052</u>	<u>4,212,839</u>
<i>Operating expenses:</i>			
Depreciation	358,418	-	358,418
Personnel services	1,330,369	-	1,330,369
Contractual services	131,888	597,369	729,257
Supplies and purchased power	426,505	-	426,505
Maintenance and materials	48,843	-	48,843
Miscellaneous	215,777	6,096	221,873
Utilities	43,676	-	43,676
Gross receipts taxes	129,657	-	129,657
<i>Total operating expenses</i>	<u>2,685,133</u>	<u>603,465</u>	<u>3,288,598</u>
<i>Operating income</i>	<u>841,654</u>	<u>82,587</u>	<u>924,241</u>
<i>Non-operating revenues (expenses):</i>			
Interest expense	(186,050)	-	(186,050)
Investment income	24,002	612	24,614
State operating grants	796,991	-	796,991
Miscellaneous financing costs	(252)	-	(252)
Miscellaneous income	16,477	-	16,477
<i>Total non-operating revenues (expenses)</i>	<u>651,168</u>	<u>612</u>	<u>651,780</u>
Transfers in	84,523	8,067	92,590
Transfers out	(56,666)	(16,238)	(72,904)
<i>Change in net assets</i>	<u>1,520,679</u>	<u>75,028</u>	<u>1,595,707</u>
<i>Total net assets, beginning of year</i>	<u>3,947,948</u>	<u>(210,897)</u>	<u>3,737,051</u>
<i>Total net assets, end of year</i>	<u>\$ 5,468,627</u>	<u>\$ (135,869)</u>	<u>\$ 5,332,758</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
City of Bloomfield
Statement of Cash Flows - Proprietary Funds
For the Year Ended June 30, 2008

Exhibit D-3

	<u>Joint Utility</u>	<u>Solid Waste</u>	<u>Total</u>
<i>Cash flows from operating activities:</i>			
Cash received from user charges	\$ 3,411,571	\$ 659,191	\$ 4,070,762
Cash payments to employees for services	(1,248,094)	(597,369)	(1,845,463)
Cash payments to suppliers for goods and services	(1,628,362)	(49,647)	(1,678,009)
<i>Net cash provided by (used) for operating activities</i>	<u>535,115</u>	<u>12,175</u>	<u>547,290</u>
<i>Cash flows from noncapital financing activities:</i>			
State operating grants	796,991	-	796,991
Interest paid	(186,050)	-	(186,050)
Miscellaneous income	16,477	-	16,477
Miscellaneous financing costs	(252)	-	(252)
Change in accrued interest	3,196	-	3,196
Change in current portion of long-term debt	119,610	243	119,853
Change in noncurrent portion of long-term debt	(156,596)	(8,310)	(164,906)
Change in noncurrent accrued compensated absences	(45,849)	-	(45,849)
Internal balances	(107,584)	-	(107,584)
Transfers	27,857	(8,171)	19,686
<i>Net cash provided by (used) from noncapital financing activities:</i>	<u>467,800</u>	<u>(16,238)</u>	<u>451,562</u>
<i>Cash flows from investing activities:</i>			
Acquisition of capital assets	(1,089,587)	-	(1,089,587)
Interest on investments	24,002	612	24,614
<i>Net cash provided by (used) from investing activities</i>	<u>(1,065,585)</u>	<u>612</u>	<u>(1,064,973)</u>
<i>Net decrease in cash and cash equivalents</i>	(62,670)	(3,451)	(66,121)
<i>Cash and cash equivalents - beginning of year</i>	<u>994,009</u>	<u>107,239</u>	<u>1,101,248</u>
<i>Cash and cash equivalents - end of year</i>	<u>\$ 931,339</u>	<u>\$ 103,788</u>	<u>\$ 1,035,127</u>
<i>Reconciliation of operating income to net cash provided by operating activities:</i>			
Operating income	\$ 841,654	\$ 82,587	\$ 924,241
<i>Adjustments to reconcile operating income to net cash provided by operating activities:</i>			
Depreciation	358,418	-	358,418
<i>Changes in assets and liabilities</i>			
Receivables	(115,216)	(18,461)	(133,677)
Inventory	(164,211)	-	(164,211)
Bond issuance costs	252	-	252
Accounts payable	(468,065)	(43,551)	(511,616)
Accrued payroll expenses	26,021	-	26,021
Current accrued compensated absences	56,254	-	56,254
Meter deposits	8	-	8
Deferred revenue	-	(8,400)	(8,400)
<i>Net cash provided by operating activities</i>	<u>\$ 535,115</u>	<u>\$ 12,175</u>	<u>\$ 547,290</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
City of Bloomfield
Statement of Fiduciary Assets and Liabilities - Agency Funds
June 30, 2008

Exhibit E-1

<i>Assets</i>	
Cash	\$ 1,024
<i>Total assets</i>	<u>\$ 1,024</u>
<i>Liabilities</i>	
Due to other entities	\$ 1,024
<i>Total liabilities</i>	<u>\$ 1,024</u>

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 1. Summary of Significant Accounting Policies

The City of Bloomfield (City) was incorporated in 1953 under provisions of Chapter 3, Article 2, NMSA, 1978 as amended. The City operates under a Council-Mayor form of government and provides the following services as authorized by its charter: public safety (police and fire); highways and streets; water and sewer services; refuse collection; health and social services; culture-recreation; public improvements; planning and zoning; and general administrative services.

The City of Bloomfield is a body politic and corporate under the name and form of government selected by its qualified electors. The City 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 municipality and its inhabitants;
7. Preserve peace and order within the municipality; and
8. Establish rates for services provided by municipal utilities and revenue-producing projects, including amounts which the governing body determines to be reasonable in the operation of similar facilities.

This summary of significant accounting policies of the City is presented to assist in the understanding of the City's financial statements. The financial statements and notes are the representation of the City's management who is responsible for their integrity and objectivity. The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. Governments also have the option of following subsequent private-sector guidance for their government-wide financial statements, subject to the same limitation. The City has elected not to follow subsequent private-sector guidance. The more significant of the government's accounting policies are described below.

A. *Financial Reporting Entity*

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

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 1. Summary of Significant Accounting Policies (continued)

A. *Financial Reporting Entity (continued)*

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based upon the application of these criteria, the City does not have any component units required to be reported under GASB Statements No. 14 and No. 39.

B. *Government-wide and fund financial statements*

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

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

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

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

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

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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

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. The government-wide full accrual basis property tax receivables recognize revenues net of estimated refunds and uncollectible amounts, in the period for which the taxes are levied, even if they are not available. 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.

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

The City reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. 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 all costs associated with the daily operation of the City except for items included in other funds.

The *Capital Equipment Replacement Special Revenue Fund* account for expenditures for capital equipment funded by special revenues for standby services designated by the City Council. Funding authority by City Council Resolution No. 90-16.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 1. Summary of Significant Accounting Policies (continued)

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

The *Fire, Police, CRT, and City Hall Capital Projects Fund* accounts for the proceeds and expenditures of bonds issued for constructing, purchasing, rehabilitating or remodeling public buildings, including additions and improvements.

The City reports its proprietary funds as major funds. Proprietary funds include:

The *Joint Utility Fund* accounts for fees generated from charges for utilities.

The *Solid Waste Fund* accounts for fees generated from charges for trash collection.

Additionally, the government reports the following fund types:

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

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

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

The *Fiduciary Funds* are purely custodial (assets equal liabilities) and do not involve measurement of results of operations. The City'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, because elimination of these charges would distort the direct costs and program revenues reported in the Statement of Activities.

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

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

The City reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. The City 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.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 1. Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Net Assets or Equity

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenue of the City's enterprise fund is charges for services for the City's utilities. Operating expenses for enterprise funds include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

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

Investments for the City 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.

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 fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or between proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

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

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

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 November 10th and April 10th are considered delinquent and the City may assess penalties and interest. The taxes attach as an enforceable lien on property thirty (30) days thereafter, at which time they become delinquent. Property taxes are collected by San Juan County and remitted monthly to the City.

Inventory: Inventory is valued at the lower of cost or market under the consumption method.

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

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 1. Summary of Significant Accounting Policies (continued)

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

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. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are to be included as part of the governmental capital assets reported in the government wide statements. Donated capital assets are recorded at estimated fair market value at the date of donation. The City does not develop any software. Library books are expensed when purchased.

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

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

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

<u>Assets</u>	<u>Years</u>
Infrastructure	40
Distribution System	40
Permanent Buildings	45
Land Improvements	20
Vehicles	6
Computer equipment	5
Other furniture and equipment	5-20

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

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

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 1. Summary of Significant Accounting Policies (continued)

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

Compensated Absences: Qualified employees are entitled to accumulate annual leave according to a graduated leave schedule of ten days to twenty days per year, depending on length of service. Employees may accumulate up to 320 hours (forty days) of annual leave and carry that leave forward from calendar year to calendar year. Upon termination, employees will be paid for up to 320 hours (forty days) of accrued annual leave.

Qualified employees are entitled to accumulate sick leave at a rate of twelve days per year. Sick leave can be carried over from year to year up to 960 hours (120 days). Upon termination employees receive no pay for sick time accumulated.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. In prior years, substantially all of the related expenditures have been liquidated by the general fund. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the government-wide statement of net assets.

Long-term Obligations: In the government-wide fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

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

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

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

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

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 1. Summary of Significant Accounting Policies (continued)

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

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates in the City's financial statements include the allowance for uncollectible accounts in the joint utility fund.

NOTE 2. Stewardship, Compliance and Accountability

Budgetary Information

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

These budgets are prepared on the Non-GAAP budgetary basis, excluding encumbrances, and secure appropriation of funds for only one year. The budgetary information presented in these financial statements has been amended in accordance with the above procedures. These amendments resulted in the following changes:

	Excess (deficiency) of revenues over expenditures	
	Original Budet	Final Budget
	Budgeted Funds:	
General Fund	\$ 510,151	\$ 1,034,471
Capital Equipment Replacement	\$ (171,283)	\$ (589,633)
Fire, Police, CRT, and City Hall	\$ (2,803,929)	\$ (2,803,929)
Other Governmental Funds	\$ (670,279)	\$ (1,405,171)

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

The City 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, a reconciliation of resultant basis, perspective, equity and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2008 is presented.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 3. Deposits and Investments

State statutes authorize the investment of City 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 City properly followed State investment requirements as of June 30, 2008.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the City. 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 II in this report. The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico.

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

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City 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, 2008, \$ 3,398,478 of the City's bank balances of \$ 3,598,478 was exposed to custodial credit risk. \$2,528,016 was uninsured and collateralized by collateral held by the pledging bank's trust department, not in the City's name and \$870,462 was uninsured and uncollateralized.

	Wells Fargo Bank	Citizen's Bank	Total
Amount of deposits	\$ 1,706,548	\$ 1,891,930	\$ 3,598,478
FDIC Coverage	(100,000)	(100,000)	(200,000)
Total uninsured public funds	<u>1,606,548</u>	<u>1,791,930</u>	<u>3,398,478</u>
Collateralized by securities held by pledging institutions or by its trust department or agent in other than the City's name	<u>1,117,402</u>	<u>1,410,614</u>	<u>2,528,016</u>
Uninsured and uncollateralized	<u>\$ 489,146</u>	<u>\$ 381,316</u>	<u>\$ 870,462</u>
Collateral requirement (50% of uninsured funds)	\$ 803,274	\$ 895,965	\$ 1,699,239
Pledged Collateral	<u>1,117,402</u>	<u>1,410,614</u>	<u>2,528,016</u>
Over (Under) collateralized	<u>\$ 314,128</u>	<u>\$ 514,649</u>	<u>\$ 828,777</u>

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 3. Deposits and Investments (continued)

The City utilizes pooled accounts for some of their programs and funds. Negative cash balances in individual funds that were part of the pooled accounts were reclassified as due to/from accounts in the combining balance sheets as of June 30, 2008. The following individual funds had negative cash balances as of June 30, 2008:

Recreation fund	\$ 94,218
Highway Co-op Projects	2,040
West Blanco III	333,459
Dam Rehabilitation	26,486
	<u>\$ 456,203</u>

Custodial Credit Risk - Investments. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City'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). The carrying value of the City's investments at June 30, 2008 was \$404,712.

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

<u>Investment Type</u>	<u>Par/Fair Value</u>	<u>Investment Maturities</u> <u>Less than 1 Year</u>
U.S. Treasury Money		
Market Mutual Fund	\$ 404,712	\$ 404,712

The investments are listed on Schedule I of this report. They are considered cash equivalents for financial statement purposes.

Primary Government

Reconciliation to the Statement of Net Assets:

Cash and cash equivalents per Exhibit A-1	\$ 3,931,202
Restricted cash and cash equivalents per Exhibit A-1	475,652
Agency funds cash per Exhibit E-1	<u>1,024</u>
Total cash and cash equivalents	<u>4,407,878</u>
Less: outstanding deposits and checks and other reconciling items	(401,388)
Less: U.S. Treasury Money Market Mutual Fund	(404,712)
Less: petty cash	<u>(3,300)</u>
Bank balance of deposits	<u>\$ 3,598,478</u>

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 4. Receivables

Receivables as of June 30, 2008, including the applicable allowances for uncollectible accounts, are as follows:

Governmental Activities:

	<u>General</u>	<u>Capital Equipment Replacement</u>	<u>G.O. Bond Construction</u>	<u>Total Nonmajor Funds</u>	<u>Total</u>
Property taxes	\$ 32,961	\$ -	\$ -	\$ 14,243	\$ 47,204
Other taxes:					
Gross receipts taxes	606,437	-	-	-	606,437
Gasoline and oil taxes	-	-	-	34,967	34,967
Cigarette Tax	1,803	-	-	905	2,708
Other receivables:					
Intergovernmental-grants:					
State	-	-	-	483,500	483,500
Miscellaneous	6,105	-	-	-	6,105
Totals by category	<u>\$ 647,306</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 533,615</u>	<u>\$ 1,180,921</u>

In accordance with GASB No. 33, the property tax revenues that were not collected within the period of availability, \$26,078, have been reclassified as deferred revenue in the governmental fund financial statements.

Business-Type Activities:

	<u>Joint Utility</u>	<u>Solid Waste</u>	<u>Total</u>
Utility fees	\$ 676,302	\$ 39,998	\$ 716,300
Less: Allowance for uncollectible accounts	<u>(169,641)</u>	<u>(10,127)</u>	<u>(179,768)</u>
Totals	<u>\$ 506,661</u>	<u>\$ 29,871</u>	<u>\$ 536,532</u>

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 5. Interfund Receivables, Payables, and Transfers

The City recorded interfund transfers to reflect a temporary transfer of cash due to temporary need within the funds. The composition of interfund transfers during the year ended June 30, 2008 is as follows:

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
Primary Government		
Capital Equipment Replacement Fund	Joint Utility	\$ 60,079
Fire Department Construction	Capital Equipment Replacement Fund	28,708
Fire Protection Fund	Capital Equipment Replacement Fund	120,369
Fire, Police, CRT, and City Hall Fund	Joint Utility	2,766
General Fund	Joint Utility	5,440
General Fund	Police Evidence Fund	4,611
General Fund	G.O. Bond Fund	60,000
General Fund	Special Street Maintenance	623,000
General Fund	Highway Co-op	21,000
General Fund	West Blanco III	329,400
General Fund	CDBG Church Street Project	12,195
General Fund	CDBG Comp Plan	3,500
General Fund	1999 Refunding Bonds Fund	60,174
General Fund	Capital Equipment Replacement Fund	803,388
Joint Utility	Solid Waste Fund	8,067
Joint Utility	G.O. Bond Fund	48,599
Solid Waste Fund	Joint Utility	16,238
1999 Bond Reserve Fund	Capital Equipment Replacement Fund	55,230
Subtotal		<u>\$ 2,262,764</u>

The City recorded interfund receivable/payable to reflect a temporary loan between funds. The purpose of the loan was to cover cash shortages until grant reimbursements could be obtained.

<u>Due from other fund</u>	<u>Due to Other fund</u>	<u>Amount</u>
Primary Government		
General Fund	Recreation Fund	\$ 94,218
General Fund	KAB - Bloomfield Pride	2,850
General Fund	Highway Co-op	2,040
General Fund	West Blanco III	333,459
General Fund	Dam Rehabilitation	26,486
General Fund	CDBG Church Street Project	2,766
General Fund	CDBG Comp Plan	21,660
General Fund	Joint Utility	8,688
Solid Waste	Joint Utility	39,249
G.O. Bond Fund	CDBG Church Street Project	307
Subtotal		<u>\$ 531,723</u>

All interfund transactions are short-term and are repaid within a year.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 6. Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2008, including those changes pursuant to the implementation of GASB Statement No. 34, follows. Land is not subject to depreciation.

Governmental Activities:

	Balance June 30, 2007	Additions & Transfers In	Deletions & Transfers Out	Balance June 30, 2008
Capital assets not being depreciated:				
Land	\$ 2,050,508	\$ -	\$ -	\$ 2,050,508
Construction in progress	423,849	2,585,853	64,726	2,944,976
	<u>2,474,357</u>	<u>2,585,853</u>	<u>64,726</u>	<u>4,995,484</u>
Capital assets being depreciated:				
Land improvements	345,306	206,041	-	551,347
Buildings and improvements	5,254,545	1,305,712	-	6,560,257
Furniture, fixtures and equipment	5,311,792	408,588	-	5,720,380
	<u>10,911,643</u>	<u>1,920,341</u>	<u>-</u>	<u>12,831,984</u>
 Total capital assets	 <u>13,386,000</u>	 <u>4,506,194</u>	 <u>64,726</u>	 <u>17,827,468</u>
Accumulated depreciation:				
Land improvements	308,839	9,104	-	317,943
Buildings and improvements	2,290,052	108,478	-	2,398,530
Furniture, fixtures and equipment	3,218,684	352,522	-	3,571,206
Total accumulated depreciation	<u>5,817,575</u>	<u>470,104</u>	<u>-</u>	<u>6,287,679</u>
 Net Capital Assets	 <u>\$ 7,568,425</u>	 <u>\$ 4,036,090</u>	 <u>\$ 64,726</u>	 <u>\$ 11,539,789</u>

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

General Government	\$ 84,298
Public Safety	281,210
Public Works	8,344
Culture and Recreation	81,430
Health and Welfare	<u>14,822</u>
 Total depreciation expense, governmental activities	 <u>\$ 470,104</u>

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 6. Capital Assets (continued)

Business-type Activities:

	Balance June 30, 2007	Additions & Transfers In	Deletions & Transfers Out	Balance June 30, 2008
Capital assets not being depreciated:				
Land	\$ 287,130	\$ -	\$ -	\$ 287,130
Construction in progress	4,841,768	-	4,789,204	52,564
	<u>5,128,898</u>	<u>-</u>	<u>4,789,204</u>	<u>339,694</u>
Capital assets being depreciated:				
Land improvements	34,065	-	-	34,065
Buildings and improvements	7,824,390	5,878,791	-	13,703,181
Distribution system	4,003,616	-	-	4,003,616
Furniture, fixtures and equipment	71,515	-	-	71,515
	<u>11,933,586</u>	<u>5,878,791</u>	<u>-</u>	<u>17,812,377</u>
 Total capital assets	 <u>17,062,484</u>	 <u>5,878,791</u>	 <u>4,789,204</u>	 <u>18,152,071</u>
Accumulated depreciation:				
Land improvements	34,065	-	-	34,065
Buildings and improvements	2,284,701	175,074	-	2,459,775
Distribution system	3,779,321	155,016	-	3,934,337
Furniture, fixtures and equipment	107,655	28,328	-	135,983
Total accumulated depreciation	<u>6,205,742</u>	<u>358,418</u>	<u>-</u>	<u>6,564,160</u>
 Net Book Value	 <u>\$ 10,856,742</u>	 <u>\$ 5,520,373</u>	 <u>\$ 4,789,204</u>	 <u>\$ 11,587,911</u>

Depreciation expense charged to business-like activities for the year ended June 30, 2008 was \$358,418.

NOTE 7. Long-term Debt

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

Governmental Activities

	Balance June 30, 2007	Additions	Retirements	Balance June 30, 2008	Due Within One Year
1999 Municipal GRT Series	\$ 95,000	\$ -	\$ 95,000	\$ -	\$ -
2000 General Obligation B Series	490,000	-	40,000	450,000	45,000
2005 General Obligation Series	1,515,000	-	90,000	1,425,000	90,000
NMFA Loans	-	2,238,664	-	2,238,664	37,059
Compensated Absences	279,802	206,980	185,109	301,673	185,109
 Total Long-Term Debt	 <u>\$ 2,379,802</u>	 <u>\$ 2,445,644</u>	 <u>\$ 410,109</u>	 <u>\$ 4,415,337</u>	 <u>\$ 357,168</u>

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 7. Long-term Debt (continued)

Description	Date of Issue	Term	Interest Rate	Original Amount of Issue	Balance as of June 30, 2008
2000 General Obligation B Series	February 2000	8 years	5.35%-6.00%	\$ 615,000	\$ 450,000
2005 General Obligation Series	January 2005	9 years	3.45%-4.30%	1,600,000	1,425,000
NMFA PPRF Loan-Fire Dept Expansion	August 2007	22 years	4.04%	1,727,552	1,727,552
NMFA PPRF Loan - Fire Pumper	December 2007	10 years	3.96%	511,112	511,112
					\$ 4,113,664

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

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2009	\$ 135,000	\$ 75,059	\$ 210,059
2010	140,000	69,570	209,570
2011	150,000	64,018	214,018
2012	165,000	57,564	222,564
2013	170,000	50,391	220,391
2014-2018	725,000	146,064	871,064
2019-2023	390,000	25,265	415,265
	\$ 1,875,000	\$ 487,931	\$ 2,362,931

General obligation bonds have been liquidated by the G.O. Bond Fund and 1999 Refunding Bonds Fund, respectively, in prior years.

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

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2009	\$ 37,059	\$ 96,695	\$ 133,754
2010	104,016	87,392	191,408
2011	107,837	83,581	191,418
2012	111,816	79,612	191,428
2013	115,979	75,459	191,438
2014-2018	650,077	294,267	944,344
2019-2023	445,129	193,745	638,874
2024-2028	544,011	95,108	639,119
2029-2033	122,740	5,118	127,858
	\$ 2,238,664	\$ 1,010,977	\$ 3,249,641

Compensated Absences – Employees of the City are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2008, long-term compensated absences increased \$21,871 over the prior year accrual.

In prior years, the general fund has typically been used to liquidate long-term liabilities other than debt including capital leases and compensated absences.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 7. Long-term Debt (continued)

Proprietary Funds

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

Proprietary Funds

	Balance June 30, 2007	Additions	Retirements	Balance June 30, 2008	Due Within One Year
EID Notes	\$ 2,775,714	\$ -	120,568	\$ 2,655,146	\$ 124,186
Loans Payable	4,790,157	206,277	101,971	4,894,463	208,031
Lease Purchase Contracts	222,729	-	28,791	193,938	8,310
Compensated Absences	119,792	68,648	58,243	130,197	58,243
Total Long-Term Debt	\$ 7,908,392	\$ 274,925	\$ 309,573	\$ 7,873,744	\$ 398,770

The City is obligated under two (2) different note agreements with the State of New Mexico. In 2002, the State of New Mexico refinanced the balance of the two notes at 3% annual interest rate. The following schedule shows the City's debt obligations under the agreements.

	<u>Note 1</u>	<u>Note 2</u>
Issue/Assumed date	1993	1993
Original amount	\$120,000	\$110,000
Interest rate	3%	3%
Payment date	Oct 1	Nov 1

Loan Payable EID #1 and #2

Fiscal Year Ending June 30,	<u>Principal</u>		<u>Interest</u>		<u>Total Debt Service</u>
	<u>Note 1</u>	<u>Note 2</u>	<u>Note 1</u>	<u>Note 2</u>	
2009	\$ 7,116	\$ 6,835	\$ 1,133	\$ 1,089	\$ 16,173
2010	7,330	7,040	920	884	16,174
2011	7,549	7,252	700	672	16,173
2012	7,776	7,469	474	455	16,174
2013	8,010	7,693	240	231	16,174
	\$ 37,781	\$ 36,289	\$ 3,467	\$ 3,331	\$ 80,868

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 7. Long-term Debt (continued)

On October 24, 2004, the City received a note for improvements to the waste water plant for \$2,700,000. The note is financed over fifteen years at 3%. The annual requirements to amortize the note as of June 30, 2008, including interest payments, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2009	\$ 110,235	\$ 77,432	\$ 187,667
2010	113,541	74,125	187,666
2011	116,948	70,719	187,667
2012	120,456	67,211	187,667
2013	124,070	63,597	187,667
2014-2018	678,464	259,869	938,333
2019-2023	786,526	151,807	938,333
2024-2028	530,836	32,164	563,000
	<u>\$2,581,076</u>	<u>\$ 796,924</u>	<u>\$3,378,000</u>

On August 18, 2006, the City entered into a loan agreement with the New Mexico Finance Authority for the drinking water state revolving fund in the amount of \$3,737,000. The loan is financed over twenty-two years at 1.75%. The annual requirements to amortize the loan as of June 30, 2008, including interest payments, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2009	\$ 126,465	\$ 74,740	\$ 201,205
2010	156,808	71,666	228,474
2011	159,952	68,529	228,481
2012	163,159	65,330	228,489
2013	166,431	62,067	228,498
2014-2018	883,565	259,051	1,142,616
2019-2023	975,768	167,080	1,142,848
2024-2028	1,077,596	65,511	1,143,107
	<u>\$3,709,744</u>	<u>\$ 833,974</u>	<u>\$4,543,718</u>

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 7. Long-term Debt (continued)

On October 6, 2006, the City entered into a loan agreement with the New Mexico Finance Authority in the amount of \$528,051 to refund portions of earlier issues. Proceeds from the sale were placed in a reserve with the NMFA that is to be used to service the future debt requirements of the outstanding principal of, and interest accrued to the date of payment of principal of the 1973 Bonds, 1975 Bonds, 1977 Bonds, 1978 Bonds and 1982 Bonds. The loan is financed over twenty years at 3.977%. The annual requirements to amortize the loan as of June 30, 2008, including interest payments, are as follows:

Public Project Revolving Loan Refunding Project

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2009	\$ 50,266	\$ 16,364	\$ 66,630
2010	53,037	14,395	67,432
2011	54,399	12,432	66,831
2012	53,734	10,398	64,132
2013	155,270	27,786	183,056
2014-2018	48,398	5,257	53,655
	<u>\$ 415,104</u>	<u>\$ 86,632</u>	<u>\$ 501,736</u>

On February 9, 2007, the City entered into a loan agreement with the New Mexico Water Trust Board and the New Mexico Finance Authority for Water Project Fund in the amount of \$87,500. The loan is financed over twenty years. The annual requirements to amortize the loan as of June 30, 2008, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Debt Service
2009	\$ 4,456	\$ 205	\$ 4,661
2010	4,468	194	4,662
2011	4,479	183	4,662
2012	4,490	171	4,661
2013	4,501	160	4,661
2014-2018	22,677	631	23,308
2019-2023	22,961	346	23,307
2024-2028	13,914	70	13,984
	<u>\$ 81,946</u>	<u>\$ 1,960</u>	<u>\$ 83,906</u>

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 7. Long-term Debt (continued)

On June 25, 2007, the City entered into a loan agreement with the New Mexico Environment Department for the Rural Infrastructure Loan Fund in the amount of \$500,000. The loan is financed over twenty years at 3%. The annual requirements to amortize the loan as of June 30, 2008, including interest payments, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2009	\$ 19,166	\$ 14,442	\$ 33,608
2010	19,741	13,867	33,608
2011	20,333	13,275	33,608
2012	20,943	12,665	33,608
2013	21,572	12,036	33,608
2014-2018	117,962	50,077	168,039
2019-2023	136,751	31,289	168,040
2024-2028	124,924	9,508	134,432
	<u>\$ 481,392</u>	<u>\$ 157,159</u>	<u>\$ 638,551</u>

On January 27, 2008, the City entered into a loan agreement with the New Mexico Environment Department for the Rural Infrastructure Loan Fund in the amount of \$206,277. The loan is financed over twenty years at 3%. The annual requirements to amortize the loan as of June 30, 2008, including interest payments, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2009	\$ 7,677	\$ 6,188	\$ 13,865
2010	7,907	5,958	13,865
2011	8,144	5,721	13,865
2012	8,389	5,476	13,865
2013	8,640	5,225	13,865
2014-2018	47,249	22,068	69,317
2018-2023	54,774	14,551	69,325
2024-2028	63,497	5,827	69,324
	<u>\$ 206,277</u>	<u>\$ 71,014</u>	<u>\$ 277,291</u>

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 7. Long-term Debt (continued)

On February 15, 2007, the City received a lease purchase contract for improvements to the sewer treatment plant in the amount of \$216,218. The lease purchase contract is financed over 20 years at 3.925%. The annual requirements to amortize the lease purchase contract as of June 30, 2008, including interest payments, are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2009	\$ 8,310	\$ 7,929	\$ 16,239
2010	8,574	7,665	16,239
2011	8,862	7,378	16,240
2012	9,174	7,067	16,241
2013	9,511	6,333	15,844
2014-2018	53,456	27,764	81,220
2019-2023	65,607	15,645	81,252
2024-2028	30,444	2,067	32,511
	<u>\$ 193,938</u>	<u>\$ 81,848</u>	<u>\$ 275,786</u>

The aggregated debt service payments required on the outstanding debt of the proprietary funds is as follows:

<u>Fiscal Year Ending June 30,</u>	<u>EID Notes</u>	<u>Loans Payable</u>	<u>Purchase Contracts</u>	<u>Total Debt Service</u>
2009	\$ 203,840	\$ 319,969	\$ 16,239	\$ 540,048
2010	203,840	348,041	16,239	568,120
2011	203,840	347,447	16,240	567,527
2012	203,841	344,755	16,241	564,837
2013	203,841	463,688	15,844	683,373
2014-2018	938,333	1,456,935	81,220	2,476,488
2018-2023	938,333	1,403,520	81,252	2,423,105
2024-2028	563,000	1,360,847	32,511	1,956,358
Total Payments	3,458,868	6,045,202	275,786	9,779,856
Less Interest	<u>(803,722)</u>	<u>(1,150,739)</u>	<u>(81,848)</u>	<u>(2,036,309)</u>
Net Long-Term Debt	<u>\$2,655,146</u>	<u>\$ 4,894,463</u>	<u>\$ 193,938</u>	<u>\$ 7,743,547</u>

Proprietary debt has been liquidated by the Joint Utility Fund in prior years.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 8. Risk Management

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

The City 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 City which exceeds the insurance coverage, the City would be responsible for a loss in excess of the coverage amounts. As claims are filed, the New Mexico Self-Insurers' Fund assesses and estimates the potential for loss and handles all aspects of the claim. Insurance coverage's have not changed significantly from prior years and coverage's are expected to be continued.

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

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

NOTE 9. PERA Pension Plan

Plan Description: Substantially all of the City of Bloomfield's full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11 NMSA 1978.) The Public Employee Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing, multiple-employer defined benefit retirement plan. The plan provides for retirement, disability benefits, survivor benefits, and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to PERA, P. O. Box 2123, Santa Fe, New Mexico 87504-2123. The report is also available on PERA's website at www.pera.state.nm.us.

Funding Policy: Plan members are required to contribute the following percentages of their gross salary: 16.3% for law enforcement and fire protection employees; and 15.65% for municipal employees. The County was required to contribute the following percentages of the gross covered salary: 18.5% for law enforcement and fire protection plan members; and 11.65% for municipal plan members. The contribution requirements of plan members and the City of Bloomfield are established in State Statute under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The City of Bloomfield's contributions to PERA for the years ending June 30, 2008, 2007 and 2006 were approximately \$522,041, \$436,593, and \$328,288, respectively, which equal the amount of the required contributions for all years.

NOTE 10. Post-Employment Benefits

Plan Description. The City of Bloomfield 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.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 10. Post-Employment Benefits (continued)

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.

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

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

For the fiscal years ended June 30, 2008, 2007, and 2006, City of Bloomfield remitted \$51,797, \$43,400, and \$41,019 in employer contributions, respectively, to the Retiree Health Care Authority.

NOTE 11. Contingent Liabilities

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

NOTE 12. Federal and State Grants

In the normal course of operations, the City 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 13. Landfill Closure and Post Closure Care Costs

The City currently contracts with an independent commercial entity to collect, haul away and maintain a landfill site for its solid waste. City management believes that the City does not have any real or potential liability for closure or post closure care costs at the landfill sites used by its contractor. All other landfill sites used by the City were closed more than 20 years ago.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 14. Joint Powers Agreements

Crime Stoppers

Participants	City of Bloomfield San Juan County City of Farmington City of Aztec
Responsible party	City of Bloomfield San Juan County City of Farmington City of Aztec
Description	Task Force formed to combat illegal controlled substance activities
Term of agreement	Indefinite
Amount of project	Unknown
City contributions	Unknown
Audit responsibility	City of Bloomfield

National High School Rodeo

Participants	City of Bloomfield San Juan County City of Farmington City of Aztec
Responsible party	City of Bloomfield San Juan County City of Farmington City of Aztec
Description	Hosting 2008 & 2009 National High School Rodeo Finals
Term of agreement	Two years
Amount of project	Undeterminable
City contributions	6% of the total costs
Audit responsibility	City of Bloomfield

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 14. Joint Powers Agreements (continued)

Consolidated Communications

Participants	City of Bloomfield San Juan County City of Farmington City of Aztec
Responsible party	City of Bloomfield San Juan County City of Farmington City of Aztec
Description	Establish and operate a consolidated communication center to provide emergency and law enforcement communications.
Term of agreement	Indefinite
Amount of project	\$75,000 for first year and for subsequent years \$75,000 adjusted to the most recent Consumer Price Index
City contributions	6% of the total costs
Audit responsibility	City of Bloomfield

School District

Participants	City of Bloomfield Bloomfield School District
Responsible party	City of Bloomfield Bloomfield School District
Description	Construction, management, maintenance and operation of a new outdoor swimming pool and to renovate the existing indoor pool.
Term of agreement	Twenty five years beginning December 1, 2005
Amount of project	Estimated to be \$3,212,000 for construction costs.
City contributions	Will be liable for operation and maintenance costs.
Audit responsibility	City of Bloomfield

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 14. Joint Powers Agreements (continued)

Detention Center Services

Participants	City of Bloomfield San Juan County
Responsible party	City of Bloomfield San Juan County
Description	City uses County Detention Center to incarcerate adult offenders sentenced in Municipal court.
Term of agreement	Indefinite
Amount of project	Unknown
City contributions	\$47.50 per prisoner
Audit responsibility	City of Bloomfield

Metropolitan Planning Organization

Participants	City of Bloomfield San Juan County City of Farmington City of Aztec
Responsible party	City of Bloomfield San Juan County City of Farmington City of Aztec
Description	Establishing, overseeing, and directing transportation related policy within Farmington Metro Area
Term of agreement	Three years
Amount of project	Unknown
City contributions	10% of costs
Audit responsibility	City of Bloomfield

NOTE 15. Subsequent Event

Subsequent to the year ended June 30, 2008, the City of Bloomfield is in the process of acquiring \$7,900,000 in loan proceeds from the NMFA. The loan is being acquired to renovate the Police Department, Court, MVD Building, and City Hall. The funds are being borrowed over a 25 year period. The interest rate will not be set until after the sale of the bonds in December.

STATE OF NEW MEXICO
City of Bloomfield
Notes to Financial Statements
June 30, 2008

NOTE 16. Other Required Individual Fund Disclosures

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

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

Solid Waste Proprietary Fund	\$ (135,869)
KAB-Bloomfield Pride Special Revenue Fund	(2,350)
Land Acquisition Capital Projects Fund	(12,130)
Highway Co-op Projects Capital Projects Fund	(2,040)
West Blanco III Capital Projects Fund	(23,903)
Dam Rehabilitation Capital Projects Fund	(26,486)
CDBG Church Street Project Capital Projects Fund	(3,063)

- B. Excess of expenditures over appropriations. The following funds exceeded approved budgetary authority for the year ended June 30, 2008:

None

- C. Designated cash appropriations in excess of available balances. The following funds exceeded approved budgetary authority for the year ended June 30, 2008:

None

SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO

City of Bloomfield

June 30, 2008

Nonmajor Funds

Special Revenue Funds

Fire Protection Fund

To account for the operations and maintenance of the fire department. Funding is provided by a distribution from the fire protection fund established by Section 59A-6-5 NMSA 1978 as authorized by Section 59A-53-2. Funds are used in the operation, maintenance and betterment of local fire departments, to the end that the hazard of loss by fire and fire insurance rates may be reduced and the public safety thereby promoted.

Recreation Fund

To account for the operations and maintenance of recreation facilities. Funding managed and/or owned by the City is provided by recreational fees charged to users and cigarette taxes received pursuant to Section 7-12-15 NMSA 1978 which provides that the cigarette taxes received under this section shall be used for recreational facilities and salaries of instructors and other employees necessary to the operation of recreational facilities. Such recreational facilities shall be for the use of all persons, and juveniles and elderly persons shall not be excluded.

Corrections Fees Fund

To account for the correction fees (\$10) imposed pursuant to 35-14-11B (1) NMSA 1978. The correction fees shall be used for municipal jailer or juvenile detention officer training, for the construction planning, construction and maintenance of a municipal jail or juvenile detention facility, for paying the cost of housing municipal prisoners in a county jail or housing juveniles in a detention facility or for complying with match or contribution requirements for the receipt of federal funds relating to jails or juvenile detention facilities.

Police Evidence Fund

To account for funds acquired during police raids and gathering of evidence. Fund authorized by city council.

DARE Fund

To account for expenditures of the drug prevention program D.A.R.E. The fund is funded by citizen's contributions and a federal grant from U.S. Department of Justice. Fund authorized by city council resolution and the Anti-Drug Abuse Act of 1988, Public law 100-690, Title VI, Subtitle.

Library Fund

To account for the operations of a library grant from the New Mexico State Library for additions to the City library. The authority is the Laws of New Mexico 2002, Chapter 93, G.O. Bonds for Public Library Resources.

Law Enforcement Fund

To account for grant funds used for maintenance and development of the City's police force. Financing is provided by a grant from the State of New Mexico. Such revenue provides for purchase and repairs of equipment as well as classes to upgrade the training of police personnel and may be used only for these purposes. Funding authority is NMSA 29-13-1.

Judicial Education Fund

To account for fine income and expenditures for the judicial education center. The Judicial Education fee (\$1) is imposed pursuant to 35-14-11B (2) NMSA 1978.

Traffic Safety Education Fund

To account for expenditures of a grant from the New Mexico Department of Transportation Department to educate the citizens of Bloomfield in traffic safety. Funding authority is 66-7-512 NMSA 1978.

STATE OF NEW MEXICO

City of Bloomfield

June 30, 2008

Nonmajor Funds

Special Revenue Funds (continued)

Court Automation Fund

To account for fine income and expenditures for computer equipment to improve the courts computer system. The Court Automation fee (\$6) is imposed pursuant to 35-14-11B (3) NMSA 1978.

LLEBG Fund

To account for expenditures for the L.L.E.B.G. program. Funding is provided by a federal grant thru the Bureau of Justice Assistance under PL 100-690.

KAB – Bloomfield Pride Fund

To account for the expenditures of a grant from the New Mexico Beautification Inc. under the litter Control and Beautification Act. Funding authority is NMSA 67-16-14.

Emergency Medical Fund

To account for the operations of the City Emergency Medical Service Unit. Sources of funds are the State of New Mexico Health and Environment Department, Emergency Medical Service Bureau. Expenditures are subject to approval of the state agency and the City Council. Funding authority is NMSA 24-10A-1 to 24-10A-10 or 63-9D-1 to 63-9D-11.1.

Senior Citizen's Center Fund

To account for a portion of the operations of the City's Senior Citizens Center. The sales of ceramics, fees, and dues are accounted for in this fund and a portion of the operating expenses. The operations are funded by donations and sales made by San Juan-McKinley County Senior Citizens and was set up administratively.

BLM Wildland Grant Fund

To account for funds received from the State of New Mexico Forestry Division to acquire equipment to fight brush fires in rural fire districts. Fund authorized by city council.

Enhanced 911 Addressing Fund

To account for the operations of the City's Emergency Medical Services Unit. Sources of funds are the State of New Mexico Health and Environment Department, Emergency Medical Services Bureau. Funding authority is NMSA 24-10A-1.

Lodger's Tax Fund

To account for lodger's tax revenues collected from the lodges within the City of Bloomfield and expenditures in accordance with the Lodger's Tax Law. Funding authority is NMSA 3-38-15.

STATE OF NEW MEXICO

City of Bloomfield

June 30, 2008

Nonmajor Funds

Capital Projects Fund

Fire Department Construction Fund

The fire department construction project was approved by City Council Resolution 92-26. The revenues came from the sale of the old fire station to the State Highway Department. The monies in this fund are for future fire department construction projects.

Land Acquisition Fund

To account for monies that have been designated by the City Council for future land purchases. The land acquisition fund was authorized by City Council Resolution No. 99-13.

Park Purchase & Improvement Fund

To account for the project costs to acquire park land funded by a grant from the State of New Mexico under a special appropriation authorized by NMSA Laws of 2002, Chapter 110.

Special Street Maintenance Fund

To account for project costs of paving certain streets funded by the City and a cooperation agreement with the New Mexico State Highway Department. The authority is NMSA 1978 Section 67-3-28 as amended and Commission Policy No. 44-92.

Highway Co-op Projects Fund

To account for state funds provided by the New Mexico State Highway and Transportation Department. The purpose of the program is to maintain or construct various streets within the City of Bloomfield.

West Blanco III Fund

To account for the costs of a specific street improvement project funded from both State and Federal appropriations. Fund authorized by city council.

Dam Rehabilitation

To accumulate and account for costs of a project to rehabilitate the dam at the City's reservoir. This project will be funded from City money along with State and Federal appropriations. Fund authorized by city council.

CDBG Church Street Project

To account for monies spent on a specific street improvement project. This project is funded by federal CDBG monies along with a match from City funds.

Park Improvements Fund

To account for grant monies for park improvements as well as plan, design and construct the Parks and Recreation office building and workshop. Funding is provided by the State of New Mexico under a special appropriation authorized by NMSA Laws of 2004, Chapter 126.

CDBG Comp Plan Fund

To account for monies used to revise and update the Comprehensive Plan for the City. This is a federal CDBG grant along with a small match from City funds. Fund authorized by city council.

STATE OF NEW MEXICO

City of Bloomfield

June 30, 2008

Nonmajor Funds

Debt Service Funds

G. O. Bond Fund

To account for the expenditure of general obligation bonds for the construction of a new fire station. Authority was an election held on September 21, 2005.

1999 Refunding Bonds Fund

To accumulate monies for the payment of interest and principal due on the 1999 Refunding Gross Receipts Tax Revenue Bonds which were issued for the purpose of refunding and retiring the 1991-A Revenue Bonds Streets and 1992-B Revenue Bonds Wastewater issues.

1999 Bond Reserve Fund

To account for monies which were established in a separate bond reserve fund when the 1999 Refunding Gross Receipts Tax Revenue Bonds were sold pursuant to Ordinance 334. The minimum reserve required is \$40,000 (equal to the minimum reserves required under the refunded 1992-A and 1992-B issues.)

STATE OF NEW MEXICO
City of Bloomfield
Nonmajor Governmental Funds
Combining Balance Sheet
For the Year Ended June 30, 2008

Special Revenue

	Fire Protection Fund	Recreation Fund	Correction Fees Fund	Police Evidence Fund
<i>Assets</i>				
Cash and cash equivalents	\$ 67,565	\$ -	\$ 445	\$ 8,612
Receivables:				
Property taxes	-	-	-	-
Other taxes	-	905	-	-
Other receivables	-	173,944	-	-
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>\$ 67,565</u>	<u>\$ 174,849</u>	<u>\$ 445</u>	<u>\$ 8,612</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll expenses	-	3,536	-	-
Accrued compensated absences	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	-	94,218	-	-
<i>Total liabilities</i>	<u>-</u>	<u>97,754</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Unreserved, reported in:				
Special revenue	67,565	77,095	445	8,612
Capital projects	-	-	-	-
Debt service	-	-	-	-
<i>Total fund balances</i>	<u>67,565</u>	<u>77,095</u>	<u>445</u>	<u>8,612</u>
<i>Total liabilities and fund balances</i>	<u>\$ 67,565</u>	<u>\$ 174,849</u>	<u>\$ 445</u>	<u>\$ 8,612</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>DARE Fund</u>	<u>Library Fund</u>	<u>Law Enforcement Fund</u>	<u>Judicial Education Fund</u>	<u>Traffic Safety Education Fund</u>	<u>Court Automation Fund</u>
\$ 155	\$ 32,908	\$ 2,816	\$ -	\$ 3,459	\$ 3,939
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 155</u>	<u>\$ 32,908</u>	<u>\$ 2,816</u>	<u>\$ -</u>	<u>\$ 3,459</u>	<u>\$ 3,939</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
155	32,908	2,816	-	3,459	3,939
-	-	-	-	-	-
-	-	-	-	-	-
<u>155</u>	<u>32,908</u>	<u>2,816</u>	<u>-</u>	<u>3,459</u>	<u>3,939</u>
<u>\$ 155</u>	<u>\$ 32,908</u>	<u>\$ 2,816</u>	<u>\$ -</u>	<u>\$ 3,459</u>	<u>\$ 3,939</u>

STATE OF NEW MEXICO
City of Bloomfield
Nonmajor Governmental Funds
Combining Balance Sheet
For the Year Ended June 30, 2008

Special Revenue

	LLEBG Fund	KAB - Bloomfield Pride	Emergency Medical Fund	Senior Citizen's Center Fund
<i>Assets</i>				
Cash and cash equivalents	\$ 3	\$ 500	\$ 9,319	\$ 3,285
Receivables:				
Property taxes	-	-	-	-
Other taxes	-	-	-	-
Other receivables	-	-	-	-
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>\$ 3</u>	<u>\$ 500</u>	<u>\$ 9,319</u>	<u>\$ 3,285</u>
<i>Liabilities</i>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll expenses	-	-	-	-
Accrued compensated absences	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	-	2,850	-	-
<i>Total liabilities</i>	<u>-</u>	<u>2,850</u>	<u>-</u>	<u>-</u>
<i>Fund balances</i>				
Unreserved, reported in:				
Special revenue	3	(2,350)	9,319	3,285
Capital projects	-	-	-	-
Debt service	-	-	-	-
<i>Total fund balances</i>	<u>3</u>	<u>(2,350)</u>	<u>9,319</u>	<u>3,285</u>
<i>Total liabilities and fund balances</i>	<u>\$ 3</u>	<u>\$ 500</u>	<u>\$ 9,319</u>	<u>\$ 3,285</u>

The accompanying notes are an integral part of these financial statements

Special Revenue			Capital Projects		
BLM Wildland Grant	Enhanced 911 Addressing	Lodger's Tax	Fire Department Construction	Land Acquisition	Park Purchase & Improvement
\$ 22,415	\$ 2,528	\$ 63,007	\$ 542	\$ 5,870	\$ 7,146
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 22,415</u>	<u>\$ 2,528</u>	<u>\$ 63,007</u>	<u>\$ 542</u>	<u>\$ 5,870</u>	<u>\$ 7,146</u>
\$ -	\$ -	\$ 3,810	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	18,000	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>3,810</u>	<u>-</u>	<u>18,000</u>	<u>-</u>
22,415	2,528	59,197	-	-	-
-	-	-	542	(12,130)	7,146
-	-	-	-	-	-
<u>22,415</u>	<u>2,528</u>	<u>59,197</u>	<u>542</u>	<u>(12,130)</u>	<u>7,146</u>
<u>\$ 22,415</u>	<u>\$ 2,528</u>	<u>\$ 63,007</u>	<u>\$ 542</u>	<u>\$ 5,870</u>	<u>\$ 7,146</u>

STATE OF NEW MEXICO
City of Bloomfield
Nonmajor Governmental Funds
Combining Balance Sheet
For the Year Ended June 30, 2008

Capital Projects

	<u>Special Street Maintenance</u>	<u>Highway Co-op Projects</u>	<u>West Blanco III</u>	<u>Dam Rehabilitation</u>
<i>Assets</i>				
Cash and cash equivalents	\$ 77	\$ -	\$ -	\$ -
Receivables:				
Property taxes	-	-	-	-
Other taxes	34,967	-	-	-
Other receivables	-	-	309,556	-
Due from other funds	-	-	-	-
<i>Total assets</i>	<u>\$ 35,044</u>	<u>\$ -</u>	<u>\$ 309,556</u>	<u>\$ -</u>
<i>Liabilities</i>				
Accounts payable	\$ 6,021	\$ -	\$ -	\$ -
Accrued payroll expenses	21,374	-	-	-
Accrued compensated absences	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	-	2,040	333,459	26,486
<i>Total liabilities</i>	<u>27,395</u>	<u>2,040</u>	<u>333,459</u>	<u>26,486</u>
<i>Fund balances</i>				
Unreserved, reported in:				
Special revenue	-	-	-	-
Capital projects	7,649	(2,040)	(23,903)	(26,486)
Debt service	-	-	-	-
<i>Total fund balances</i>	<u>7,649</u>	<u>(2,040)</u>	<u>(23,903)</u>	<u>(26,486)</u>
<i>Total liabilities and fund balances</i>	<u>\$ 35,044</u>	<u>\$ -</u>	<u>\$ 309,556</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

Capital Projects			Debt Service	
CDBG Church Street Project	Park Improvements	CDBG Comp Plan	G.O. Bond Fund	1999 Refunding Bonds Fund
\$ 10	\$ 2,471	\$ 23,119	\$ 190,584	\$ -
-	-	-	14,243	-
-	-	-	-	-
-	-	-	-	-
-	-	-	307	-
<u>\$ 10</u>	<u>\$ 2,471</u>	<u>\$ 23,119</u>	<u>\$ 205,134</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	-	8,446	-
3,073	-	21,660	-	-
<u>3,073</u>	<u>-</u>	<u>21,660</u>	<u>8,446</u>	<u>-</u>
-	-	-	-	-
(3,063)	2,471	1,459	-	-
-	-	-	196,688	-
<u>(3,063)</u>	<u>2,471</u>	<u>1,459</u>	<u>196,688</u>	<u>-</u>
<u>\$ 10</u>	<u>\$ 2,471</u>	<u>\$ 23,119</u>	<u>\$ 205,134</u>	<u>\$ -</u>

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STATE OF NEW MEXICO
City of Bloomfield
Nonmajor Governmental Funds
Combining Balance Sheet
For the Year Ended June 30, 2008

Statement A-1
4 of 4

	Debt Service	
	1999 Bond Reserve Fund	Total Nonmajor Governmental Funds
<i>Assets</i>		
Cash and cash equivalents	\$ -	\$ 450,775
Receivables:		
Property taxes	-	14,243
Other taxes	-	35,872
Other receivables	-	483,500
Due from other funds	-	307
<i>Total assets</i>	\$ -	\$ 984,697
<i>Liabilities</i>		
Accounts payable	\$ -	\$ 9,831
Accrued payroll expenses	-	24,910
Accrued compensated absences	-	-
Deferred revenue	-	26,446
Due to other funds	-	483,786
<i>Total liabilities</i>	-	544,973
<i>Fund balances</i>		
Unreserved, reported in:		
Special revenue	-	291,391
Capital projects	-	(48,355)
Debt service	-	196,688
<i>Total fund balances</i>	-	439,724
<i>Total liabilities and fund balances</i>	\$ -	\$ 984,697

The accompanying notes are an integral part of these financial statements

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

	Special Revenue			
	Fire Protection Fund	Recreation Fund	Correction Fees Fund	Police Evidence Fund
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	10,575	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	97,217	175,684	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	453	-	4	-
Miscellaneous	-	24,658	-	4,440
<i>Total revenues</i>	<u>97,670</u>	<u>210,917</u>	<u>4</u>	<u>4,440</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	1,013
Public safety	465,988	-	-	-
Public works	-	-	-	-
Culture and recreation	-	140,307	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>465,988</u>	<u>140,307</u>	<u>-</u>	<u>1,013</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(368,318)</u>	<u>70,610</u>	<u>4</u>	<u>3,427</u>
<i>Other financing sources (uses)</i>				
Bond Proceeds	511,112	-	-	-
Transfers in	-	-	-	4,611
Transfers out	(120,369)	-	-	-
<i>Total other financing sources (uses)</i>	<u>390,743</u>	<u>-</u>	<u>-</u>	<u>4,611</u>
<i>Net change in fund balances</i>	22,425	70,610	4	8,038
<i>Fund balances - beginning of year</i>	<u>45,140</u>	<u>6,485</u>	<u>441</u>	<u>574</u>
<i>Fund balances - end of year</i>	<u>\$ 67,565</u>	<u>\$ 77,095</u>	<u>\$ 445</u>	<u>\$ 8,612</u>

The accompanying notes are an integral part of these financial statements

Special Revenue

<u>DARE Fund</u>	<u>Library Fund</u>	<u>Law Enforcement Fund</u>	<u>Judicial Education Fund</u>	<u>Traffic Safety Education Fund</u>	<u>Court Automation Fund</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	20,585	29,600	-	-	-
-	-	-	-	-	-
-	-	-	5,445	8,209	16,441
1	664	697	-	-	92
-	651	-	-	-	-
<u>1</u>	<u>21,900</u>	<u>30,297</u>	<u>5,445</u>	<u>8,209</u>	<u>16,533</u>
-	-	-	5,445	-	-
-	-	35,711	-	10,657	16,441
-	-	-	-	-	-
-	14,413	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>14,413</u>	<u>35,711</u>	<u>5,445</u>	<u>10,657</u>	<u>16,441</u>
<u>1</u>	<u>7,487</u>	<u>(5,414)</u>	<u>-</u>	<u>(2,448)</u>	<u>92</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1	7,487	(5,414)	-	(2,448)	92
154	25,421	8,230	-	5,907	3,847
<u>\$ 155</u>	<u>\$ 32,908</u>	<u>\$ 2,816</u>	<u>\$ -</u>	<u>\$ 3,459</u>	<u>\$ 3,939</u>

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

Special Revenue

	LLEBG Grant	KAB - Bloomfield Pride	Emergency Medical Fund	Senior Citizen's Center Fund
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	499	6,582	-
State capital grants	-	-	-	-
Charges for services	-	-	-	463
Licenses and fees	-	-	-	-
Investment income	-	-	234	-
Miscellaneous	-	-	-	37,698
<i>Total revenues</i>	<u>-</u>	<u>499</u>	<u>6,816</u>	<u>38,161</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	2,620	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	37,494
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>2,620</u>	<u>37,494</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>499</u>	<u>4,196</u>	<u>667</u>
<i>Other financing sources (uses)</i>				
Bond Proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balances</i>	-	499	4,196	667
<i>Fund balances - beginning of year</i>	<u>3</u>	<u>(2,849)</u>	<u>5,123</u>	<u>2,618</u>
<i>Fund balances - end of year</i>	<u>\$ 3</u>	<u>\$ (2,350)</u>	<u>\$ 9,319</u>	<u>\$ 3,285</u>

The accompanying notes are an integral part of these financial statements

Special Revenue			Capital Projects		
BLM Wildland Grant	Enhanced 911 Addressing	Lodger's Tax	Fire Department Construction	Land Acquisition	Park Purchase & Improvement
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	63,702	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	12,000	4,158
-	44	1,236	541	129	157
-	-	-	-	-	-
<u>-</u>	<u>44</u>	<u>64,938</u>	<u>541</u>	<u>12,129</u>	<u>4,315</u>
-	-	52,261	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>52,261</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>44</u>	<u>12,677</u>	<u>541</u>	<u>12,129</u>	<u>4,315</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(28,708)	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>(28,708)</u>	<u>-</u>	<u>-</u>
-	44	12,677	(28,167)	12,129	4,315
<u>22,415</u>	<u>2,484</u>	<u>46,520</u>	<u>28,709</u>	<u>(24,259)</u>	<u>2,831</u>
<u>\$ 22,415</u>	<u>\$ 2,528</u>	<u>\$ 59,197</u>	<u>\$ 542</u>	<u>\$ (12,130)</u>	<u>\$ 7,146</u>

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

Capital Projects

	Special Street Maintenance	Highway Co-op Projects	West Blanco III	Dam Rehabilitation
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	397,909	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	604,245	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	77	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>397,909</u>	<u>77</u>	<u>604,245</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
General government	-	14,182	-	-
Public safety	-	-	-	-
Public works	1,020,142	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	930,000	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,020,142</u>	<u>14,182</u>	<u>930,000</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(622,233)</u>	<u>(14,105)</u>	<u>(325,755)</u>	<u>-</u>
<i>Other financing sources (uses)</i>				
Bond Proceeds	-	-	-	-
Transfers in	623,000	21,000	329,400	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>623,000</u>	<u>21,000</u>	<u>329,400</u>	<u>-</u>
<i>Net change in fund balances</i>	767	6,895	3,645	-
<i>Fund balances - beginning of year</i>	<u>6,882</u>	<u>(8,935)</u>	<u>(27,548)</u>	<u>(26,486)</u>
<i>Fund balances - end of year</i>	<u>\$ 7,649</u>	<u>\$ (2,040)</u>	<u>\$ (23,903)</u>	<u>\$ (26,486)</u>

The accompanying notes are an integral part of these financial statements

Capital Projects			Debt Service	
CDBG Church Street Project	Park Improvements	CDBG Comp Plan	G.O. Bond Fund	1999 Refunding Bonds Fund
\$ -	\$ -	\$ -	\$ 208,350	\$ -
-	-	-	-	-
-	-	-	-	-
-	-	23,000	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	315	352
-	-	-	-	-
-	-	23,000	208,665	352
-	-	-	3,666	-
-	-	-	-	-
11,026	-	9,120	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	130,000	95,000
-	-	-	129,049	2,185
11,026	-	9,120	262,715	97,185
(11,026)	-	13,880	(54,050)	(96,833)
-	-	-	-	-
12,195	-	3,500	108,599	60,174
-	-	-	-	-
12,195	-	3,500	108,599	60,174
1,169	-	17,380	54,549	(36,659)
(4,232)	2,471	(15,921)	142,139	36,659
\$ (3,063)	\$ 2,471	\$ 1,459	\$ 196,688	\$ -

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

Statement A-2
4 of 4

	Debt Service	
	1999 Bond Reserve Fund	Total Nonmajor Governmental Funds
<i>Revenues:</i>		
Taxes:		
Property	\$ -	\$ 208,350
Gasoline and motor vehicle	-	397,909
Other	-	74,277
Intergovernmental:		
Federal capital grants	-	23,000
State operating grants	-	330,167
State capital grants	-	604,245
Charges for services	-	463
Licenses and fees	-	46,253
Investment income	513	5,509
Miscellaneous	-	67,447
<i>Total revenues</i>	513	1,757,620
<i>Expenditures:</i>		
Current:		
General government	-	76,567
Public safety	-	528,797
Public works	-	1,042,908
Culture and recreation	-	154,720
Health and welfare	-	37,494
Capital outlay	-	930,000
Debt service:		
Principal	-	225,000
Interest	-	131,234
<i>Total expenditures</i>	-	3,126,720
<i>Excess (deficiency) of revenues over expenditures</i>	513	(1,369,100)
<i>Other financing sources (uses)</i>		
Bond Proceeds	-	511,112
Transfers in	-	1,162,479
Transfers out	(55,230)	(204,307)
<i>Total other financing sources (uses)</i>	(55,230)	1,469,284
<i>Net change in fund balances</i>	(54,717)	100,184
<i>Fund balances - beginning of year</i>	54,717	339,540
<i>Fund balances - end of year</i>	\$ -	\$ 439,724

The accompanying notes are an integral part of these financial statements

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

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	95,000	95,000	99,880	4,880
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	453	453
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>95,000</u>	<u>95,000</u>	<u>100,333</u>	<u>5,333</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	95,000	466,000	465,988	12
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>95,000</u>	<u>466,000</u>	<u>465,988</u>	<u>12</u>
<i>Excess (deficiency) of revenues over expenditures</i>	-	(371,000)	(365,655)	5,345
<i>Other financing sources (uses)</i>				
Designated cash	-	34,400	-	(34,400)
Loan proceeds	-	457,000	508,449	51,449
Transfers in	-	-	-	-
Transfers out	-	(120,400)	(120,369)	31
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>371,000</u>	<u>388,080</u>	<u>17,080</u>
<i>Net change in fund balance</i>	-	-	22,425	22,425
<i>Fund balance - beginning of year</i>	-	-	45,140	45,140
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,565</u>	<u>\$ 67,565</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 22,425	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			<u>\$ 22,425</u>	

The accompanying notes are an integral part of these financial statements

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

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	11,000	11,000	11,047	47
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	105,000	105,000	1,740	(103,260)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	23,500	23,500	40,601	17,101
<i>Total revenues</i>	<u>139,500</u>	<u>139,500</u>	<u>53,388</u>	<u>(86,112)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	139,500	149,500	147,624	1,876
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>139,500</u>	<u>149,500</u>	<u>147,624</u>	<u>1,876</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>(10,000)</u>	<u>(94,236)</u>	<u>(84,236)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	10,000	-	(10,000)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>(10,000)</u>
<i>Net change in fund balance</i>	-	-	(94,236)	(94,236)
<i>Fund balance - beginning of year</i>	-	-	18	18
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (94,218)</u>	<u>\$ (94,218)</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (94,236)	
Adjustments to revenue for other taxes receivable and other receivables			157,529	
Adjustments to expenditures for accrued expenses			7,317	
Net change in fund balance (GAAP)			<u>\$ 70,610</u>	

The accompanying notes are an integral part of these financial statements

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

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	4	4
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>4</u>	<u>4</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	4	4
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>441</u>	<u>441</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 445</u>	<u>\$ 445</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 4	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			<u>\$ 4</u>	

The accompanying notes are an integral part of these financial statements

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

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	500	1,100	4,440	3,340
<i>Total revenues</i>	<u>500</u>	<u>1,100</u>	<u>4,440</u>	<u>3,340</u>
<i>Expenditures:</i>				
Current:				
General government	500	1,100	1,013	87
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>500</u>	<u>1,100</u>	<u>1,013</u>	<u>87</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>3,427</u>	<u>3,427</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	4,611	4,611
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>4,611</u>	<u>4,611</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>8,038</u>	<u>8,038</u>
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>574</u>	<u>574</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,612</u>	<u>\$ 8,612</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 8,038	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			<u>\$ 8,038</u>	

The accompanying notes are an integral part of these financial statements

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

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	1	1
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	1	1
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	1	1
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balance</i>	-	-	1	1
<i>Fund balance - beginning of year</i>	-	-	154	154
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ 155	\$ 155
Net change in fund balance (non-GAAP budgetary basis)			\$ 1	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			\$ 1	

The accompanying notes are an integral part of these financial statements

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

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	20,500	20,500	20,585	85
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	664	664
Miscellaneous	-	-	651	651
<i>Total revenues</i>	<u>20,500</u>	<u>20,500</u>	<u>21,900</u>	<u>1,400</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	32,200	32,200	14,413	17,787
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>32,200</u>	<u>32,200</u>	<u>14,413</u>	<u>17,787</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(11,700)</u>	<u>(11,700)</u>	<u>7,487</u>	<u>19,187</u>
<i>Other financing sources (uses)</i>				
Designated cash	11,700	11,700	-	(11,700)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>11,700</u>	<u>11,700</u>	<u>-</u>	<u>(11,700)</u>
<i>Net change in fund balance</i>	-	-	7,487	7,487
<i>Fund balance - beginning of year</i>	-	-	25,421	25,421
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,908</u>	<u>\$ 32,908</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 7,487	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			<u>\$ 7,487</u>	

The accompanying notes are an integral part of these financial statements

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

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	29,000	29,000	29,600	600
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	697	697
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>29,000</u>	<u>29,000</u>	<u>30,297</u>	<u>1,297</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	9,908	9,908	38,389	(28,481)
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	30,000	30,000	-	30,000
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>39,908</u>	<u>39,908</u>	<u>38,389</u>	<u>1,519</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(10,908)</u>	<u>(10,908)</u>	<u>(8,092)</u>	<u>2,816</u>
<i>Other financing sources (uses)</i>				
Designated cash	10,908	10,908	-	(10,908)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>10,908</u>	<u>10,908</u>	<u>-</u>	<u>(10,908)</u>
<i>Net change in fund balance</i>	-	-	(8,092)	(8,092)
<i>Fund balance - beginning of year</i>	-	-	10,908	10,908
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,816</u>	<u>\$ 2,816</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (8,092)	
No adjustments to revenue			-	
Adjustments to expenditures for accounts payable			<u>2,678</u>	
Net change in fund balance (GAAP)			<u>\$ (5,414)</u>	

The accompanying notes are an integral part of these financial statements

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

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	4,500	5,445	5,445	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	4,500	5,445	5,445	-
<i>Expenditures:</i>				
Current:				
General government	4,500	5,445	5,445	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	4,500	5,445	5,445	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ -	\$ -
Net change in fund balance (non-GAAP budgetary basis)			\$ -	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			\$ -	

The accompanying notes are an integral part of these financial statements

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

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	7,000	8,000	8,209	209
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>7,000</u>	<u>8,000</u>	<u>8,209</u>	<u>209</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	10,000	11,000	10,657	343
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>10,000</u>	<u>11,000</u>	<u>10,657</u>	<u>343</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(3,000)</u>	<u>(3,000)</u>	<u>(2,448)</u>	<u>552</u>
<i>Other financing sources (uses)</i>				
Designated cash	3,000	3,000	-	(3,000)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>(3,000)</u>
<i>Net change in fund balance</i>	-	-	(2,448)	(2,448)
<i>Fund balance - beginning of year</i>	-	-	5,907	5,907
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,459</u>	<u>\$ 3,459</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (2,448)	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			<u>\$ (2,448)</u>	

The accompanying notes are an integral part of these financial statements

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

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	14,000	16,450	16,441	(9)
Investment income	-	-	92	92
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>14,000</u>	<u>16,450</u>	<u>16,533</u>	<u>83</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	14,000	16,450	16,441	9
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>14,000</u>	<u>16,450</u>	<u>16,441</u>	<u>9</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>92</u>	<u>92</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	92	92
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>3,847</u>	<u>3,847</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,939</u>	<u>\$ 3,939</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 92	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			<u>\$ 92</u>	

The accompanying notes are an integral part of these financial statements

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

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

The accompanying notes are an integral part of these financial statements

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

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	2,300	2,300	499	(1,801)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>2,300</u>	<u>2,300</u>	<u>499</u>	<u>(1,801)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	2,254	2,254	-	2,254
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,254</u>	<u>2,254</u>	<u>-</u>	<u>2,254</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>46</u>	<u>46</u>	<u>499</u>	<u>453</u>
<i>Other financing sources (uses)</i>				
Designated cash	(46)	(46)	-	46
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(46)</u>	<u>(46)</u>	<u>-</u>	<u>46</u>
<i>Net change in fund balance</i>	-	-	499	499
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(2,849)</u>	<u>(2,849)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,350)</u>	<u>\$ (2,350)</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 499	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			<u>\$ 499</u>	

The accompanying notes are an integral part of these financial statements

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

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	6,614	6,614	6,582	(32)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	234	234
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>6,614</u>	<u>6,614</u>	<u>6,816</u>	<u>202</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	11,737	11,737	2,620	9,117
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>11,737</u>	<u>11,737</u>	<u>2,620</u>	<u>9,117</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(5,123)</u>	<u>(5,123)</u>	<u>4,196</u>	<u>9,319</u>
<i>Other financing sources (uses)</i>				
Designated cash	5,123	5,123	-	(5,123)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>5,123</u>	<u>5,123</u>	<u>-</u>	<u>(5,123)</u>
<i>Net change in fund balance</i>	-	-	4,196	4,196
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>5,123</u>	<u>5,123</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,319</u>	<u>\$ 9,319</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 4,196	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			<u>\$ 4,196</u>	

The accompanying notes are an integral part of these financial statements

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

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	800	800	463	(337)
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	33,700	38,200	37,698	(502)
<i>Total revenues</i>	<u>34,500</u>	<u>39,000</u>	<u>38,161</u>	<u>(839)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	34,500	39,000	38,124	876
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>34,500</u>	<u>39,000</u>	<u>38,124</u>	<u>876</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>37</u>	<u>37</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	37	37
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>3,248</u>	<u>3,248</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,285</u>	<u>\$ 3,285</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 37	
No adjustments to revenue			-	
Adjustments to expenditures for accounts payable			<u>630</u>	
Net change in fund balance (GAAP)			<u>\$ 667</u>	

The accompanying notes are an integral part of these financial statements

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

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	9,000	9,000	-	(9,000)
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	9,000	9,000	-	(9,000)
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	31,415	31,415	-	31,415
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	31,415	31,415	-	31,415
<i>Excess (deficiency) of revenues over expenditures</i>	(22,415)	(22,415)	-	22,415
<i>Other financing sources (uses)</i>				
Designated cash	22,415	22,415	-	(22,415)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	22,415	22,415	-	(22,415)
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	22,415	22,415
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ 22,415	\$ 22,415
Net change in fund balance (non-GAAP budgetary basis)			\$ -	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Enhanced 911 Addressing Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variations
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	44	44
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>44</u>	<u>44</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>44</u>	<u>44</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	44	44
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,484</u>	<u>2,484</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,528</u>	<u>\$ 2,528</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 44	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			<u>\$ 44</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
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, 2008

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	52,000	67,000	67,596	596
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	1,236	1,236
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>52,000</u>	<u>67,000</u>	<u>68,832</u>	<u>1,832</u>
<i>Expenditures:</i>				
Current:				
General government	52,000	67,000	60,868	6,132
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>52,000</u>	<u>67,000</u>	<u>60,868</u>	<u>6,132</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>7,964</u>	<u>7,964</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	7,964	7,964
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>55,043</u>	<u>55,043</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,007</u>	<u>\$ 63,007</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 7,964	
Adjustments to revenue for other taxes receivable			(3,894)	
Adjustments to expenditures for accounts payable			<u>8,607</u>	
Net change in fund balance (GAAP)			<u>\$ 12,677</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Fire Department Construction Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	541	541
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>541</u>	<u>541</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	28,708	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>28,708</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(28,708)</u>	<u>-</u>	<u>541</u>	<u>541</u>
<i>Other financing sources (uses)</i>				
Designated cash	28,708	(28,708)	-	28,708
Transfers in	-	-	-	-
Transfers out	-	28,708	(28,708)	(57,416)
<i>Total other financing sources (uses)</i>	<u>28,708</u>	<u>-</u>	<u>(28,708)</u>	<u>(28,708)</u>
<i>Net change in fund balance</i>	-	-	(28,167)	(28,167)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>28,709</u>	<u>28,709</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 542</u>	<u>\$ 542</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (28,167)	
No adjustments to revenue			-	
No adjustments to expenditures			<u>-</u>	
Net change in fund balance (GAAP)			<u>\$ (28,167)</u>	

The accompanying notes are an integral part of these financial statements

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

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	12,000	12,000
Investment income	-	-	129	129
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>12,129</u>	<u>12,129</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>12,129</u>	<u>12,129</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	12,129	12,129
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(24,259)</u>	<u>(24,259)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,130)</u>	<u>\$ (12,130)</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 12,129	
No adjustments to revenue			-	
No adjustments to expenditures			<u>-</u>	
Net change in fund balance (GAAP)			<u>\$ 12,129</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Park Purchase and Improvement Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	500	500	4,158	3,658
Investment income	-	-	157	157
Miscellaneous	-	-	-	-
<i>Total revenues</i>	500	500	4,315	3,815
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	500	500	-	500
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	500	500	-	500
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	4,315	4,315
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balance</i>	-	-	4,315	4,315
<i>Fund balance - beginning of year</i>	-	-	2,831	2,831
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ 7,146	\$ 7,146
Net change in fund balance (non-GAAP budgetary basis)			\$ 4,315	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			\$ 4,315	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Special Street Maintenance Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	415,000	415,000	397,042	(17,958)
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	200,000	200,000	-	(200,000)
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>615,000</u>	<u>615,000</u>	<u>397,042</u>	<u>(217,958)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	905,092	1,031,092	1,019,965	11,127
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>905,092</u>	<u>1,031,092</u>	<u>1,019,965</u>	<u>11,127</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(290,092)</u>	<u>(416,092)</u>	<u>(622,923)</u>	<u>(206,831)</u>
<i>Other financing sources (uses)</i>				
Designated cash	(4,908)	289,092	-	(289,092)
Transfers in	295,000	127,000	623,000	496,000
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>290,092</u>	<u>416,092</u>	<u>623,000</u>	<u>206,908</u>
<i>Net change in fund balance</i>	-	-	77	77
<i>Fund balance - beginning of year</i>	-	-	-	-
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77</u>	<u>\$ 77</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 77	
Adjustments to revenue for other taxes receivable			867	
Adjustments to expenditures for accounts payable and accrued payroll			<u>(177)</u>	
Net change in fund balance (GAAP)			<u>\$ 767</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Highway Co-op Construction Projects Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	77	77
Miscellaneous	280,900	280,900	-	(280,900)
<i>Total revenues</i>	<u>280,900</u>	<u>280,900</u>	<u>77</u>	<u>(280,823)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	48,198	(48,198)
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	301,900	301,900	-	301,900
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>301,900</u>	<u>301,900</u>	<u>48,198</u>	<u>253,702</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(21,000)</u>	<u>(21,000)</u>	<u>(48,121)</u>	<u>(27,121)</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	21,000	21,000	21,000	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>21,000</u>	<u>21,000</u>	<u>21,000</u>	<u>-</u>
<i>Net change in fund balance</i>	-	-	(27,121)	(27,121)
<i>Fund balance - beginning of year</i>	-	-	25,081	25,081
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,040)</u>	<u>\$ (2,040)</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (27,121)	
No adjustments to revenue			-	
Adjustments to expenditures for accounts payable			<u>34,016</u>	
Net change in fund balance (GAAP)			<u>\$ 6,895</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
West Blanco III Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	628,200	628,200	294,689	(333,511)
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>628,200</u>	<u>628,200</u>	<u>294,689</u>	<u>(333,511)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	673,452	930,052	930,000	52
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>673,452</u>	<u>930,052</u>	<u>930,000</u>	<u>52</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(45,252)</u>	<u>(301,852)</u>	<u>(635,311)</u>	<u>(333,459)</u>
<i>Other financing sources (uses)</i>				
Designated cash	(27,548)	(27,548)	-	27,548
Transfers in	72,800	329,400	329,400	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>45,252</u>	<u>301,852</u>	<u>329,400</u>	<u>27,548</u>
<i>Net change in fund balance</i>	-	-	(305,911)	(305,911)
<i>Fund balance - beginning of year</i>	-	-	(27,548)	(27,548)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (333,459)</u>	<u>\$ (333,459)</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (305,911)	
Adjustments to revenue for other receivable			309,556	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			<u>\$ 3,645</u>	

The accompanying notes are an integral part of these financial statements

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

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	50,000	50,000	-	(50,000)
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	23,514	23,514	-	23,514
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>23,514</u>	<u>23,514</u>	<u>-</u>	<u>23,514</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>26,486</u>	<u>26,486</u>	<u>-</u>	<u>(26,486)</u>
<i>Other financing sources (uses)</i>				
Designated cash	(26,486)	(26,486)	-	26,486
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>(26,486)</u>	<u>(26,486)</u>	<u>-</u>	<u>26,486</u>
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(26,486)</u>	<u>(26,486)</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (26,486)</u>	<u>\$ (26,486)</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ -	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
CDBG Church Street Project Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP Budgetary Basis)	Favorable (Unfavorable) Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	205,150	205,150	-	(205,150)
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	205,150	205,150	-	(205,150)
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	298,159	298,159	15,267	282,892
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	298,159	298,159	15,267	282,892
<i>Excess (deficiency) of revenues over expenditures</i>	(93,009)	(93,009)	(15,267)	77,742
<i>Other financing sources (uses)</i>				
Designated cash	9	9	-	(9)
Transfers in	93,000	93,000	12,195	(80,805)
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	93,009	93,009	12,195	(80,814)
<i>Net change in fund balance</i>	-	-	(3,072)	(3,072)
<i>Fund balance - beginning of year</i>	-	-	9	9
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ (3,063)	\$ (3,063)
Net change in fund balance (non-GAAP budgetary basis)			\$ (3,072)	
No adjustments to revenue			-	
Adjustments to expenditures for accounts payable			4,241	
Net change in fund balance (GAAP)			\$ 1,169	

The accompanying notes are an integral part of these financial statements

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

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	-	-	-	-
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	-	-	-	-
<i>Excess (deficiency) of revenues over expenditures</i>	-	-	-	-
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	-	-	-	-
<i>Net change in fund balance</i>	-	-	-	-
<i>Fund balance - beginning of year</i>	-	-	2,471	2,471
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ 2,471	\$ 2,471
Net change in fund balance (non-GAAP budgetary basis)			\$ -	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			\$ -	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
CDBG Comp Plan Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	5,240	10,240	23,000	12,760
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>5,240</u>	<u>10,240</u>	<u>23,000</u>	<u>12,760</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	5,359	10,359	9,120	1,239
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>5,359</u>	<u>10,359</u>	<u>9,120</u>	<u>1,239</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(119)</u>	<u>(119)</u>	<u>13,880</u>	<u>13,999</u>
<i>Other financing sources (uses)</i>				
Designated cash	119	119	-	(119)
Transfers in	-	-	3,500	3,500
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>119</u>	<u>119</u>	<u>3,500</u>	<u>3,381</u>
<i>Net change in fund balance</i>	-	-	17,380	17,380
<i>Fund balance - beginning of year</i>	-	-	(15,921)	(15,921)
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,459</u>	<u>\$ 1,459</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 17,380	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			<u>\$ 17,380</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
G.O. Bond Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ 145,000	\$ 146,000	\$ 202,553	\$ 56,553
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	200	200	315	115
Miscellaneous	-	-	-	-
<i>Total revenues</i>	145,200	146,200	202,868	56,668
<i>Expenditures:</i>				
Current:				
General government	3,050	4,050	3,666	384
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	130,000	130,000	130,000	-
Interest	80,450	80,450	80,450	-
<i>Total expenditures</i>	213,500	214,500	214,116	384
<i>Excess (deficiency) of revenues over expenditures</i>	(68,300)	(68,300)	(11,248)	57,052
<i>Other financing sources (uses)</i>				
Designated cash	-	-	-	-
Transfers in	68,300	68,300	60,000	(8,300)
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	68,300	68,300	60,000	(8,300)
<i>Net change in fund balance</i>	-	-	48,752	48,752
<i>Fund balance - beginning of year</i>	-	-	142,139	142,139
<i>Fund balance - end of year</i>	\$ -	\$ -	\$ 190,891	\$ 190,891
Net change in fund balance (non-GAAP budgetary basis)			\$ 48,752	
Adjustments to revenue for property taxes			5,797	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			\$ 54,549	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
1999 Refunding Bonds Fund Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	352	352
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>352</u>	<u>352</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	95,000	95,000	95,000	-
Interest	2,185	2,185	2,185	-
<i>Total expenditures</i>	<u>97,185</u>	<u>97,185</u>	<u>97,185</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(97,185)</u>	<u>(97,185)</u>	<u>(96,833)</u>	<u>352</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	35,000	-	(35,000)
Transfers in	97,185	62,185	60,174	(2,011)
Transfers out	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>97,185</u>	<u>97,185</u>	<u>60,174</u>	<u>(37,011)</u>
<i>Net change in fund balance</i>	-	-	(36,659)	(36,659)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>36,659</u>	<u>36,659</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (36,659)	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			<u>\$ (36,659)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
1999 Bond Reserve Fund Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variations
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	-	-	-	-
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	-	-	513	513
Miscellaneous	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>513</u>	<u>513</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>-</u>	<u>-</u>	<u>513</u>	<u>513</u>
<i>Other financing sources (uses)</i>				
Designated cash	-	(55,000)	-	55,000
Transfers in	-	-	-	-
Transfers out	-	55,000	(55,230)	(110,230)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>(55,230)</u>	<u>(55,230)</u>
<i>Net change in fund balance</i>	-	-	(54,717)	(54,717)
<i>Fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>54,717</u>	<u>54,717</u>
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ (54,717)	
No adjustments to revenue			-	
No adjustments to expenditures			-	
Net change in fund balance (GAAP)			<u>\$ (54,717)</u>	

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
City of Bloomfield
Fire, Police, CRT and City Hall Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended June 30, 2008

	Budgeted Amounts		Actual	Variances
	Original	Final	(Non-GAAP	Favorable
			Budgetary Basis)	(Unfavorable)
				Final to Actual
<i>Revenues:</i>				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ -
Gasoline and motor vehicle	-	-	-	-
Other	-	-	-	-
Intergovernmental:				
Federal capital grants	-	-	-	-
State operating grants	-	-	-	-
State capital grants	1,072,900	1,072,900	1,066,944	(5,956)
Charges for services	-	-	-	-
Licenses and fees	-	-	-	-
Investment income	10,000	10,000	64,811	54,811
Miscellaneous	-	50,000	272,853	222,853
<i>Total revenues</i>	<u>1,082,900</u>	<u>1,132,900</u>	<u>1,404,608</u>	<u>271,708</u>
<i>Expenditures:</i>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	300,000	350,000	209,586	140,414
Culture and recreation	-	-	-	-
Health and welfare	-	-	-	-
Capital outlay	3,586,829	3,586,829	2,561,461	1,025,368
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>3,886,829</u>	<u>3,936,829</u>	<u>2,771,047</u>	<u>1,165,782</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(2,803,929)</u>	<u>(2,803,929)</u>	<u>(1,366,439)</u>	<u>1,437,490</u>
<i>Other financing sources (uses)</i>				
Designated cash	1,203,929	1,203,929	-	(1,203,929)
Loan Proceeds	1,600,000	1,600,000	1,727,552	127,552
Transfers in	-	-	-	-
Transfers out	-	-	(2,766)	(2,766)
<i>Total other financing sources (uses)</i>	<u>2,803,929</u>	<u>2,803,929</u>	<u>1,724,786</u>	<u>(1,079,143)</u>
<i>Net change in fund balance</i>	-	-	358,347	358,347
<i>Fund balance - beginning of year</i>	-	-	1,203,929	1,203,929
<i>Fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,562,276</u>	<u>\$ 1,562,276</u>
Net change in fund balance (non-GAAP budgetary basis)			\$ 358,347	
No adjustments to revenue			-	
Adjustments to expenditures for accounts payable			<u>(341,514)</u>	
Net change in fund balance (GAAP)			<u>\$ 16,833</u>	

The accompanying notes are an integral part of these financial statements

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STATE OF NEW MEXICO
City of Bloomfield
Statement of Revenues, Expenses and Changes in Net Assets
Budget and Actual
Joint Utility Fund
For the Year Ended June 30, 2008

Statement C-1

	Budget Amounts		Actual	Variances
	Original	Final		Favorable (Unfavorable)
<i>Operating revenues:</i>				
Taxes	0	0	0	\$ -
Charges for services	\$ 3,690,500	\$ 3,731,500	\$ 3,526,787	\$ (204,713)
<i>Total operating revenues</i>	<u>3,690,500</u>	<u>3,731,500</u>	<u>3,526,787</u>	<u>(204,713)</u>
<i>Operating expenses:</i>				
Depreciation	-	-	358,418	(358,418)
Personnel services	1,375,429	1,422,869	1,330,369	92,500
Contractual services	766,150	787,450	131,888	655,562
Supplies and purchased power	419,900	446,750	426,505	20,245
Maintenance and materials	479,590	719,876	48,843	671,033
Miscellaneous	156,950	179,350	215,777	(36,427)
Utilities	34,000	39,200	43,676	(4,476)
Equipment	2,405,381	2,636,881	0	2,636,881
Gross receipts taxes	160,000	171,000	129,657	41,343
<i>Total operating expenses</i>	<u>5,797,400</u>	<u>6,403,376</u>	<u>2,685,133</u>	<u>3,718,243</u>
<i>Operating income (loss)</i>	<u>(2,106,900)</u>	<u>(2,671,876)</u>	<u>841,654</u>	<u>3,513,530</u>
<i>Non-operating revenues (expenses):</i>				
Designated cash	(2,074,093)	(1,692,886)	-	1,692,886
Proceeds from bonds	42,280	42,280	-	(42,280)
Interest expense	(261,299)	(261,299)	(186,050)	75,249
Interest income	7,500	7,550	24,002	16,452
Government contributions	2,661,067	2,961,067	796,991	(2,164,076)
Miscellaneous financing costs	-	(1,153)	(252)	901
Miscellaneous income	9,500	9,500	16,477	6,977
<i>Total non-operating revenues (expenses)</i>	<u>384,955</u>	<u>1,065,059</u>	<u>651,168</u>	<u>(413,891)</u>
Transfers	1,721,945	1,606,817	27,857	(1,578,960)
<i>Change in net assets</i>	-	-	1,520,679	1,520,679
<i>Total net assets, beginning of year</i>	<u>-</u>	<u>-</u>	<u>3,947,948</u>	<u>3,947,948</u>
<i>Total net assets, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,468,627</u>	<u>\$ 5,468,627</u>
Net change in net assets				\$ 1,520,679
No adjustments to revenue				-
No adjustments to expenditures				-
Net change in net assets (GAAP)				<u>\$ 1,520,679</u>

The accompanying notes are an integral part of these financial statements

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

Statement C-2

	Budget Amounts		Actual	Variances
	Original	Final		Favorable Unfavorable
<i>Operating revenues:</i>				
Charges for services	\$ 631,800	\$ 661,800	\$ 686,052	\$ 24,252
<i>Total operating revenues</i>	<u>631,800</u>	<u>661,800</u>	<u>686,052</u>	<u>24,252</u>
<i>Operating expenses:</i>				
Depreciation	-	-	-	-
Personnel services	-	-	-	-
Contractual services	565,800	641,000	597,369	43,631
Supplies and purchased power	-	-	-	-
Maintenance and materials	-	-	-	-
Miscellaneous	-	-	6,096	(6,096)
Utilities	-	-	-	-
Equipment	-	-	-	-
Gross receipts taxes	-	-	-	-
<i>Total operating expenses</i>	<u>565,800</u>	<u>641,000</u>	<u>603,465</u>	<u>37,535</u>
<i>Operating income (loss)</i>	<u>66,000</u>	<u>20,800</u>	<u>82,587</u>	<u>61,787</u>
<i>Non-operating revenues (expenses):</i>				
Designated cash	(82,238)	(37,038)	-	37,038
Interest expense	-	-	-	-
Interest income	-	-	612	612
Government contributions	-	-	-	-
Miscellaneous income	-	-	-	-
<i>Total non-operating revenues (expenses)</i>	<u>(82,238)</u>	<u>(37,038)</u>	<u>612</u>	<u>37,650</u>
Transfers	16,238	16,238	(8,171)	(24,409)
<i>Change in net assets</i>	-	-	75,028	75,028
<i>Total net assets, beginning of year</i>	<u>-</u>	<u>-</u>	<u>(210,897)</u>	<u>(210,897)</u>
<i>Total net assets, end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (135,869)</u>	<u>\$ (135,869)</u>
Net change in net assets				\$ 75,028
No adjustments to revenue				-
No adjustments to expenditures				-
Net change in net assets (GAAP)				<u>\$ 75,028</u>

The accompanying notes are an integral part of these financial statements

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SUPPORTING SCHEDULES

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STATE OF NEW MEXICO
City of Bloomfield
Schedule of Deposit and Investment Accounts
For the Year Ended June 30, 2008

Schedule I

Bank Account Type/Name	Wells Fargo Bank	Citizen's Bank	Bank of Albuquerque	Totals
Cash and cash equivalents:				
Operating - Checking	\$ 1,430,136	\$ -	\$ -	\$ 1,430,136
Senior Citizens - Checking	4,241	-	-	4,241
G.O. Water - Checking	160,383	-	-	160,383
Paving	5,098	-	-	5,098
Money Market Paving	105,666	-	-	105,666
Motor Vehicle - Checking	1,024	-	-	1,024
Payroll -Checking	-	123,518	-	123,518
G.O. Bond - Checking	-	1,283,912	-	1,283,912
LLEBG - Checking	-	3	-	3
CDBG Projects - Checking	-	23,129	-	23,129
BLM Wildland Grant - Checking	-	22,415	-	22,415
Police Evidence - Checking	-	8,612	-	8,612
Sewer Line Extension CDBG - Checking	-	604	-	604
Sewer Line Extension State -Checking	-	150	-	150
W/W Debt Service - Checking	-	107,557	-	107,557
Water Line Relocation - Checking	-	123	-	123
IMMA	-	191,444	-	191,444
D.A.R.E. - Checking	-	34	-	34
Fire Fund -Checking	-	10,975	-	10,975
Interest Bond Retirement - Checking	-	32,281	-	32,281
Meter Deposits - Checking	-	35,375	-	35,375
Wastewater Replacement - Checking	-	51,798	-	51,798
NMFA Sub Pprf 2007A Bloomfield Res*	-	-	51,882	51,882
NMFA 69th Supp 2008A C/Bloomfield Res*	-	-	51,250	51,250
NMFA 68th 2007E C/Bloomfield Prog*	-	-	150,465	150,465
NMFA 68th 2007E C/Bloomfield DS RS*	-	-	127,899	127,899
NMFA 69th 2008A C/Bloomfield FR PRG*	-	-	6,954	6,954
NMFA Pn Dtd 5/1/05 Bloomfield DS RES*	-	-	16,262	16,262
Total on deposit	1,706,548	1,891,930	404,712	4,003,190
Reconciling items	478,431	(77,043)	-	401,388
Reconciled balance	\$ 2,184,979	\$ 1,814,887	\$ 404,712	4,404,578
Petty cash				3,300
Less: agency funds cash per Exhibit E-1				(1,024)
Less: restricted cash and cash equivalents per Exhibit A-1				(475,652)
Total unrestricted cash and cash equivalents per Exhibit A-1				\$ 3,931,202

See independent auditors' report.

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STATE OF NEW MEXICO
City of Bloomfield
Schedule of Collateral Pledged By Depository
For Public Funds
June 30, 2008

Schedule II

Name of Depository	Description of Pledged Collateral	Maturity	CUSIP Number	Fair Market Value at June 30, 2008	Location of Safekeeper
Wells Fargo Bank					
	FGIOH0H00895	6/1/2037	3128MS7G9	\$ 265,088	333 Market Street 17th Floor, San Francisco, CA
	FNCL 675139	11/1/2032	31391SBG4	64,155	333 Market Street 17th Floor, San Francisco, CA
	FNCL 867437	5/1/2036	31409CV69	609,803	333 Market Street 17th Floor, San Francisco, CA
	FNCL 895631	5/1/2036	31410SA80	<u>178,356</u>	333 Market Street 17th Floor, San Francisco, CA
	Total Wells Fargo			<u>1,117,402</u>	
Citizen's Bank					
	FFCD 6 1/8 05/16 Fed Farm Credit Agency	5/11/2016	31331VZD1	510,625	8500 Freeport Parkway, South Irving, TX
	FNCL 6 (FNMA MBS Pool 270456)	1/1/2009	31372EMD3	18,150	8500 Freeport Parkway, South Irving, TX
	FNMA MBS Pool 705616	8/1/2033	31401D3Z2	649,381	8500 Freeport Parkway, South Irving, TX
	G2SF 7 1998 (GNMA MBS Pool 2616)	7/20/2028	36202C3Z4	19,764	8500 Freeport Parkway, South Irving, TX
	G2SF 5.5 2006 (GNMA MBS Pool 3473)	11/20/2033	36202D2E0	<u>212,694</u>	8500 Freeport Parkway, South Irving, TX
	Total Citizen's Bank			<u>1,410,614</u>	
	Total Pledged Collateral			<u><u>\$2,528,016</u></u>	

See independent auditor's report.

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STATE OF NEW MEXICO

Schedule III

City of Bloomfield

Schedule of Changes in Fiduciary Assets and Liabilities - Agency Funds

For the Year Ended June 30, 2008

	<u>Balance at 7/1/2007</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance at 6/30/2008</u>
Motor Vehicle	<u>\$ 27</u>	<u>\$ 2,193,563</u>	<u>\$ 2,192,566</u>	<u>\$ 1,024</u>
Total	<u><u>\$ 27</u></u>	<u><u>\$ 2,193,563</u></u>	<u><u>\$ 2,192,566</u></u>	<u><u>\$ 1,024</u></u>

See independent auditor's report

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COMPLIANCE SECTION

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

Hector Balderas
New Mexico State Auditor
and
Scott Eckstein, Mayor
City Council Members
City of Bloomfield
Bloomfield, New Mexico

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, the budgetary comparison for the general fund and the capital equipment replacement special revenue fund and the aggregate remaining fund information of the City of Bloomfield, as of and for the year ended June 30, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents, and have issued our report thereon dated November 24, 2008. We have also audited the financial statements of each of the City's nonmajor governmental funds, and budgetary comparisons for the Fire, Police, CRT and City Hall capital projects fund, the enterprise funds, and the remaining nonmajor governmental funds as supplementary information in the accompanying combining and individual fund statements as of and for the year ended June 30, 2008 as listed in the table of contents. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Bloomfield'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 City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Bloomfield's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City of Bloomfield's internal control. We consider the deficiencies described in the accompanying schedule of findings and responses as items FS 2006-02, FS 2008-01 and FS 2008-03 to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City of Bloomfield's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Bloomfield'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 statements 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted a certain matter that is required to be reported under Section 12-6-5, NMSA 1978, which is described in the accompanying schedule of findings and responses as finding FS 2008-02.

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

This report is intended solely for the information and use of the audit committee, management, others within the organization, the City Council, the Office of the State Auditor, the New Mexico Legislature and the New Mexico Department of Finance and Administration and is not intended to be and should not be used by anyone other than these specified parties.

Accounting & Consulting Group, L.L.P.

Accounting & Consulting Group, LLP
Albuquerque, New Mexico
November 24, 2008

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STATE OF NEW MEXICO
City of Bloomfield
Schedule of Findings and Responses
June 30, 2008

Current Year Findings

FS 2006-02 — Internal control in the Maintenance Operations Center department

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

Condition: During our test work of inventory we noted that the City has made substantial improvements in the control of its inventory from the prior year. The City is now able to track the inventory. However, controls over the accuracy of the inventory count are still lacking. Ten inventory items with a value of \$155,141 were tested, and of the 10 items tested, 7 items had been miscounted resulting in a total difference from the inventory value of \$12,911. We also noted that the City has in its possession, and on its records, inventory items that are defective and obsolete.

Cause: The internal controls over the tracking of inventory are insufficient to accurately track and value the inventory of the City.

Effect: Inventory could be misstated due to the City not being able to track the inventory accurately. Inventory could be missing but still counted on the City's records due to not knowing what is currently in inventory. Inventory could be overstated if defective or obsolete items are not properly deleted from the list and disposed of.

Auditors' Recommendations: We recommend that the City take an additional inventory count at an interim date during the year to verify the correct amount of inventory. We recommend that the City become more knowledgeable in the Quickbooks accounting software and use the software to track the inventory on a regular basis. We also recommend that a procedure be put in place to identify and dispose of defective and obsolete inventory.

Management's Response: We have worked hard during the year to correct this problem. As noted by the auditors, we have made substantial improvements from the previous year. There are still a few areas to address, and we will do this during the year. We hope to have all the controls in place and operating effectively very soon.

STATE OF NEW MEXICO
City of Bloomfield
Schedule of Findings and Responses
June 30, 2008

FS 2008-01 – Internal Control Weaknesses in the Procurement Process

Criteria: The City of Bloomfield’s purchasing policy requires a purchase order to be completed and authorized prior to the purchase of items that cost more than \$500.

The Codification of Statements on Auditing Standards (SAS AU) paragraph 110.03 states that the financial statements are management’s responsibility. Management is responsible for adopting sound accounting policies, and for establishing and maintaining internal control that will, among other things, initiate, authorize, record, process, and report transactions (as well as events and conditions) consistent with management’s assertions embodied in the financial statements. The SAS No. 112 Appendix lists as a circumstance that may be a control deficiency or significant deficiency, or material weakness, “absent or inadequate segregation of duties within a significant account or process.”

Condition: We performed audit procedures to test ten disbursements that totaled \$10,329.52. One of the disbursements tested, in the amount of \$958.03, had a purchase order that was completed and authorized after the purchase was already made.

While gaining an understanding of the City’s internal controls over the procurement and cash disbursements processes, we noted a lack of segregation of duties. The same City employee has the ability to initiate purchase orders, authorize purchases, document the receipt of goods and/or services received, and authorize payment for purchases.

Cause: The purchase documents that were not completed until after the related purchases were made were a matter of expediency.

The City was unaware that allowing the same employee to perform all the purchasing and cash disbursements functions resulted in a lack of segregation of duties in the purchasing and cash disbursements transactions cycles.

Effect: The following circumstances make the City vulnerable to misappropriation of assets: allowing the same person to approve procurements and then purchase and pay for the items; and allowing the same person to verify receipt of goods and services and also pay for the purchase.

Auditor’s Recommendation: We recommend that the City require its employees to comply with the City’s procurement policy and prepare purchase orders for purchases costing more than \$500, before the purchase is made. We also recommend that the City document and implement an internal control policy that does not allow an employee with access to the assets (check signing authority, receipt of City goods/services, custody of inventory, etc.) of the City to also have access to the City records related to those assets (purchase document authorization, master vendor file changes, purchase journals, etc).

Management’s Response: We know that we have a problem with employees obtaining purchase orders after they have already placed their orders. This is in violation to our policies and procedures. We have tried to get compliance from employees, but this doesn’t always happen. We will address this problem by letting the vendors know this is an unacceptable practice. We will also address it with disciplinary action for employees that continue to circumvent proper policies and procedures.

STATE OF NEW MEXICO
City of Bloomfield
Schedule of Findings and Responses
June 30, 2008

FS 2008-02 – Information Technology Internal Control

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

Condition: During our audit, we noted that:

- Documentation of adequate controls has not been established. Lack of documentation exists in the following areas:
 1. Monitoring
 2. Recoverability

Cause: The City of Bloomfield is not properly safeguarding IT assets and resources. The following deficiencies were noted:

- Monitoring: system administrator activities not reviewed/approved
- Recoverability: lack of documented disaster recovery/contingency plan, lack of regular recoverability testing performed on backups

Effect: Lack of documentation in areas of IT monitoring and recoverability leave the City of Bloomfield at risk for lack of accountability regarding loss or misuse of data and information.

Auditor's Recommendations: The City should consider implementing the following recommendations:

- Document reviews of system administrator activity
- Establish a written, documented, approved Disaster Recovery Plan detailing how to recover systems and data in the event of an interruption in service or a disaster.
- Document periodic recoverability testing of backup tapes.

Management's Response: The City's IT assets and resources are properly secured and safeguarded. We believe we have adequate systems in place for potential disaster recovery/contingency plans. The only area we are lacking in is to document these things. The City will create documentation of this disaster recovery/contingency plan during the year

STATE OF NEW MEXICO
City of Bloomfield
Schedule of Findings and Responses
June 30, 2008

FS 2008-03 – Procurement Code-Bids

Criteria: Section 13-1-104, NMSA 1978 and Section 1.4.1.17 of NMAC require an invitation for bids or a notice thereof to be published not less than ten calendar days prior to the date set forth for the opening of bids. In the case of purchases made by other central purchasing offices, the invitation or notice shall be published at least once in a newspaper of general circulation in the area in which the central purchasing office is located. These requirements of publication are in addition to any other procedures that may be adopted by central purchasing offices to notify prospective bidders that bids will be received, including publication in a trade journal, if available. If there is no newspaper of general circulation in the area in which the central purchasing office is located, such other notice may be given as is commercially reasonable. Central purchasing offices shall send copies of the notice or invitation for bids involving the expenditure of more than \$20,000 to those businesses that have signified in writing an interest in submitting bids for particular categories of items of tangible personal property, construction and services and that have paid any required fees.

Condition: During our audit testwork in the area of procurement we tested ten bids. We noted that 3 bids for purchasing equipment totaling \$82,500, \$42,500 and \$42,500 were not properly bid as required by Section 13-1-1-104, NMSA 1978.

Cause: The reason that the City did not properly bid these three procurements was the City ignored the procurement procedures in an attempt to reduce costs.

Effect: Failure to properly follow the New Mexico Procurement Code (Section 13-1-104, NMSA 1978) could result in the City paying more than necessary for the equipment.

Auditors' Recommendation: We recommend that the City develop and adopt procurement policies and procedures in accordance with the New Mexico Procurement Code, and monitor staff compliance, in order to facilitate the City obtaining the best goods and services at the best price when spending public funds.

Management's Response: The City fully understands and has adopted procurement policies and procedures and complies with State procurement rules. The three incidents noted by the auditors were special exceptions. In these three incidents, the City had an opportunity to purchase some used heavy equipment. The nature of used equipment is that the vendors will sell it as soon as they have a buyer, and would not hold these items for us while we went through a bid/procurement process. We obtained comparable prices and quotes on these items and determined that we could save a substantial amount of money, over \$100,000, by purchasing them used. After careful consideration, we determined that it was in the best interest of the City to make an exception to our procurement policies, in these three instances, and purchase these pieces of heavy equipment.

Prior Year Findings

- FS 2006-02 – Internal Control over Inventory in the MOC department – Repeated and modified
- FS 2007-01 – Rate of Pay Incorrect – *Resolved*
- FS 2007-02 – Payroll Clearing Account – *Resolved*
- FS 2007-04 – Material Misstatement - *Resolved*

STATE OF NEW MEXICO

City of Bloomfield

Other Disclosures

June 30, 2008

Exit Conference

An exit conference was held on November 24, 2008. In attendance were the following:

Representing the City of Bloomfield:

Scott Eckstein

Mayor

Keith Johnson

City Manager

Kevin Rodolph

Finance Director

Representing Accounting & Consulting Group, LLP:

Jeff McWhorter

Audit Director

Auditor Prepared Financial Statements

Although it would be preferred and desirable for the City to prepare its own financial statements, it felt the City's personnel did not have the time to prepare them. Accounting & Consulting Group, LLP prepared the financial statements of the City of Bloomfield from the original books and records provided to them by the management of the City.