

STATE OF NEW MEXICO
AGING AND LONG TERM
SERVICES DEPARTMENT

FINANCIAL STATEMENTS

JUNE 30, 2006

MOSS ADAMS LLP

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Q U A L I T Y , S E R V I C E , I N T E G R I T Y A N D V A L U E

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AGING AND LONG TERM SERVICES DEPARTMENT

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Official Roster

June 30, 2006

Name	Title
Deborah Armstrong	Secretary
Michael Spanier	Deputy Secretary
Patsy Trujillo Knauer	Deputy Secretary
Bill Belzner	Consumer & Elder Rights Division Director
Lynne Anker-Unnever	Aging Network Division Director
Robert Lujan	Administrative Services Division Director
Marise McFadden	Long-Term Care Division Director
Patrick Lopez	General Counsel
Ted Starnes	Financial Manager
Mark Gonzales	Accountant/Auditor
Fred Muniz	Financial Consultant
Louie Baca	Adult Protective Services Finance Bureau Chief

Independent Auditors' Report

State of New Mexico
Aging and Long Term Services Department
and
Mr. Domingo Martinez, CGFM,
New Mexico State Auditor

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the State of New Mexico Aging and Long Term Services Department (ALTSD) as of and for the year ended June 30, 2006, which collectively comprise ALTSD's basic financial statements as listed in the accompanying table of contents. We have also audited the financial statements of each of ALTSD's nonmajor governmental funds presented in the accompanying combining and individual fund financial statements and the budgetary comparison schedules as of and for the year ended June 30, 2006, as listed in the table of contents. These financial statements are the responsibility of ALTSD'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 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.

As discussed in Note 1, the financial statements of ALTSD are intended to present the financial position, and the changes in financial position and budgetary comparison, where applicable, of only that portion of the governmental activities, major funds, and remaining fund information of the State of New Mexico that is attributable to the transactions of the ALTSD. They do not purport to, and do not, present fairly the financial position of the State of New Mexico as of June 30, 2006, and the changes in its financial position and budgetary comparison, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the major funds and the aggregate remaining fund information of ALTSD as of June 30, 2006, and the respective changes in financial position and budgetary comparisons of the general fund and the State HB-2 Community Programs 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 non major governmental fund of ALTSD as of June 30, 2006, and the respective changes in the financial position thereof and the budgetary comparisons of each of the non major funds and the capital projects funds' for the year then ended in conformity with accounting principles generally accepted in the United States of America.

State of New Mexico
Aging and Long Term Services Department
and
Mr. Domingo Martinez, CGFM,
New Mexico State Auditor

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2006, on our consideration of ALTSD'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 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.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise ALTSD's basic financial statements, the budgetary comparisons, the combining and individual fund financial statements and the schedule of revenues, expenditures and changes in fund balances. The accompanying schedule of expenditures of federal awards required by the US Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Not-for-Profit Organizations*, and the schedules listed as other supplementary schedules in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Mess Adams LLP

Albuquerque, New Mexico
December 8, 2006

STATE OF NEW MEXICO
AGING AND LONG-TERM SERVICES DEPARTMENT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2006

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements consist of the following: government-wide financial statements, governmental fund statements, and a statement reconciling the above-mentioned statements.

Basic Financial Statements (Statement of Net Assets and Statement of Activities)

Basic financial statements report information about the State of New Mexico Aging and Long Term Service Department (ALTSD) as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government assets and liabilities. All the current year revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The basic financial statements report the ALTSD's net assets and how they have changed.

Fund Financial Statements (Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance)

The fund financial statements provide detailed information about the ALTSD's significant funds. Funds are accounting devices that the ALTSD uses to keep track of specific sources of funding and spending for particular purposes.

The Aging and Long Term Services Department operates with revenues from the State General Fund, federal grant awards, and other state revenues appropriated by the legislature. Expenditures are authorized by the General Appropriations Act, which is approved by the legislature each year. The General Appropriations Act provides that each agency submit an annual operating budget for approval to the Budget Division of the Department of Finance and Administration. The operating budget of the Agency may be adjusted, if authorized by law to request a budget adjustment. The State Budget Division of the Department of Finance and Administration may approve adjustments, as provided by law, if the budget adjustment results in an increased expenditure of other state funds, internal service funds, or interagency funds above the amounts appropriated; or if it is an authorization to expend federal funds.

The ALTSD operates with State General Fund appropriations and federal grant awards. Expenditures are controlled by a budget, which is approved by the State Legislature each year. Multiyear Capital Projects are financed with State General Fund appropriations, General Obligation Bond proceeds and Severance Tax Bond proceeds.

Analysis of Financial Position (Statement of Net Assets)

	FY2005	FY2006	Percent Change
Current and Other Assets	\$ 23,408,936	\$42,028,525	79.6%
Capital Assets	324,327	431,697	33.1%
Total Assets	23,733,263	42,460,222	78.9%
Current Liabilities	7,536,750	23,176,604	207.6%
Long Term Liabilities	99,183	211,241	113.0%
Total Liabilities	7,635,933	23,387,845	206.3%
Net Assets			
Invested In Capital Assets, net of Related Debt	324,327	431,697	33.1%
Unrestricted	15,773,003	18,640,680	18.2%
Total Net Assets	16,097,330	19,072,377	18.5%

STATE OF NEW MEXICO
AGING AND LONG-TERM SERVICES DEPARTMENT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2006

	FY 2005	FY 2006	Percent Change
Revenues			
Program Revenues:			
Operating Grants	\$ 13,455,003	\$12,363,276	-8.1%
General Revenues:			
Appropriations	39,022,844	42,240,233	8.2%
Bond Proceeds Appropriations	6,279,123	1,528,400	-75.7%
Other	-	3,769,156	10000%
Total Revenues	58,756,970	59,901,065	1.9%
Expenses			
Social Services	44,439,521	56,926,018	28.1%
Change in Net Assets	14,317,449	2,975,047	-79.2%
Net Assets - Beginning	1,779,881	16,097,330	804.4%
Net Assets - Ending	\$ 16,097,330	\$19,072,377	18.5%

Analysis of ALTSDs Overall Financial Position and Result of Operations

There are significant changes in the ALTSD's Financial Position (Statement of Net Assets) and Operations (Statements of Activities) from the prior year. Total assets increased by approximately 78.9% from \$23,733,263 to \$42,460,222. Total net assets increased by approximately 19% from \$16,097,330 to \$19,072,377. Recognition of compensated absences (\$645,673); accumulated depreciation (\$563,867) and depreciation expense (\$159,360) caused total net assets to decrease by approximately 08%. The net assets as reflected in the Statement of Activities indicates a increase of \$2,975,047 compared to the previous year's level. It should be noted that \$2,975,047 of the increase in total assets is attributed to an additional capital project accruals in FY 2006. A significant portion or \$19,072,377 of the Net assets as shown in the Statement of Activities is designated for use in subsequent years.

STATE OF NEW MEXICO
AGING AND LONG-TERM SERVICES DEPARTMENT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2006

Budgetary Highlights

The State Legislature makes annual appropriations to the ALTSD. Amendments to the budget are made through budget adjustment requests and require approval by the Budget Division of the Department of Finance and Administration (DFA). Over the course of the year, the ALTSD revised its budget several times. These budget amendments fall into two categories:

- Changes made in the first quarter to account for program changes from 2005 to 2006.
- Increases or reallocations of appropriations to prevent budget overruns.

Even with these adjustments, actual expenditures were \$14,387,244 below final budget amounts. A positive variance of \$4,321,584 for General fund activities was the result of two factors. The first factor was due to the operational delays in implementing and obtaining authorization for the new programs that the agency inherited. The second factor was attributed to operational saving due to vacant positions.

A positive variance of \$658,129 in the State Community Programs – Special Revenue fund activity resulted from awards made to community programs that could not be liquidated by the deadlines imposed by the Department of Finance and Administration.

A positive variance of \$428,639 in the State Capital Outlay Fund 595 – Special Revenue fund activity resulted from multi year appropriations to be awarded in FY 2007.

A positive variance of \$7,554,481 in the State Capital Outlay Fund 954 – Special Revenue fund activity resulted from multi year appropriations to be awarded in FY 2007.

A positive variance of \$1,423,411 in the Other Governmental Funds – Special Revenue funds activity is due to two factors. The first was due to the length of time required to fill newly funded positions at State Personnel. The second factor was due to federally funded programs whose budgets overlap the state budget cycle.

Special revenue fund resources available for appropriation were \$1.9 million above the final budgeted amount because:

- Multi year state general fund resources were received in the current year for appropriation in subsequent periods.

General Budgetary Highlights

A reclassification was made to the Capital Projects at June 30, 2006 as required by GASB 33, *Accounting and Reporting Non-Exchange transactions*. Previously, the ALTSD recognized the bond proceeds from the sale of the Severance Tax Bonds or General Obligation Bonds by the Board of Finance, when the other entities receiving the bond proceeds requested draws or payments. GASB 33 requires that for intermediary entities that issue bonds, such as the ALTSD that capital project expenses and the related due to bond recipient be recognized in the amount of the bond when sold. As a result of the reclassification, the June 30, 2006 assets and liabilities in the Capital Projects Fund increased by \$18,006,063.

Capital Assets

At the end of 2006, the Department had invested \$431,697 in furniture and fixtures, Data processing equipment and Automobiles. This amount represents a net increase of \$107,369 or 33 percent more than the previous year.

STATE OF NEW MEXICO
AGING AND LONG-TERM SERVICES DEPARTMENT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2006

Legislative Actions and Economic Factors Affecting Next Year's Budgets and Rates

During the 2003 Legislative Session the Legislature enacted House Bill 585, which was subsequently signed by the governor. This Legislation became law effective June 20, 2003. The Legislation authorized the governor to reorganize certain agencies by executive order, making the State Agency on Aging a cabinet level department and renaming it the Aging and Long Term Services Department. This legislation provides that the forty-sixth legislature will approve the reorganization plan. The forty-sixth legislature enacted into law the reorganization plan. Chapter 23, Laws of 2004, was signed in law on the 28th day of February 2004. It should be noted that the purpose of the Aging and Long-Term Services Department Act was to create a single, unified department to administer all laws and exercise all functions formerly administered by the State Agency on Aging and to administer all laws and exercise functions of the Human Services Department, the Department of Health and the Children Youth and Families Department that relates to aging, adults with disabilities or long-term care services. During the course of the 46th legislature, Chapter 23, Laws of 2004 was enacted into law. This Act relating to executive reorganization and creating the Aging and Long-Term Services Department also provided for a phased-in transition. A significant amount of clean-up legislation will be prepared, crafted and introduced during the 2007 legislative session, since the 2006 legislative session is restricted to revenues, expenditures and items included in special messages from the governor.

For example, Section 24-1-24 NMSA 1978, which creates the brain injury services fund, provides that all money credited to the Brain Injury Services Fund be appropriated to the department of Health for the purpose of carrying out the provisions of the fund. Section 35-6-1 (D) (5), provides that the brain injury service fee, which is five dollars (\$5.00), is to be collected upon conviction from persons convicted of violating provisions of the motor vehicle code involving the operations of a motor vehicle. The Administrative Office of the Courts is responsible for administering and depositing these funds.

The senior citizen population 55 years old and over, continues to grow at an accelerated rate which corresponds with the operating budget request. The appropriation request is a direct correlation between the growth in the senior citizen clientele group and the need for financial resources needed to maintain community programs.

One of the statutory program objectives for the ALTSD is to promote and develop programs of community resources and facilities designed to meet the social needs of older persons. This objective is accomplished by working with legislators throughout the year not just during the legislative session. Additionally, this requires working with federal governmental entities to acquire additional federal funds.

CONTACTING THE DEPARTMENT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Agency's finances and to demonstrate the Department's accountability for the money it receives. If you have questions about this report or need additional financial information contact the Department's Administrative Services Division.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Exhibit A

Statement of Net Assets
June 30, 2006

	Governmental Activities
<u>ASSETS</u>	
Current assets:	
Petty cash	\$ 800
Cash on deposit with State Treasurer (note 3)	17,181,889
Other cash on deposit	15,000
Advances to project recipients	94,272
Due from state agencies (note 4)	23,953,003
Due from federal government	727,983
Other receivables (note 4)	55,578
	42,028,525
Total current assets	
Noncurrent assets:	
Capital assets, net of depreciation (note 5)	431,697
	42,460,222
<u>LIABILITIES</u>	
Current Liabilities:	
Cash deficit with State Treasurer (note 3)	377,819
Vouchers payable	3,167,227
Accounts payable	98,723
Accrued payroll payable	577,371
State dated warrants due to SGF (note 9)	300
Deferred revenue	59,738
Due to other Federal Government	8,234
Due to State General Fund (note 9)	576,460
Due to other state agencies	519,613
Due to project recipients (note 4)	17,356,687
Compensated absences payable (note 6)	434,432
	23,176,604
Total current liabilities	
Long-Term Liabilities:	
Compensated absences payable (note 6)	211,241
	23,387,845
Total liabilities	
<u>NET ASSETS</u>	
Investment in capital assets	431,697
Unrestricted	18,640,680
	19,072,377
Total net assets	\$ 19,072,377

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Exhibit B

Statement of Activities
Year Ended June 30, 2006

	<u>Governmental Activities</u>
Expenses:	
Social services	\$ 56,926,018
Program Revenue	
Operating grants	<u>12,363,276</u>
Net program expenses	<u>(44,562,742)</u>
General revenues	
State General Fund appropriation (net of reversions)	42,240,233
Bond Proceeds Appropriations	1,528,400
Miscellaneous revenues	<u>3,769,156</u>
Total general revenues	<u>47,537,789</u>
Change in net assets	2,975,047
Net assets, beginning	<u>16,097,330</u>
Net assets, ending	<u>\$ 19,072,377</u>

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
Balance Sheet - Governmental Funds
June 30, 2006

	General Fund	State HB - 2 Community Programs	State Capital Outlay Fund 595	State Capital Outlay Fund 954	Other Governmental Funds	Total Governmental Funds
Assets						
Peity cash	\$ 100	\$ -	\$ -	\$ -	\$ 700	\$ 800
Cash on deposit with State Treasurer (note 3)	3,330,874	1,691,895	2,803,833	7,554,450	1,800,837	17,181,889
Cash on deposit (note 3)	-	-	-	-	15,000	15,000
Advances to project recipients (note 4)	-	7,945	-	-	86,327	94,272
Due from state agencies (note 4)	492,309	-	-	-	23,460,694	23,953,003
Due from federal government (note 4)	138,936	-	-	-	589,047	727,983
Due from other Funds	-	-	-	-	302	302
Other receivables (note 4)	48,529	-	-	-	7,049	55,578
Total assets	\$ 4,010,748	\$ 1,699,840	\$ 2,803,833	\$ 7,554,450	\$ 25,959,956	\$ 42,028,827
Liabilities and Fund Balances						
Liabilities:						
Cash deficit with State Treasurer (note 3)	\$ 294,634	\$ -	\$ -	\$ -	\$ 83,185	\$ 377,819
Vouchers Payable	623,776	1,439,749	-	-	1,103,702	3,167,227
Accounts payable	14,738	-	-	-	83,985	98,723
Accrued payroll payable	479,728	5,845	-	-	91,798	577,371
State dated warrants due to SCF (note 9)	-	-	-	-	300	300
Deferred revenue	39,240	-	-	-	20,498	59,738
Due to Federal Government	-	-	-	-	8,234	8,234
Due to State General Fund (note 9)	205,901	246,301	-	-	124,258	576,460
Due to other state agencies	397,313	-	122,101	199	-	519,613
Due to other Funds	302	-	-	-	-	302
Due to project recipients (note 4)	-	-	-	-	17,356,687	17,356,687
Total liabilities	2,055,632	1,691,895	122,101	199	18,872,647	22,742,474
Fund Balances:						
Reserved for encumbrances (note 11)	-	-	-	-	-	-
Reserved for petty cash	100	-	-	-	700	800
Unreserved:						
General	-	-	-	-	961,417	961,417
Special Revenue - designated (note 2-L)	1,955,016	-	2,681,732	7,554,251	5,988,500	18,179,499
Special Revenue - undesignated	-	7,945	-	-	136,692	144,637
Total fund balances	1,955,116	7,945	2,681,732	7,554,251	7,087,309	19,286,353
Total liabilities and fund balances	\$ 4,010,748	\$ 1,699,840	\$ 2,803,833	\$ 7,554,450	\$ 25,959,956	\$ 42,028,827

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Exhibit D

Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Assets
June 30, 2006

Total fund balance-Governmental Funds \$ 19,286,353

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

Capital assets used in governmental activities are not
current financial resources and, therefore, are not
reported in the Governmental Funds Balance Sheet.

These assets consist of:

Data processing equipment	\$ 654,614	
Furniture and Fixtures	74,221	
Automobiles	266,729	
Accumulated depreciation	<u>(563,867)</u>	431,697

Some liabilities are not due and payable in the current
period and, therefore, are not reported in the Governmental
Funds balance sheet.

These liabilities consist of:

Compensated absences	<u>(645,673)</u>
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Net assets of governmental activities \$ 19,072,377

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
Statement of Revenues, Expenditures
and Changes in Fund Balances - Governmental Funds
Year Ended June 30, 2006

	General Fund	State HB - 2 Community Programs	State Capital Outlay Fund 595	State Capital Outlay Fund 954	Other Governmental Funds	Total Governmental Funds
Revenues:						
Federal grants	1,450,959	-	-	-	9,314,396	10,765,355
Private Gifts and Grants	-	-	-	-	108,542	108,542
Miscellaneous revenue	124,382	-	-	-	1,364,997	1,489,379
Total revenues	1,575,341	-	-	-	10,787,935	12,363,276
Expenditures:						
General government:						
Current:						
Personal services and employee benefits	12,016,177	145,594	-	-	1,382,980	13,544,751
Contractual services	3,776,765	3,962	-	-	1,365,028	5,145,755
Other	4,033,226	17,282,222	1,044,493	983,993	14,364,558	37,708,482
Other financing uses	-	-	-	21,060	243,011	264,071
Total expenditures	19,826,168	17,431,778	1,044,493	1,005,043	17,355,577	56,663,059
Excess (deficiency) of revenues over expenditures	(18,250,827)	(17,431,778)	(1,044,493)	(1,005,043)	(6,567,642)	(44,299,783)
Other financing sources (uses) (note 10):						
Transfers from (to) other state agencies	3,769,156	-	-	-	-	3,769,156
Transfers from other funds	-	-	-	-	-	-
Bond Proceeds Appropriations	-	-	-	-	1,528,400	1,528,400
State General Fund appropriation	14,499,900	17,206,440	-	-	11,140,760	42,847,100
Compensation package	53,600	-	-	-	10,000	63,600
Reversion to State General Fund and other	(205,649)	(246,301)	(94,061)	(200)	(124,256)	(670,467)
Total other financing sources (uses)	18,117,007	16,960,139	(94,061)	(200)	12,554,904	47,537,789
Net changes in fund balances	(133,820)	(471,639)	(1,138,554)	(1,005,243)	5,987,262	3,238,006
Fund balances, June 30, 2005	2,088,936	479,584	3,820,286	8,559,494	1,100,047	16,048,347
Fund balances, June 30, 2006	\$ 1,955,116	\$ 7,945	\$ 2,681,732	\$ 7,554,251	\$ 7,087,309	\$ 19,286,353

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Exhibit F

**Reconciliation of the Governmental Funds Statement of
Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities
Year ended June 30, 2006**

Net change in fund balances-Governmental Funds \$ 3,238,006

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

Capital outlays are reported as expenditures
in governmental funds. However, in the statement of
Activities, the cost of capital assets is allocated over
their estimated useful lives as depreciation expense.

In the current period, these amounts are:

Depreciation expense	(159,359)
Capital Outlay	266,729

Some items reported in the Statement of Activities
do not require the use of current financial resources
and, therefore, are not reported as expenditures in
governmental funds. These activities consist of:

Increase in compensated absences	<u>(370,329)</u>
----------------------------------	------------------

Change in net assets of governmental activities	<u><u>\$ 2,975,047</u></u>
-------------------------------------------------	----------------------------

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Exhibit G
Page 1 of 2

Statement of Revenues and Expenditures
Budget (GAAP) Basis and Actual
Year Ended June 30, 2006

	General Fund			
	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental revenues:				
State General Fund	\$ 14,635,600	\$ 14,711,053	\$ 14,499,900	\$ (211,153)
Reversion to State General Fund	-	-	(205,649)	(205,649)
Federal grants	1,989,600	1,970,861	1,450,959	(519,902)
Other financing sources	4,465,500	5,199,422	3,822,756	(1,376,666)
Private gifts and grants	-	-	-	-
Miscellaneous revenue	-	266,416	124,382	(142,034)
Fund Balance	-	-	2,000,000	2,000,000
	<u>\$ 21,090,700</u>	<u>\$ 22,147,752</u>	<u>\$ 21,692,348</u>	<u>\$ (455,404)</u>
Total revenues				
Expenditures:				
General government:				
Current:				
Personal services and employee benefits	\$ 10,534,500	\$ 12,511,029	\$ 12,016,177	\$ 494,852
Contractual services	5,684,300	5,133,481	3,776,765	1,356,716
Other	4,994,400	4,625,742	4,033,226	592,516
Other financing uses	1,877,500	1,877,500	-	1,877,500
	<u>\$ 23,090,700</u>	<u>\$ 24,147,752</u>	<u>\$ 19,826,168</u>	<u>\$ 4,321,584</u>
Total expenditures				

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Exhibit G
Page 2 of 2

Statement of Revenues and Expenditures
Budget (GAAP) Basis and Actual
Year Ended June 30, 2006

<u>State HB - 2 Community Programs - Special Revenue Funds</u>				
	<u>Original Approved Budget</u>	<u>Final Approved Budget</u>	<u>Actual (Budgetary Basis)</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Intergovernmental revenues:				
State General Fund	\$ 16,541,600	\$ 17,206,440	\$ 17,206,440	\$ -
Reversion to State General Fund	-	-	(246,301)	(246,301)
Federal grants	-	-	-	-
Other financing sources	-	-	-	-
Private gifts and grants	-	-	-	-
Misc. revenue	-	-	883,467	883,467
Fund Balance	-	-	-	-
Total revenues	<u>\$ 16,541,600</u>	<u>\$ 17,206,440</u>	<u>\$ 17,843,606</u>	<u>\$ 637,166</u>
Expenditures:				
General government:				
Current:				
Personal services and employee benefits	\$ 145,800	\$ 145,800	\$ 145,594	\$ 206
Contractual services	-	13,500	3,962	9,538
Other	16,395,800	17,930,607	17,282,222	648,385
Other financing uses	-	-	-	-
Total expenditures	<u>\$ 16,541,600</u>	<u>\$ 18,089,907</u>	<u>\$ 17,431,778</u>	<u>\$ 658,129</u>

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2006

1. History and Organization

The New Mexico State Agency on Aging (Agency) was created by Chapter 203, Laws of 1979 and was administratively attached to the New Mexico Human Services Department. During the 2003 Legislative session the Legislature enacted House Bill 585, which was subsequently signed by the Governor of the State of New Mexico. This legislation became law effective June 20, 2003. The law makes the Agency a cabinet level department and renames it the State of New Mexico Aging and Long Term Services Department (ALTSD). The Department administrative head is the Secretary, who is appointed by and serves at the pleasure of the Governor.

The statutory duties of the ALTSD are to establish and maintain a comprehensive statewide program designed to meet the social service needs of the state's aged population including but not limited to the following:

- Strengthen and coordinate services of state and local public bodies for the benefit of the aged;
- Promote the utilization of older persons in all phases of employment;
- Disseminate information to the aged relative to federal, state and local services;

A schedule reconciling the State Treasurer's/DFA balances to the financial statements is presented below:

- Encourage training programs, retraining programs and opportunities for older workers;
- Develop new methods of job placement for older workers;
- Promote public recognition of the advantage of hiring and retaining older workers; and
- Promote and develop programs of community resources and facilities designed to meet the social needs of older persons.

Additionally, statutes provide for a Policy Advisory Committee to the Aging and Long Term Services Department, which is composed of eleven members appointed by the Governor.

2. Summary of Significant Accounting Policies

The financial statements of the Aging and Long Term Services Department have been prepared in conformity with accounting principles generally accepted (US GAAP) in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Financial Reporting Entity

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in US GAAP. The basis - 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, selection of the governing authority, 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 within the geographic

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2006

2. Summary of Significant Accounting Policies (cont'd)

A. **Financial Reporting Entity** (cont'd)

boundaries of the government and is generally available to 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. Based upon application of these criteria, the following is a brief review of each potential component unit addressed in defining the government's reporting entity.

Included within the reporting entity:

No entities were considered to be component units.

Excluded from the reporting entity:

Area Agencies on Aging - They have their own Boards of Directors or elected officials. The ALTSD does not exercise financial control over these entities to the extent necessary to make them component units.

The Aging and Long Term Service Department is legally separate and fiscally independent of other state agencies. Although the agency director serves at the pleasure of the Governor, that person has decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. The Aging and Long Term Service Department is not included in any other governmental "reporting entity" as defined in Section 2100, *Codification of Governmental Accounting and Financial Reporting Standards*. Included within the reporting entity is the Aging and Long Term Service Department as described above. Other Executive Branch entities of government are excluded because they are established separately by statutes.

B. **Basic Financial Statements – GASB Statement No. 34**

The basic financial statements include both government-wide (based on the Aging and Long Term Service Department as a whole) and fund financial statements. The new reporting model focus is on either the Aging and Long Term Service Department as a whole or major individual funds (within the fund financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business type activities. The Aging and Long Term Service Department has only governmental type activities. In the government-wide Statement of Net Assets, the governmental column reflects a full accrual, economic resources basis, which incorporates long-term assets as well as long-term debt and obligations.

The government-wide Statement of Activities reflects both the gross and net cost per functional category, which are otherwise being supported by general government revenues. The Statement of Activities reduced gross expenses (including depreciation) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function. The Aging and Long Term Service Department includes only one function (social services). General revenues (General Fund appropriations, transfers-in from other state

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2006

2. Summary of Significant Accounting Policies (cont'd)

B. Basic Financial Statements – GASB Statement No. 34 (cont'd)

agencies, federal aid, proceeds from bond sales, etc.) normally cover the net cost (by function). Historically, the previous model did not summarize or present net cost by function or activity.

This government-wide focus is more on the sustainability of the Aging and Long Term Service Department as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. The governmental fund statements are presented on a current financial resource measurement focus and the modified accrual basis of accounting. This presentation is deemed appropriate to (a) demonstrate legal compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the ALTSD's actual experience conforms to the budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented on the page following each statement, which briefly explains the adjustment necessary to transform the fund based financial statements into the governmental column on the government-wide presentation.

Net assets are restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net assets. When both restricted and unrestricted resources are available for use, generally it is the ALTSD's policy to use restricted resources first, then unrestricted resources, as they are needed.

C. Basis of Presentation – Fund Accounting

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. 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.

GOVERNMENTAL FUND TYPES

The focus of Governmental Fund measurement (in the fund financial statements) is based upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the Governmental Funds of the Aging and Long Term Service Department.

General Fund - The General Fund (Fund # 049 and Fund # 270 – reverting) is the general operating fund of the ALTSD and is used to account for all financial resources except those required to be accounted for in another fund. Because of the nature of the ALTSD, the General Fund accounts for the resources available and used in the administration of the aging programs.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2006

2. Summary of Significant Accounting Policies (cont'd)

C. **Basis of Presentation – Fund Accounting (cont'd)**

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

State Community Programs (reverting) – The state appropriates funds to the Agency to supplement the federal Title III-B, III-C, and III-E programs (Social Services, Nutrition, Disease Prevention and Family Caregiver). The funds are allocated to five Area Agencies on Aging who distribute the funds to Senior Citizen programs throughout the state and directly to Pueblo and Apache Indian programs.

Social Services Title III-B and Congregate Meals Title III-C – These programs are designed to fill the gaps in existing supportive social services and nutrition contracted to Area Agencies on Aging (AAA) under an approved Area Plan for delivering services to the 60+ population in the planning and Service Areas. This is accomplished through a consolidated, coordinated system. Federal funds are awarded to the state on the basis of population over age 60, and sub-state allocations are made to Planning and Service Areas by formula (60+, 60+minority, 60+below poverty).

Area Agency administration is limited to 10% of the III-B, III-C, and III-E allocation and must be matched 75/25. Local service providers must match federal funds 85/15. Of the 15%, 5% is required to be state funds. State appropriated funds are utilized for AAA administration and local community programs. Programs range from state and locally supported nutrition and senior center programs, access services (chore, visiting, telephone reassurance, homemaker, and home health), congregate and home delivered meals, legal, advocacy, ombudsman services to residences of long-term care facilities, and other community programs designed to relieve isolation, provide socialization, prevent abuse and assist older people to remain in their homes.

State Capital Outlay Funds – The New Mexico Legislature annually appropriates general or bond funds to the ALTSD for the purpose of altering or renovating senior center centers; for purchasing equipment and furnishings for these centers; and for purchasing new vehicles to replace obsolete vehicles used by the centers.

D. **Basis of Accounting**

Basis of accounting refers to the point at which revenues or expenditures or expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are presented on an accrual basis of accounting. The governmental funds in the fund financial statements are presented on a modified accrual basis.

Modified Accrual – All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred.

There are no interfund transactions to be eliminated.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2006

2. Summary of Significant Accounting Policies (cont'd)

Modified Accrual (cont'd)

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB Statement No. 33, the provider should recognize liabilities and expenses and the recipient should recognize receivable and revenues when the applicable eligibility requirements including time requirements are met. Resources transmitted before the eligibility requirements are met, under most circumstances, should be reported as advances by the provider and deferred revenue by the recipient.

E. Budgets and Budgetary Accounting

The ALTSD follows these procedures in establishing the budgetary data reflected in the financial statements:

1. No later than September 1, the ALTSD prepares a budget appropriation request of proposed expenditures and the means of financing them.
2. The appropriation request is submitted to the Department of Finance and Administration's Budget Division (DFA) and to the Legislative Finance Committee (LFC).
3. DFA makes recommendations and adjusts the appropriation request, which becomes the Governor's proposal to the Legislature.
4. LFC holds hearings on the appropriation request also submitting recommendations and adjustments before presentation to the Legislature.
5. Both DFA and LFC's recommended appropriation proposals are presented to the Legislature for approval of the final budget plan.
6. Budgetary control is exercised at the appropriation unit level and changes are approved by DFA. Budget adjustments were made in a legally permissible manner during the fiscal ended June 30, 2006, by increasing or reallocating appropriation unit totals as the need arose during the fiscal year. Individual amendments were not material in relation to the original budget.
7. Formal budgetary integration is employed as a management control device during the year.
8. Budgets for the General Fund and Special Revenue Funds are adopted on a basis that is consistent with accounting principles generally accepted in the United States of America (US GAAP). The General Appropriations Act of 2005, which applies to fiscal year 2006 budgets established the modified accrual basis of accounting as the budgetary basis of accounting for the State of New Mexico. Under the new law, encumbrances related to single year appropriations lapse at year end. Any remaining encumbrances related to single year appropriations must be reclassified as unreserved fund balance and a liability recorded to recognize amounts subject to reversion. The accounts receivable period of availability will be 60 days following the end of the fiscal year. Budgetary comparisons presented for the General Fund and Special Revenue Funds are on this US GAAP budgetary basis. Budgets for the General Fund and for all Special Revenue Funds except those described as State Capital Outlay Funds are on the fiscal year basis.

Project-length budgets are adopted for those Special Revenue Funds described as State Capital Outlay Funds 053, 089, 386, 396, 534, 595, 648, 700, 883, 954, 962 and 965. The Combined Statement of Revenues and Expenditures – Budgeted and Actual (US GAAP Budgetary Basis)

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2006

2. **Summary of Significant Accounting Policies** (cont'd)

E. Budgets and Budgetary Accounting (cont'd)

– All Governmental Fund Types and the Combining Statement of Revenues and Expenditures – Budgeted and Actual (US GAAP Budgetary Basis) – Special Revenue Funds do not include these Special Revenue Funds with Multi-year budgets. If they were included, the statements would be misleading. Multi-year budgeted Special Revenue Funds have been included in the annual financial report as supplementary schedules.

9. Appropriations lapse at the end of the year except for fund 622 and fund 768.

F. Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budget integration in the governmental funds. Capital Project encumbrances outstanding at year-end are reported as reservations of fund balance and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. Unused and excess encumbrances are deleted at year-end in accordance with DFA instructions.

G. Cash and Cash Equivalents

The Aging and Long Term Service Department has defined cash and cash equivalents to include cash on deposit with the State Treasurer and other cash accounts used to finance special projects.

H. Receivables

Receivables consist of amounts due from other federal, state and local governments. No allowance for doubtful accounts is established since all amounts are expected to be collected in the subsequent fiscal year.

I. Inventory

Office supply inventory items are considered expenditures when purchased. Therefore, the financial statements do not reflect inventories of office supplies on hand at June 30, 2006.

J. Capital Assets

Capital assets are tangible assets that are used in operations and that have initial useful lives that extend beyond a single reporting period. Capital assets are reported in the Statement of Net Assets at historical cost or estimated fair value, if donated. Capital assets are depreciated using the straight-line method over their estimated useful lives. Items with a cost of less than \$5,000 are expensed in the year of acquisition. Repairs and maintenance expenses are charged to operations when incurred and major betterments and replacements are capitalized. The major classifications of capital assets and their related depreciable lives are as follows:

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2006

2. Summary of Significant Accounting Policies (cont'd)

J. Capital Assets (cont'd)

Machinery and equipment	6 years
Data processing equipment	3 years
Furniture and fixtures	7 years
Automobiles	3 years

K. Accrued Compensated Absences

Employees are entitled to accumulate annual leave at a rate based on appointment date and length of continuous service. A maximum of 240 hours of annual leave may be carried forward after the pay period beginning in December and ending in January. When employees terminate, they are compensated at their current hourly rate for accumulated unpaid annual leave as of the date of termination, up to a maximum of 240 hours. Compensated absences are generally liquidated by the General Fund.

Employees are entitled to accumulate sick leave at a rate of 3.69 hours per pay period. There is no limit to the amount of sick leave that an employee may accumulate. State agencies are allowed to pay fifty (50) percent of each employee's hourly rate for accumulated sick leave over 600 hours up to 120 hours. Payment may be made only once per fiscal year at a specified pay period in either January or July. In accordance with GASB 16, accrued compensated absences consist of accumulated annual leave and related salary payments (employers' matching FICA and Medicare payroll taxes).

L. Fund Equity

Reserves represent those portions of fund equity not available for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources. The \$94,272 designated for special projects are advances to sub-grantees for liquidation of fiscal year 2006 activity.

M. Reversions

Unexpended and unencumbered balances are generally reverted to the State General Fund. Chapter 114, Laws of 2005, states that unexpended or unencumbered balances of the State General Fund appropriation to the ALTSD shall revert. Accordingly, reversions have been recorded in the current year for General Fund appropriations and for stale dated warrants. Also, the unexpended and unencumbered balance of special and other appropriations are reverted when required by law.

3. Cash on Deposit

With the exception of one special confidential account authorized by the Department of Finance and Administration and the New Mexico State Treasurer, all funds are on deposit with the State Treasurer. No investments are held by the ALTSD. Cash on deposit with the State Treasurer is pooled and invested by the State Treasurer. In general, state statutes require that all deposits held by the State Treasurer be collateralized at a minimum level of 50 percent. Collateral pledged to secure these deposits is monitored by the State Treasurer's Office (STO) and the STO issues separate financial statements that disclose the collateral pledged to secure these deposits. The special account referred to above is a \$15,000 checking account at the Del Norte Credit Union and the account is fully insured by FDIC insurance.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2006

3. Cash on Deposit (cont'd)

Fund #	049	953	270	053	386	Subtotal
Cash on deposit, per State Treasurer	\$1,885,222	\$2,816,073	\$1,566,206	\$ 16,967	\$ 5	6,284,473
Less: Outstanding warrants	(99,753)	(621,074)	(483,429)	(16,967)	-	(1,221,223)
Other adjustments	-	-	167,992	-	-	167,992
Cash on deposit as adjusted at June 30, 2006	<u>\$1,785,469</u>	<u>\$2,194,999</u>	<u>\$1,250,769</u>	<u># \$ -</u>	<u>\$ 5</u>	<u>5,231,242</u>
Reconciliation to financial statements:						
Total cash on deposit	\$1,785,469	\$2,194,999	\$1,250,769	\$ -	\$ 5	5,231,242
Total cash deficit per financial statements	-	-	-	-	-	-
Total cash on deposit including deficit	<u>\$1,785,469</u>	<u>\$2,194,999</u>	<u>\$1,250,769</u>	<u>\$ -</u>	<u>\$ 5</u>	<u>\$ 5,231,242</u>
Fund # Cont:	595	622	768	954	965	Total
Cash on deposit, per State Treasurer	\$2,803,833	\$ 43,319	\$1,185,165	\$7,554,452	\$ 524	17,871,764
Less: Outstanding warrants	-	(250)	(13,691)	-	(524)	(1,235,686)
Other adjustments	-	-	-	-	-	167,992
Cash on deposit as adjusted at June 30, 2006	<u>\$2,803,833</u>	<u>\$ 43,069</u>	<u>\$1,171,474</u>	<u>\$7,554,452</u>	<u>\$ -</u>	<u>16,804,070</u>
Reconciliation to financial statements:						
Total cash on deposit	\$2,803,833	\$ 43,069	\$1,171,474	\$7,554,452	\$ -	\$16,804,070
Total cash deficit per financial statements	-	-	-	-	-	-
Total cash on deposit including deficit	<u>\$2,803,833</u>	<u>\$ 43,069</u>	<u>\$1,171,474</u>	<u>\$7,554,452</u>	<u>\$ -</u>	<u>\$16,804,070</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2006

4. Receivables/Payables – Grants

Receivables due from the Federal government at June 30, 2006 of \$138,936 in the general fund and \$589,047 in the Special Revenue Funds represent revenues earned and recognized on various grants because expenditures related to these grants have been incurred. Advances to subrecipients of \$94,272 represent monies advanced to subrecipients at June 30, 2006 for which subrecipients had not incurred expenditures as of June 30, 2006.

Payables due to project recipients of \$19,900,138 at June 30, 2006 represent monies due at June 30, 2006 to project recipients for expenditures incurred during the fiscal year ended June 30, 2006, but not paid as of June 30, 2006. Of this amount \$17,356,687 is line item due to project recipients and \$2,543,451 is line item vouchers payable. It is the opinion of management that all amounts due from the Federal government and advances to project recipients at June 30, 2006 are fully collectible so an allowance for uncollectible accounts is not considered necessary.

Other receivables of the ALTSD at June 30, 2006 are as follows:

From Fund No.		
052	HSD - Gold Program	\$ 25,640
500	DVR - Mentors Program	179
061	TBI Fund	50,641
052	Medicade Programs	194,895
052	RW Johnson Grant	23,352
067	CYFD - John H. Chafee Grant	5,592
052	HSD - LTC Link	163,450
067	CYFD - Adult Protective Services	26,037
635	DOL Bold Program	2,523
	National Governor's Conference	48,000
	CYFD APS	529
	Total General Fund Receivables	\$ 540,838
052	HSD - Gold Program	12,250
500	DVR - Mentors Program	7,955
067	CYFD - John H. Chafee Grant	13,298
	Legacy Corps	7,049
	State Capital Outlay Fund 053	4,328,106
	State Capital Outlay Fund 089	1,712,623
	State Capital Outlay Fund 386	722,699
	State Capital Outlay Fund 396	1,374,427
	State Capital Outlay Fund 534	3,916,296
	State Capital Outlay Fund 648	1,629,990
	State Capital Outlay Fund 700	1,642,120
	State Capital Outlay Fund 883	532,675
	State Capital Outlay Fund 962	6,395,999
	State Capital Outlay Fund 965	1,172,256
	Total Special Revenue Receivables	\$ 23,467,743
	Total Receivables	\$ 24,008,581

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2006

4. Receivables/Payables – Grants (continued)

Of the total of \$19,773,943 in Special Revenue Funds, \$19,733,391 is attributed to the State Capital Outlay Program, all other receivables relate to program monies spent by the Agency but not yet repaid by the grantor agencies.

It is the opinion of management that all other receivables as of June 30, 2006 are fully collectible, so an allowance for uncollectible accounts is not considered necessary.

5. Changes in Capital Assets

A summary of changes in capital assets is as follows:

	Balance 6/30/2005	Additions	Deletions	Transfers	Balance 6/30/2005
<u>Capital Assets</u>					
Data processing equipment	\$ 684,343	\$ -	\$ (29,729)	\$ -	\$ 654,614
Furniture and Fixtures	74,221	-	-	-	74,221
Automobiles	-	266,729	-	-	\$ 266,729
Totals	758,564	266,729	(29,729)	-	995,564
<u>Accumulated Depreciation</u>					
Data processing equipment	(432,174)	(127,210)	29,729	-	(529,655)
Furniture and Fixtures	(2,062)	(24,740)	-	-	(26,802)
Automobiles	-	(7,410)	-	-	(7,410)
Subtotal	(434,236)	(159,360)	29,729	-	(563,867)
Net Capital Assets	\$ 324,328	\$ 107,369	\$ -	\$ -	\$ 431,697

6. Changes in Long-Term Debt

A summary of changes in long-term debt is as follows:

Reduction of debt includes decreases in compensated absences that are not included as expenditures in the operating budget. Fund 049 and fund 953 have been used to liquidate long-term liabilities.

	Balance 7/1/2005	Additions	Deletions	Balance 6/30/2006	Amount Due Within One Year
Compensated Absences Payable	\$ 275,343	\$ 433,172	\$ 62,842	\$ 645,673	\$ 434,432

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2006

7. Operating Leases

The ALTSD leases office space in Albuquerque and Las Cruces for our direct service programs. The ALTSD also leases several copying machines on a year-to-year basis considered operating leases. All leases may be canceled at the end of any fiscal year with no penalty since all have an early termination clause. Accordingly, there are no future minimum lease payments.

Total office space and equipment rent expense for the year ended June 30, 2006 were \$656,196 and \$121,295, respectively.

8. Contingencies – Grantor Agencies

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts, if any, of expenditures which have been disallowed by the grantor agencies cannot be determined at this time although the Agency expects such amounts, if any, to be immaterial.

9. Due to State General Fund

Section 3,(D) Chapter 114, Laws 2005 requires all unreserved, undesignated fund balances in reverting funds and accounts revert to the State General Fund by October 1, 2006. The current year reversion and amounts due to the State General Fund are computed as follows:

General Fund:

Current Reversion:

2006 fiscal year reversion	\$183,064
Invalid prior-year encumbrances	22,837
State dated warrants	<u>-</u>
Due to State General Fund	<u>\$205,901</u>

Special Revenue Funds:

Current Reversion:

2006 fiscal year reversion	\$168,065
Invalid prior-year encumbrances	202,494
State dated warrants	<u>300</u>
Due to State General Fund	<u>\$370,859</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2006

10. Other Financing Sources (Uses)

The following is a summary of transfers between the ALTSD and other state agencies:

<u>Transfers In</u>			
<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Description</u>
853	049	\$ 3,586,100	Appropriation Allotment
620	049	53,600	Special Appropriation- Comp Package
010	049	789	Refund Collective Bargaining Assessments
057	049	20,000	MOU- Other State Funds
061	049	70,000	MOU- Other State Funds
853	270	10,913,800	Appropriation Allotment
067	270	2,671,957	MOU- Other State Funds
853	953	21,665,200	Appropriation Allotment
853	953	693,500	Special Appropriation- General Fund
853	953	300,000	Special Appropriation- General Fund Receivable
620	953	10,000	Special Appropriation- Comp Package
853	953	11,230	Appropriation Reversion Refund
853		2,000,000	Special Appropriation- General Fund Receivable
620	270	82,100	Special Appropriation- Comp Package
481	768	<u>1,102,233</u>	MOU- Other State Funds
Total Operating Transfers In		<u>\$ 43,180,509</u>	
054	053	1,787,695	G.O. Bond, Series 2005
062	089	34,348	Severance Bond, Series 1999-B
563	386	99,163	Severance Bond, Series 2002A
407	396	324,264	Severance Bond, Series 2004A
732	396	180,000	Severance Bond, Series 2004SF
407	396	122,093	Severance Bond, Series 2005A
229	534	944,676	Severance Bond, Series 2005A
229	534	22,500	Severance Bond, Series 2003
022	648	934,488	G.O. Bond, Series 2003
403	700	541,763	Severance Bond, Series 2003-A
407	700	56,346	Severance Bond, Series 2004-A
588	883	4,814	Severance Bond, Series 2002-A
853	954	8,559,494	General Fund
627	962	634,301	G.O. Bond, Series 2001
022	965	<u>567,265</u>	G.O. Bond, Series 2003
Total Proceeds from bond sales		<u>\$ 14,813,210</u>	
 <u>Transfers Out</u>			
953	FGP Health Dept. Las Vegas	125,919	Foster Grandparent Program
953	SCP Health Dept. Las Vegas	117,092	Senior Companion Program
595	Office of Cultural Affairs	<u>21,060</u>	1% for the Arts
Total Transfers Out		<u>\$ 264,071</u>	

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2006

10. Other Financing Sources (Uses) (Continued)

The following is a detailed listing of general fund appropriation reversions due to the State General Fund as shown in the financial statements:

Fund	Fiscal Year	Current Year 2006 Reversions	Prior Year Reversions	Less Amounts Already Paid to State General Fund	Total Due to State General Fund
General Fund:					
Title III-All State Admin.	2002	\$ -	\$ 6,592	\$ (6,592)	\$ -
	2003	-	3,699	(3,699)	-
	2004	1,886	7,438	(7,438)	1,886
	2005	15,460	8,690	(8,690)	15,460
	2006	12,499	-	-	12,499
Title V Admin.	2005	4,795	1,889	(1,889)	4,795
TBI - DOH	2005	-	70,774	(70,774)	-
	2006	9,332	-	-	9,332
Robert Woods Johnson	2006	50	-	-	50
HIV/AIDS	2006	5,828	-	-	5,828
Zero Tolerance Medicaid Programs - HSD	2006	12,585	-	-	12,585
	2005	696	92,701	(92,701)	696
	2006	37,371	-	-	37,371
Adult Protective Services	2006	99,347	-	-	99,347
It Information Systems	2006	6,052	-	-	6,052
Total General Fund		205,901	191,783	(191,783)	205,901
Special Revenue Funds:					
State Training Grant	2003	-	331	(331)	-
	2005	3,224	54	(54)	3,224
State Ombudsman	2004	-	11,860	(11,860)	-
	2005	877	-	-	877

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2006

10. Other Financing Sources (Uses) (cont'd)

Fund	Fiscal Year	Current Year 2006 Reversions	Prior Year Reversions	Less Amounts Already Paid to State General Fund	Total Due to State General Fund
State HIBAC	2005	276	537	(537)	276
Counseling Grant	2006	184	-	-	184
State Prescription	2005	8,340	2,451	(2,451)	8,340
Drug Assistance	2006	8,656	-	-	8,656
State Senior Citizens	2003	-	818	(818)	-
Employment Program	2004	-	4,315	(4,315)	-
	2005	-	31,240	(31,240)	-
DOL Title V					
Employment Program	2004	-	14,510	(14,510)	-
HSD Gold					
Employment Program	2006	1	-	-	1
DVR Mentors					
Mentors Program	2006	1	-	-	1
State Community	2000	7,147	-	-	7,147
Program	2001	9,762	-	-	9,762
	2002	-	25,279	(25,279)	-
	2003	-	77,390	(77,390)	-
	2004	24,995	175,371	(175,371)	24,995
	2005	138,377	11,853	(11,853)	138,377
	2006	66,020	-	-	66,020
State Foster Grand-	2000	276	-	-	276
parent Program	2002	-	9,242	(9,242)	-
	2003	-	11,146	(11,146)	-
	2004	203	14,147	(14,147)	203
	2005	2,435	20,395	(20,395)	2,435
	2006	40,899	20,395	(20,395)	40,899
State Senior					
Companion					
Program	2002	-	21,557	(21,557)	-
	2003	-	24,544	(24,544)	-
	2004	-	16,238	(16,238)	-
	2005	6,374	19,986	(19,986)	6,374
	2006	49,946	-	-	49,946

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2006

10. Other Financing Sources (Uses) (cont'd)

Fund	Fiscal Year	Current Year 2006 Reversions	Prior Year Reversions	Amounts	Total
				Already Paid to State General Fund	Due to State General Fund
State Retired Senior Volunteer Program	2002	\$ -	\$ 6,860	\$ (6,860)	\$ -
	2003	-	9,125	(9,125)	-
	2004	-	2,149	(2,149)	-
	2005	208	1,714	(1,714)	208
	2006	<u>2,358</u>	<u>-</u>	<u>-</u>	<u>2,358</u>
Capital Projects	2004	<u>-</u>	<u>28,040</u>	<u>(28,040)</u>	<u>-</u>
		349,000	495,431	(495,431)	349,000
Total Special Revenue Funds		<u>370,559</u>	<u>561,547</u>	<u>(561,547)</u>	<u>370,559</u>
Total State General Fund Reversions		<u>\$ 576,460</u>	<u>\$ 753,330</u>	<u>\$(753,330)</u>	<u>\$ 576,460</u>

11. Fund Balance - Reserved for Encumbrances

The General Appropriations Act of 2004 created the modified accrual basis of accounting. This change in accounting policy did away with prior year encumbrances and no reserves for encumbrances are reflected in the financial statements at June 30, 2006.

12. Retirement Plan

Plan Description. Substantially all of the ALTSD'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 Employees Retirement Association (PERA) is the administrator of the plan, which is a cost-sharing multiple-employer defined benefit retirement plan. The plan provides for retirement, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, New Mexico 87504-2123.

Funding Policy. Plan members are required to contribute 7.42% of their gross salary. The Aging and Long Term Service Department is required to contribute 16.59% of the gross covered salary. The contribution requirements of plan members and the Department is established under Chapter 10, Article 11 NMSA 1978. The requirements may be amended by acts of the legislature. The ALTSD's contributions to PERA for the years ending June 30, 2006, 2005, and 2004 were \$1,598,208, \$580,986, and \$417,876, respectively, equal to the amount of the required contributions for each year.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2006

13. Retiree Health Care Act Contributions

The Retiree Health Care Act (Act) (Chapter 10, Article 7C NMSA 1978) provides comprehensive core group health insurance for persons who have retired from certain public service in New Mexico. The purpose is to provide eligible retirees, their spouses, dependents, and surviving spouses and dependents with health insurance consisting of a plan, or optional plans, of benefits that can be purchased by funds flowing into the Retiree Health Care Fund and by co-payments or out-of-pocket payments of eligible retirees.

Monies flow to the Retiree Health Care Fund on a pay-as-you-go basis from eligible employers and eligible retirees. Eligible employers consist of institutions of higher education, school districts, or other entities participating in the public school insurance authority and state agencies, state courts, magistrate courts, municipalities or counties, which are affiliated under or covered by the Educational Retirement Act, the Magistrate Retirement Act, or the Public Employees Retirement Act.

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 Retiree Health Care Act on the person's behalf unless that person retires before the employer's NMRCHA effective date, in which event the 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; and former legislators who served at least two years.

Each participating employer makes contributions to the fund in the amount of 1.3% of each participating employee's annual salary. Each participating employee contributes to the fund an employee contribution equal to .65% of the employee's annual salary. Each participating retiree pays a monthly premium for the basic single plan and an additional five dollars (\$5.00) if eligible participant retired prior to the employer's NMRHCA effective date or is a former legislator. Participants may also enroll in optional plans of coverage.

Contributions from participating employers and employees become the property of the Retiree Health Care Fund and are not refundable under any circumstances, including termination of employment or termination of the participating employer's operation or participation in the Retiree Health Care Act. The employer, employee, and retiree contributions are required to be remitted to the Retiree Health Care Authority on a monthly basis.

The Retiree Health Care Authority issues a separate, publicly available audited financial report that includes post employment benefit expenditures of premiums and claims paid, participant contributions (employer, employee, and retiree), and net expenditures for the fiscal year. The report also includes the approximate number of retirees participating in the plan. That report may be obtained by writing to the Retiree Health Care Authority, 4308 Carlisle Blvd NE, Albuquerque, New Mexico 87107.

For the fiscal year ended June 30, 2006, the Aging and Long Term Service Department remitted \$114,343 in employer contributions and \$57,172 in employee contributions to the Retiree Health Care Authority.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

Notes to Financial Statements

June 30, 2006

14. Risk Management and Litigation

The Agency is exposed to various risks of losses related torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Section 15-7-2 NMSA 1978 requires the General Services Department, Risk Management Division (RMD), to be responsible for the acquisition and administration of all insurance purchased by the state. Since 1977, various state statutes have been passed which allow RMD to insure, self-insure or use a combination of both. For the past several years, the RMD has elected to self-insure and has not obtained liability coverage from commercial insurance companies. The RMD has effectively managed risk through various employee education and prevention programs. Risk management expenditures for the Agency are accounted for in the general fund. Any claims are processed through RMD.

There are no pending or threatened legal proceedings involving material matters to which the ALTSD is a party.

15. Reclassification

The ALTSD has reclassified its June 30, 2006 fund balance in the Capital Projects Fund in order to properly recognize expenses for certain capital projects when related bonds have been sold as required by Governmental Accounting Standards Board No. 33, *Accounting and Reporting Non-exchange Transactions*.

Previously, the ALTSD did not recognize the entire bond proceeds upon the sale of either Severance Tax or General Obligation bonds by the Board of Finance and recognized capital project expenditures as local governments and other entities receiving the bond proceeds requested draws or payments. GASB 33 requires that for intermediary entities that issue bonds, such as the ALTSD, capital project expense and the related due to bond recipient be recognized in the amount of the bond when sold.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

General Fund Accounts
Combining Balance Sheet
June 30, 2006

	Title III and Other All-State	D.O.L. Title V	Employment Gold Program	Legacy Grant Admin	DVR Admin	TBI Admin	Medicare Programs	R.W Johnson Grant	National Governor's Association	Information Systems	Sub-total
Assets											
Petty cash	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100
Cash on deposit with State Treasurer	118,769	9,605	-	-	652	1,855,341	-	21,295	-	6,451	2,012,113
Due from Other Funds	-	-	-	-	-	-	-	-	-	-	-
Due from Other State Agencies	-	-	25,640	-	479	50,641	194,895	23,352	-	-	294,707
Other receivables	-	-	-	-	-	-	-	-	48,000	-	48,000
Federal allotment receivable	-	-	-	-	-	104,725	-	-	-	-	104,725
Total assets	\$ 118,869	\$ 9,605	\$ 25,640	\$ -	\$ 831	\$ 2,010,707	\$ 194,895	\$ 44,647	\$ 48,000	\$ 6,451	\$ 2,459,645
Liabilities and Fund Equity											
Liabilities:											
Cash deficit with State Treasurer	\$ -	\$ -	\$ 15,608	\$ -	\$ -	\$ -	\$ 104,486	\$ -	\$ 48,000	\$ -	\$ 168,094
Vouchers payable	14,605	335	2,005	-	-	33,476	14,406	568	-	399	65,794
Accounts payable	1,064	616	-	-	-	-	106	-	-	-	1,786
Accrued payroll payable	73,254	3,557	6,525	-	831	12,883	42,585	4,789	-	-	144,424
Due to Other State Agencies	-	-	1,502	-	-	-	-	-	-	-	1,502
Due to Other Funds	-	302	-	-	-	-	-	-	-	-	302
State dated warrants due to SGF	29,846	4,795	-	-	-	9,332	33,312	50	-	6,052	83,387
Due to State General Fund	-	-	-	-	-	-	-	39,240	-	-	39,240
Deferred Revenue	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	118,769	9,605	25,640	-	831	55,691	194,895	44,647	48,000	6,451	504,529
Fund Equity:											
Fund balance:											
Reserved for encumbrances	-	-	-	-	-	-	-	-	-	-	-
Reserved for petty cash	100	-	-	-	-	-	-	-	-	-	100
Unreserved, designated	-	-	-	-	-	1,955,016	-	-	-	-	1,955,016
Total fund equity	100	-	-	-	-	1,955,016	-	-	-	-	1,955,116
Total liabilities and fund equity	\$ 118,869	\$ 9,605	\$ 25,640	\$ -	\$ 831	\$ 2,010,707	\$ 194,895	\$ 44,647	\$ 48,000	\$ 6,451	\$ 2,459,645

AGING AND LONG TERM SERVICES DEPARTMENT

General Fund Accounts
Combining Balance Sheet
June 30, 2006

	John H Chafee	HSD LTC Link Resource Center	Zero Tolerance	Real Choice	Adult Protective Services	Faith Based Initiative	Southwest WBD BOLD Administration	HIV/AIDS Consumer Advocacy	Grand Total
Assets									
Petty cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100
Cash on deposit with State Treasurer	-	-	52,137	-	1,250,769	7,781	-	8,074	3,330,874
Due from Other Funds	-	-	-	-	-	-	-	-	-
Due from Other State Agencies	5,592	163,450	-	-	26,037	-	2,523	-	492,309
Other receivables	-	-	-	-	529	-	-	-	48,529
Federal allotment receivable	-	-	-	34,211	-	-	-	-	138,936
Total assets	\$ 5,592	\$ 163,450	\$ 52,137	\$ 34,211	\$ 1,277,335	\$ 7,781	\$ 2,523	\$ 8,074	\$ 4,010,748
Liabilities and Fund Equity									
Liabilities:									
Cash deficit with State Treasurer	\$ 5,382	\$ 107,240	\$ -	\$ 13,339	\$ -	\$ -	\$ 579	\$ -	294,634
Vouchers payable	-	9,520	23,847	16,673	506,582	647	62	651	623,776
Accounts payable	-	11,639	-	-	1,313	-	-	-	14,738
Accrued payroll payable	210	30,122	15,705	4,199	281,700	-	1,773	1,595	479,728
Due to Other State Agencies	-	175	-	-	388,393	7,134	109	-	397,313
Due to Other Funds	-	-	-	-	-	-	-	-	302
State dated warrants due to SGF	-	-	-	-	99,347	-	-	5,828	205,901
Due to State General Fund	-	4,754	12,585	-	-	-	-	-	39,240
Deferred Revenue	-	-	-	-	-	-	-	-	-
Total liabilities	5,592	163,450	52,137	34,211	1,277,335	7,781	2,523	8,074	2,055,632
Fund Equity:									
Fund balance:	-	-	-	-	-	-	-	-	-
Reserved for encumbrances	-	-	-	-	-	-	-	-	100
Reserved for petty cash	-	-	-	-	-	-	-	-	1,955,016
Unreserved, designated	-	-	-	-	-	-	-	-	1,955,116
Total fund equity	-	-	-	-	-	-	-	-	-
Total liabilities and fund equity	\$ 5,592	\$ 163,450	\$ 52,137	\$ 34,211	\$ 1,277,335	\$ 7,781	\$ 2,523	\$ 8,074	\$ 4,010,748

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
General Fund Accounts
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
Year Ended June 30, 2006

	Title III and Other All-State	D.O.L. Title V	Employment Gold Program	Legacy Grant Admin	DVR Admin	TBI Admin	Medicaid Programs	R.W. Johnson Grant	National Governor's Association	Information Systems	Sub-total
Revenues:											
Intergovernmental revenues:											
Federal grants	\$ 538,800	\$ 80,871	\$ -	\$ -	\$ -	\$ -	\$ 561,414	\$ -	\$ -	\$ -	\$ 1,181,085
Other gifts and donations:											
Other revenues	587	-	-	-	-	-	-	90,297	33,498	-	124,382
Total revenues	539,387	80,871	-	-	-	-	561,414	90,297	33,498	-	1,305,467
Expenditures:											
General government:											
Current:											
Personal services and employee benefits	1,962,018	97,519	189,021	15,700	8,039	225,117	1,010,296	107,366	-	-	3,615,076
Contractual services	96,905	-	250	-	-	321,841	10,136	64,460	33,498	48,672	575,762
Other costs	209,274	13,957	68,883	-	4,304	17,932	122,623	8,768	-	4,217	449,958
Other financing uses	-	-	-	-	-	-	-	-	-	-	-
Total expenditures	2,268,197	111,476	258,154	15,700	12,343	564,890	1,143,055	180,594	33,498	52,889	4,640,796
Excess (deficiency) of revenues over expenditures	(1,728,810)	(30,605)	(258,154)	(15,700)	(12,343)	(564,890)	(581,641)	(90,297)	-	(52,889)	(3,335,329)
Other financing sources (uses):											
Transfers from (to) other state agencies	-	-	258,154	-	12,343	42,890	-	90,297	-	-	403,684
State General Fund appropriation	1,686,800	35,400	-	15,700	-	474,708	614,753	-	-	-	2,827,361
Compensation package	53,600	-	-	-	-	-	-	-	-	-	53,600
Reversion to State General Fund	(29,846)	(4,795)	-	-	-	(9,332)	(33,112)	-	-	(6,051)	(83,136)
Total other financing sources	1,710,554	30,605	258,154	15,700	12,343	508,266	581,641	90,297	-	(6,051)	3,201,509
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(18,256)	-	-	-	-	(56,624)	-	-	-	(58,940)	(133,820)
Fund balance, June 30, 2005	18,356	-	-	-	-	2,011,640	-	-	-	58,940	2,088,936
Fund balance at June 30, 2006	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ 1,955,016	\$ -	\$ -	\$ -	\$ -	\$ 1,955,116

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

General Fund Accounts
Combining Statement of Revenues, Expenditures and
Changes in Fund Balance
Year Ended June 30, 2006

	John H Chafee	HSD LTC Link Resource Center	Zero Tolerance	Real Choice	Adult Protective Services	Faith Based Initiative	Southwest WBD BOLD Administration	HIV/AIDS Consumer Advocacy	Grand Total
Revenues:									
Intergovernmental revenues:									
Federal grants	\$ 2,417	\$ -	\$ -	\$ 267,457	\$ -	\$ -	\$ -	\$ -	\$ 1,450,959
Other gifts and donations:									
Other revenues	-	-	-	-	-	-	-	-	124,362
Total revenues	<u>2,417</u>	<u>-</u>	<u>-</u>	<u>267,457</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,575,341</u>
Expenditures:									
General government:									
Current:									
Personal services and employee benefits	6,470	800,994	209,135	103,293	7,162,262	46,074	35,894	36,979	12,016,177
Contractual services	510	27,634	-	139,184	3,033,675	-	-	-	3,776,765
Other costs	-	79,342	78,281	24,980	3,376,216	6,792	10,464	7,193	4,033,226
Other financing uses	-	-	-	-	-	-	-	-	-
Total expenditures	<u>6,980</u>	<u>907,970</u>	<u>287,416</u>	<u>267,457</u>	<u>13,572,153</u>	<u>52,866</u>	<u>46,358</u>	<u>44,172</u>	<u>19,826,168</u>
Excess (deficiency) of revenues over expenditures	<u>(4,563)</u>	<u>(907,970)</u>	<u>(287,416)</u>	<u>-</u>	<u>(13,572,153)</u>	<u>(52,866)</u>	<u>(46,358)</u>	<u>(44,172)</u>	<u>(18,250,827)</u>
Other financing sources (uses):									
Transfers from (to) other state agencies	4,563	453,985	-	-	2,757,700	52,866	46,358	50,000	3,769,156
State General Fund appropriation	-	458,739	300,000	-	10,913,800	-	-	-	14,499,900
Compensation package	-	-	-	-	-	-	-	-	53,600
Reversion to State General Fund	-	(4,754)	(12,584)	-	(99,347)	-	-	(5,828)	(205,649)
Total other financing sources	<u>4,563</u>	<u>907,970</u>	<u>287,416</u>	<u>-</u>	<u>13,572,153</u>	<u>52,866</u>	<u>46,358</u>	<u>44,172</u>	<u>18,117,007</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(133,820)</u>
Fund balance, June 30, 2005	-	-	-	-	-	-	-	-	2,088,936
Fund balance at June 30, 2006	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,955,116</u>

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

Special Revenue Funds

June 30, 2006

<u>FUND #</u>	<u>FUND DESCRIPTION</u>
624-953-2100	Federal Alzheimer's Disease Program - the Administration on Aging awarded funds to the SAoA for the purpose of establishing a statewide Information and Assistance Services, Consultation and Education Services and Support and Management of an Alzheimer's and Related Dementia Advisory Committee.
624-953-2200	Title III Training - used to provide quarterly training, special training events for opportunities for the State Agency staff and to support other State Agency administrative efforts.
624-953-2300	State Training Grant (reverting) - used to provide on-going training and education. The funds are utilized for continued support of quarterly training sessions, special training events, the annual conference and other training-related activities.
624-953-2400	Long-Term Care Ombudsman Program (reverting) - This federal and state funded program receives and resolves complaints affecting the care of the institutionalized elderly residing in nursing homes, boarding homes, etc.
624-953-2510	State Health Insurance and Benefits Assistance Corps (HIBAC) Program (reverting) - Funded by the 1988 Legislature to implement a peer counseling program in several communities of the State. The Agency developed training materials, selected the communities, recruited older volunteers and trained them on Medicare, Medicaid and other long-term care funding issues. These trained volunteers make themselves available in the local communities to assist other elderly in making decisions about their long-term care financing needs and access to Medicare and Medicaid benefits.
624-953-2590	DHHS Health Care Financing Administration Information Counseling and Assistance Grant (more recently referred to CMS, Centers for Medicare and Medicaid Services - This grant is administered jointly with the HIBAC program, since the basic purposes of the grant are to provide counseling and assistance to older individuals regarding public benefits and insurance. In addition, the agency was to work with certain Medicare supplement insurance coverage provided through HMOs. The Agency provided information to the public about coverage and eligibility.

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

Special Revenue Funds

June 30, 2006

<u>FUND #</u>	<u>FUND DESCRIPTION</u>
624-953-2306	The Bill Payer Program, as part of the AARP Foundation Money Management Program, recruits and trains AARP volunteers to provide assistance to low-income people who are able to make responsible decisions about their financial affairs but who may be physically or mentally impaired. They are able to manage money with help, but these individuals need assistance with monthly bill paying and record keeping since they can become confused and forgetful.
624-953-2605	In partnership with the University of Maryland Center on Aging's Legacy Corps and the Zuni Tribe, the Department sponsors Zuni Care Corps. Zuni Care Corps is a direct service of the Zuni Elderly Services Program, in which Legacy Corps members receive stipends and training to serve as Zuni Care Corps workers. The Care Corps workers provide respite services consisting of socialization, medication assistance, grooming, personal care assistance, light housekeeping, recreational activities and meal preparation to assigned clients. Families of care recipients are supported in their caregiving responsibilities. Client referrals come from throughout the Pueblo. An individualized plan of services is established for each elder and his or her family, based on needs identified.
624-953-2800	Prescription Drug Outreach Program (reverting) – used to assist individuals with access to affordable prescription drugs. The SAoA administers the MedBank program, conducts outreach/educational activities and provides information, counseling, assistance and referral to individuals with prescription drug needs.
624-953-2900	Senior Medicare Waste Patrol Project - used to provide funding to educate Medicare beneficiaries and to maintain a toll-free telephone line for beneficiaries to report complaints concerning fraud and abuse.
624-953-3100 624-953-3200	Senior Employment Program (Including Title V) (reverting) - used to provide subsidized part-time work opportunities in community service work for low-income persons who are age 55 or older.

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

Special Revenue Funds

June 30, 2006

<u>FUND #</u>	<u>FUND DESCRIPTION</u>
624-953-3300 624-953-3400	Golden Opportunities for Lifelong Development (GOLD) – used to provide funding to hire senior citizens from three pilot areas to serve as mentors to assist Welfare-to-Work clients in mastering the life, job and problem solving skills necessary to find and keep jobs that pay well. Administrative funds are provided for program staff and operating expenses.
624-953-4100 MAJOR FUND	State Community Programs (reverting) - The state appropriates funds to the Agency to supplement the federal Title III-B, III-C, III-D and III-E programs (Social Services, Nutrition, Disease Prevention and Family Caregiver). The funds are allocated to five Area Agencies on Aging who distribute the funds to Senior Citizens programs throughout the state and directly to Pueblo and Apache Indian programs.
624-953-4820 624-953-4830	Alzheimer's Program – Federal funds were awarded to provide respite care services, information and assistance services and consultation and education services for individuals with Alzheimer's Disease or related disorders and their families or caregivers. The Agency implemented the programs using the competitive bid process. The grants for respite services were funneled through the Area Agencies on Aging.
624-953-4200 624-953-4300 624-953-4400 624-953-4500 624-953-4600	Title III-B, III-C, III-D, III-F and III-G - These programs are designed to fill the gaps in existing supportive social services, senior center, nutrition, health promotion or disease prevention and in-home care contracted to Area Agencies on Aging (AAA) under an approved Area Plan for delivering services to the 60+ population in the Planning and Service Areas. This is accomplished through a consolidated, coordinated system. Federal funds are awarded to the state on the basis of population over age 60, and sub-state allocations are made to Planning and Service Areas by formula (60+, 60+ minority, 60+ below poverty). Area Agency administration is limited to 10% of the III-B and C allocation and must be matched 75/25. Local service providers must match federal funds 85/15. Of the 15%, 5% is required to be state funds. State appropriated funds are utilized for AAA administration and local community programs. Programs range from state and locally supported nutrition and senior center programs, access services (which include I & R, outreach, and transportation), in-home services (chore, visiting, telephone reassurance, homemaker, and home health), congregate and home delivered meals, legal, advocacy, ombudsman services to residents of long-term care facilities, and other community programs designed to relieve isolation, provide socialization, prevent abuse and assist older people to remain in their own homes.

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

Special Revenue Funds

June 30, 2006

<u>FUND #</u>	<u>FUND DESCRIPTION</u>
624-953-4900	Nutrition Supplemental Incentive Program - This program provides cash payments to state Agencies on Aging which have elected to receive such in lieu of all or part of the donated food that nutrition programs would otherwise receive.
624-953-5100	State Foster Grandparent Program (reverting) - State appropriated funds are used to pay stipends to persons age 60 or older who participate in the program and to pay for supportive costs associated with the operation of local programs.
624-953-5200	State Senior Companion Program (reverting) - State appropriated funds are used to pay stipends to persons age 60 or older who participate in the Program and to pay for supportive costs associated with the operation of local programs.
624-953-5400	State Retired Senior Volunteer Program (reverting) - State appropriated funds are used to fund local efforts to recruit and assign persons age 60 and over as community oriented volunteers.
053, 089, 386, 396, 534, (MAJOR FUND)595, 648, 700, 883, (MAJOR FUND)954, 962, 965	State Capital Outlay Funds (#386 and #648 reverting) - The New Mexico Legislature annually appropriates general or bond funds to the State Agency on Aging for the purpose of altering or renovating senior citizen centers; for purchasing equipment and furnishings for these centers; and for purchasing new vehicles to replace obsolete vehicles used by the centers.
624-953-3506	DVR GOLD Mentors – participate in Mentoring Diverse Abilities, a project funded by US Department of Education through the New Mexico Public Education Department, Division of Vocational Rehabilitation. DVR has subcontracted with the Aging and Long Term Services Department to provide mentoring services to 60 Hispanic or Native American youth with disabilities in Anthony and Bernalillo, New Mexico. The mentors support and encourage the youth as they seek post-secondary education and /or employment.

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT**

Special Revenue Funds

June 30, 2006

<u>FUND #</u>	<u>FUND DESCRIPTION</u>
624-953-2706	<p>The Aging and Disability Resource Center – is to provide access to information, assistance, referrals and advocacy in those areas of daily living that will maximize personal choice and independence for seniors and adults with disabilities throughout New Mexico, as well as their caregivers. The resource center facilitates access to a variety of services, including state and federal benefits, prescription drugs, in-home and community-based care, housing, and caregiver support. The resource center is the clearinghouse for services provided by other public and private entities, including the Disabled & Elderly Waiver, Medicaid and Medicare. The center is the host to the Santa Fe County 211 information and referral system, sponsored by the local United Way.</p>
624-953-2606	<p>The ALTSD was awarded a five year, \$2,736,384 Centers for Medicare & Medicaid Services (CMS) Systems Change Grant for Community Living. The intent of the funds is to help New Mexico build the infrastructure that will result in effective and enduring improvements in community-integrated services and long-term support systems.</p> <p>With this support, New Mexico's Aging and Long-Term Services Department will, over the course of five years:</p> <ul style="list-style-type: none">• Improve access to long-term support services for the older adult and adults with disabilities populations through a one-stop, single-point-of-entry system for home and community based services;• Develop a comprehensive, department-wide quality management system; and,• Transform information technology systems within the department and across state departments to support access to long-term care services.
624-953-3306	<p>Business Outreach Liaison Development (BOLD) Programs - used 24-953-16200 to provide funding to hire senior citizens who are retired Business people from southwestern New Mexico to serve as representatives of the New Mexico Workforce Connection's one-stop center programs. Administrative funds are provided for program staff and operating expenses.</p>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds

June 30, 2006

<u>FUND #</u>	<u>FUND DESCRIPTION</u>
624-953-6500	John H Chafee Foster Youth Mentoring Project – used to provide funding to hire senior citizens from three pilot areas to serve as mentors to assist foster youth aging out of foster care to make the transition to independent adult life. Administrative funds are provided for program staff and operating expenses.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
Special Revenue Funds
Combining Balance Sheet
June 30, 2006

	AOA ALZHEIMERS Grant	Title III Training Grant	State Training Grant	Long-Term Care Ombudsman Program	AARP Foundation Money Management	State HIBAC Counseling Grant	STG-Grant (System Transformation)	Legacy Corps Project	DHHS -CMS Grant	Prescription Drug Assistance
Totals										
Assets										
Petty cash	\$ 15,700	\$ -	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash on deposit with State Treasurer	1,800,837	-	4,171	18,625	16,412	4,196	-	-	515	21,033
Advances to subrecipients	86,327	-	-	-	-	-	-	-	-	-
Due from federal government	589,047	418	-	12,607	-	-	50,132	-	10,285	-
Due from other state agencies	19,766,894	-	-	-	-	-	-	-	-	-
Due from other funds	302	-	-	-	-	-	-	-	-	-
Other receivables	7,049	-	-	-	-	-	-	7,049	-	-
Total assets	\$ 22,266,156	\$ 418	\$ 4,171	\$ 46,232	\$ 16,412	\$ 4,196	\$ 50,132	\$ 7,049	\$ 10,800	\$ 21,033

Liabilities and Fund Equity

Liabilities:										
Cash deficit with State Treasurer	\$ 83,185	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,520	\$ 7,049	\$ -	\$ -
Vouchers payable	1,103,702	418	947	7,490	3,217	901	2,450	-	4,556	1,273
Accounts payable	83,985	-	-	976	-	-	136	-	818	46
Accrued payroll payable	91,798	-	-	21,889	-	2,835	5,026	-	5,126	2,718
State dated warrants due to SGF	300	-	-	-	-	-	-	-	300	-
Deferred Revenue	20,498	-	-	-	13,195	-	-	-	-	-
Due to Federal Government	8,234	-	-	-	-	-	-	-	-	-
Due to State General Fund	124,258	-	3,224	877	-	460	-	-	-	16,996
Due to other state agencies	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	-
Due to subrecipients	13,662,887	-	-	-	-	-	-	-	-	-
Total liabilities	15,178,847	418	4,171	31,232	16,412	4,196	50,132	7,049	10,800	21,033
Fund Equity:										
Fund balance:										
Reserved for encumbrances	-	-	-	-	-	-	-	-	-	-
Unreserved:										
Designated for special projects	7,087,309	-	-	15,000	-	-	-	-	-	-
Total fund equity	7,087,309	-	-	15,000	-	-	-	-	-	-
Total liabilities and fund equity	\$ 22,266,156	\$ 418	\$ 4,171	\$ 46,232	\$ 16,412	\$ 4,196	\$ 50,132	\$ 7,049	\$ 10,800	\$ 21,033

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
Special Revenue Funds
Combining Balance Sheet
June 30, 2006

	Medicare Waste Patrol	State Senior Employment Program	Title V Senior Employment Program	WBD (BOLD) Employment Program	Employment (GOLD) Program	DVR Mentors	John H Chafee Independence Program	Aging Disability Resource Center	Federal Alzheimer's
Assets									
Petty cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash on deposit with State Treasurer	2,806	57,425	16,830	-	-	-	-	-	-
Advances to subrecipients	-	3,173	-	-	-	-	-	-	-
Due from federal government	27,715	-	130	16,483	(25)	-	-	9,787	89,735
Due from other state agencies	-	-	-	-	12,250	7,955	13,298	-	-
Due from other funds	-	-	302	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-
Total assets	\$ 30,521	\$ 60,598	\$ 17,262	\$ 16,483	\$ 12,225	\$ 7,955	\$ 13,298	\$ 9,787	\$ 89,735
Liabilities and Fund Equity									
Liabilities:									
Cash deficit with State Treasurer	\$ -	\$ -	\$ -	\$ 11,489	\$ 5,973	\$ 6,584	\$ 9,486	\$ -	\$ -
Vouchers payable	24,447	54,662	15	462	62	91	14	1,085	89,735
Accounts payable	-	-	-	-	-	-	-	-	-
Accrued payroll payable	6,074	2,763	17,247	4,532	6,189	1,279	3,798	8,702	-
State dated warrants due to SGF	-	-	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-	-	-
Due to Federal Government	-	-	-	-	-	-	-	-	-
Due to State General Fund	-	-	-	-	1	1	-	-	-
Due to other state agencies	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-
Due to subrecipients	-	-	-	-	-	-	-	-	-
Total liabilities	30,521	57,425	17,262	16,483	12,225	7,955	13,298	9,787	89,735
Fund Equity:									
Fund balance:									
Reserved for encumbrances	-	-	-	-	-	-	-	-	-
Unreserved:									
Designated for special projects	-	3,173	-	-	-	-	-	-	-
Total fund equity	-	3,173	-	-	-	-	-	-	-
Total liabilities and fund equity	\$ 30,521	\$ 60,598	\$ 17,262	\$ 16,483	\$ 12,225	\$ 7,955	\$ 13,298	\$ 9,787	\$ 89,735

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
Special Revenue Funds
Combining Balance Sheet
June 30, 2006

	Federal Title III-B Social Services	Federal Title III-C1 Congregate Meals	Federal Title III-C2 Home Delvrd Meals	Federal Title III-E NFCSP	Federal Title III-D Preventive Health	Federal Title III-F Elder Abuse	TBI Special Revenue Fund	Federal AOA NSIP	Foster Grandparent Program	Senior Companion Program	State Retired Sr. Volunteer Program
Assets											
Petty cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1,171,474	-	\$ -	\$ -	\$ -
Cash on deposit with State Treasurer	7,303	-	-	-	-	1,646	-	-	176,720	205,652	52,955
Advances to subrecipients	4,510	1,603	303	-	-	76	-	-	31,475	40,276	4,911
Due from federal government	106,803	10,629	-	58,055	12,070	-	-	180,886	-	-	-
Due from other state agencies	-	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 118,616	\$ 12,232	\$ 303	\$ 58,055	\$ 12,070	\$ 1,722	\$ 1,171,474	\$ 180,886	\$ 208,195	\$ 245,928	\$ 57,866
Liabilities and Fund Equity											
Liabilities:											
Cash deficit with State Treasurer	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ -	-	-	\$ -	\$ -	\$ -
Vouchers payable	106,803	10,628	-	58,055	12,070	-	210,057	180,886	132,907	149,332	50,389
Accounts payable	-	-	-	-	-	-	-	-	-	-	-
Accrued payroll payable	-	-	-	-	-	-	-	-	-	-	-
State dated warrants due to SGF	-	-	-	-	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-	-	-	-	-
Due to Federal Government	7,303	1,603	303	-	-	1,722	-	-	-	-	-
Due to State General Fund	4,510	-	-	-	-	-	-	-	-	-	-
Due to other state agencies	-	-	-	-	-	-	-	-	43,813	56,320	2,566
Due to other funds	-	-	-	-	-	-	-	-	-	-	-
Due to subrecipients	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	118,616	12,232	303	58,055	12,070	1,722	210,057	180,886	176,720	205,652	52,955
Fund Equity:											
Fund balance:											
Reserved for encumbrances	-	-	-	-	-	-	-	-	-	-	-
Unreserved:											
Designated for special projects	-	-	-	-	-	-	961,417	-	31,475	40,276	4,911
Total fund equity	-	-	-	-	-	-	961,417	-	31,475	40,276	4,911
Total liabilities and fund equity	\$ 118,616	\$ 12,232	\$ 303	\$ 58,055	\$ 12,070	\$ 1,722	\$ 1,171,474	\$ 180,886	\$ 208,195	\$ 245,928	\$ 57,866

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

STATE OF NEW MEXICO
AGING AND LONG TERM CARE DEPARTMENT
Nonmajor Special Revenue Funds
Combining Balance Sheet
June 30, 2006

	Conference on Aging	State Capital Outlay Fund 053	State Capital Outlay Fund 089	State Capital Outlay Fund 386	State Capital Outlay Fund 396	State Capital Outlay Fund 534	State Capital Outlay Fund 648	State Capital Outlay Fund 700	State Capital Outlay Fund 883	State Capital Outlay Fund 962	State Capital Outlay Fund 965
Assets											
Petty cash	\$ 700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash on deposit with State Treasurer	43,069	-	-	5	-	-	-	-	-	-	-
Advances to subrecipients	-	-	-	-	-	-	-	-	-	-	-
Due from federal government	-	-	-	-	-	-	-	-	-	-	-
Due from other state agencies	-	4,328,106	1,712,623	722,699	1,374,427	3,693,800	1,629,990	1,642,120	532,675	6,395,999	1,172,256
Due from other funds	-	-	-	-	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 43,769	\$ 4,328,106	\$ 1,712,623	\$ 722,704	\$ 1,374,427	\$ 3,693,800	\$ 1,629,990	\$ 1,642,120	\$ 532,675	\$ 6,395,999	\$ 1,172,256
Liabilities and Fund Equity											
Liabilities:											
Cash deficit with State Treasurer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vouchers payable	521	-	-	-	-	-	-	-	-	-	-
Accounts payable	-	-	-	-	-	-	-	-	-	-	-
Accrued payroll payable	691	-	-	-	-	-	72,884	9,125	-	-	-
State-dated warrants due to SGF	-	-	-	-	-	-	-	-	-	-	-
Deferred Revenue	-	-	-	-	-	-	-	-	-	-	-
Due to Federal Government	-	-	-	-	-	-	-	-	-	-	-
Due to State General Fund	-	-	-	-	-	-	-	-	-	-	-
Due to other state agencies	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	-	-
Due to subrecipients	-	4,328,106	1,712,623	722,704	1,374,427	3,693,800	1,557,106	1,632,995	532,675	407,499	1,172,256
Total liabilities	1,212	4,328,106	1,712,623	722,704	1,374,427	3,693,800	1,629,990	1,642,120	532,675	407,499	1,172,256
Fund Equity:											
Fund balance:											
Reserved for encumbrances	-	-	-	-	-	-	-	-	-	-	-
Unreserved:											
Designated for special projects	42,557	-	-	-	-	-	-	-	-	5,988,500	-
Total fund equity	42,557	-	-	-	-	-	-	-	-	5,988,500	-
Total liabilities and fund equity	\$ 43,769	\$ 4,328,106	\$ 1,712,623	\$ 722,704	\$ 1,374,427	\$ 3,693,800	\$ 1,629,990	\$ 1,642,120	\$ 532,675	\$ 6,395,999	\$ 1,172,256

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
Special Revenue Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended June 30, 2006

	AOA ALZHEIMERS Grant	Title III Training Grant	State Training Grant	Long-Term Care Ombudsman Program	AARP Foundation Money Management	State HIBAC Counseling Grant	STG-Grant (System Transformation)	Legacy Corps Project	DHHS CMS Grant	Prescription Drug Assistance
Revenues:										
Intergovernmental revenues:										
Federal grants	\$ 84,013	\$ 9,475	\$ -	\$ 449,507	\$ 6,805	\$ -	\$ 78,292	\$ 101,737	\$ 275,293	\$ -
Private Gifts and Grants	-	-	-	-	-	-	-	-	215	-
Miscellaneous revenue	-	-	-	-	-	-	-	-	-	-
Total revenues	84,013	9,475	-	449,507	6,805	-	78,292	101,737	275,508	-
Expenditures:										
General government:										
Current:										
Personal services and employee benefits	59,438	-	-	584,215	-	144,946	49,616	-	113,716	95,248
Contractual services	1,365,028	-	14,488	15,186	-	-	21,107	-	-	24,322
Other costs	24,575	9,475	4,327	187,121	6,805	15,298	7,569	101,737	161,792	34,174
Total expenditures	17,112,566	9,475	18,815	746,522	6,805	160,244	78,292	101,737	275,508	153,744
Excess (deficiency) of revenues over expenditures	(6,324,631)	-	(18,815)	(297,015)	-	(160,244)	-	-	-	(153,744)
Other financing sources (uses) (note 10):										
Transfers from (to) other state agencies	(243,011)	-	-	-	-	-	-	-	-	-
Bond Proceeds appropriations	1,528,400	-	-	-	-	-	-	-	-	-
State General Fund appropriation	11,140,760	-	13,704	287,892	-	160,704	-	-	-	162,900
Compensation package	10,000	-	-	10,000	-	-	-	-	-	-
Reversion to State General Fund	(124,256)	-	(3,224)	(877)	-	(460)	-	-	-	(16,996)
Total other financing sources (uses)	12,311,893	-	10,480	297,015	-	160,244	-	-	-	145,904
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	5,987,262	-	(8,335)	-	-	-	-	-	-	(7,840)
Fund balance, June 30, 2005	1,100,047	-	8,335	15,000	-	-	-	-	-	7,840
Fund balance, June 30, 2006	\$ 7,087,309.00	\$ -	\$ -	\$ 15,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
Special Revenue Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended June 30, 2006

	Medicare Waste Patrol	State Senior Employment Program	Title V Senior Employment Program	WBD (BOLD) Employment Program	Employment (GOLD) Program	DVR Mentors	John H Chafee Independence Program	Aging & Disability Resource Center	Federal Alzheimer's
Revenues:									
Intergovernmental revenues:									
Federal grants	\$ 196,930	-	\$ 386,526	\$ 114,543	\$ 230,352	\$ 22,167	\$ 18,218	\$ 195,098	\$ 289,877
Private Gifts and Grants	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-	-	-	-	-
	<u>196,930</u>	<u>-</u>	<u>386,526</u>	<u>114,543</u>	<u>230,352</u>	<u>22,167</u>	<u>18,218</u>	<u>195,098</u>	<u>289,877</u>
Expenditures:									
General government:									
Current:									
Personal services and employee benefits	114,442	-	40,854	-	-	-	14,700	160,903	-
Contractual services	-	-	-	-	-	-	-	12,500	-
Other costs	82,488	762,096	385,062	114,543	296,551	23,991	3,518	21,695	289,877
	<u>196,930</u>	<u>762,096</u>	<u>425,916</u>	<u>114,543</u>	<u>296,551</u>	<u>23,991</u>	<u>18,218</u>	<u>195,098</u>	<u>289,877</u>
Total expenditures									
Excess (deficiency) of revenues over expenditure	-	<u>(762,096)</u>	<u>(39,390)</u>	-	<u>(66,199)</u>	<u>(1,824)</u>	-	-	-
Other financing sources (uses) (note 10):									
Transfers from (to) other state agencies	-	-	-	-	-	-	-	-	-
Bond Proceeds appropriations	-	-	-	-	-	-	-	-	-
State General Fund appropriation	-	762,096	39,390	-	66,199	1,824	-	-	-
Compensation package	-	-	-	-	-	-	-	-	-
Reversion to State General Fund	-	-	-	-	-	-	-	-	-
	-	<u>762,096</u>	<u>39,390</u>	-	<u>66,199</u>	<u>1,824</u>	-	-	-
Total other financing sources (uses)									
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-	-	-	-	-	-	-
Fund balance, June 30, 2005	-	3,173	-	-	-	-	-	-	-
Fund balance, June 30, 2006	<u>\$ -</u>	<u>\$ 3,173</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
Special Revenue Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended June 30, 2006

	Federal Title III-B Social Services	Federal Title III-C1 Congregate Meals	Federal Title III-C2 Home Delivrd Meals	Federal Title III-E NFCSP	Federal Title III-D Preventive Health	Disaster Relief	TBI Special Revenue Fund	Federal AOA NSIP	Foster Grandparent Program	Senior Companion Program	State Retired Sr. Volunteer Program
Revenues:											
Intergovernmental revenues:											
Federal grants	\$ 1,745,737	\$ 1,778,575	\$ 877,116	\$ 839,955	\$ 127,079	\$ -	\$ -	\$ 1,595,643	\$ -	\$ -	\$ -
Private Gifts and Grants	-	-	-	-	-	-	1,303,647	-	-	-	-
Miscellaneous revenue	-	-	-	-	-	-	-	-	-	-	-
Total revenues	1,745,737	1,778,575	877,116	839,955	127,079	-	1,303,647	1,595,643	-	-	-
Expenditures:											
General government:											
Current:											
Personal services and employee benefits	-	-	-	-	-	-	1,270,809	-	-	-	-
Contractual services	1,745,737	1,778,575	877,116	839,955	127,079	-	-	1,595,643	1,553,308	1,352,068	413,046
Other costs	-	-	-	-	-	-	-	-	1,553,308	1,352,068	413,046
Total expenditures	1,745,737	1,778,575	877,116	839,955	127,079	-	1,270,809	1,595,643	1,553,308	1,352,068	413,046
Excess (deficiency) of revenues over expenditures	-	-	-	-	-	-	32,838	-	(1,553,308)	(1,352,068)	(413,046)
Other financing sources (uses) (note 10):											
Transfers from (to) other state agencies	-	-	-	-	-	-	-	-	(125,919)	(117,092)	-
Bond Proceeds appropriations	-	-	-	-	-	-	-	-	-	-	-
State General Fund appropriation	-	-	-	-	-	-	-	-	1,720,125	1,522,022	415,404
Compensation package	-	-	-	-	-	-	-	-	-	-	-
Reversion to State General Fund	-	-	-	-	-	-	-	-	(43,813)	(56,320)	(2,566)
Total other financing sources (uses)	-	-	-	-	-	-	-	-	1,550,393	1,348,610	412,838
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	-	-	-	-	-	-	32,838	-	(2,915)	(3,458)	(208)
Fund balance, June 30, 2005	-	-	-	-	-	-	928,579	-	34,390	43,734	5,119
Fund balance, June 30, 2006	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 961,417	\$ -	\$ 31,475	\$ 40,276	\$ 4,911

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
Special Revenue Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended June 30, 2006

	Conference on Aging	State Capital Outlay Fund 053	State Capital Outlay Fund 089	State Capital Outlay Fund 386	State Capital Outlay Fund 396	State Capital Outlay Fund 534	State Capital Outlay Fund 648	State Capital Outlay Fund 700	State Capital Outlay Fund 883	State Capital Outlay Fund 962	State Capital Outlay Fund 965
Revenues:											
Intergovernmental revenues:											
Federal grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Private Gifts and Grants	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous revenue	61,135	-	-	-	-	-	-	-	-	-	-
Total revenues	61,135	-	-	-	-	-	-	-	-	-	-
Expenditures:											
General government:											
Current:											
Personal services and employee benefits	24,902	-	-	-	-	-	-	-	-	-	-
Contractual services	6,616	-	-	-	-	-	-	-	-	-	-
Other costs	40,937	-	1,528,400	-	-	-	-	-	-	-	-
Total expenditures	72,455	-	1,528,400	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenditures	(11,320)	-	(1,528,400)	-	-	-	-	-	-	-	-
Other financing sources (uses) (note 10):											
Transfers from (to) other state agencies	-	-	-	-	-	-	-	-	-	-	-
Bond Proceeds appropriations	-	-	1,528,400	-	-	-	-	-	-	5,988,500	-
State General Fund appropriation	-	-	-	-	-	-	-	-	-	-	-
Compensation package	-	-	-	-	-	-	-	-	-	-	-
Reversion to State General Fund	-	-	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	1,528,400	-	-	-	-	-	-	5,988,500	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(11,320)	-	-	-	-	-	-	-	-	5,988,500	-
Fund balance, June 30, 2005	53,877	-	-	-	-	-	-	-	-	-	-
Fund balance, June 30, 2006	\$ 42,557	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,988,500	\$ -

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Combining Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Non-major Special Revenue Funds

Year Ended June 30, 2006

Non-Major Special Revenue Funds (2-624.)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ 5,123,651	\$ 5,152,260	\$ 5,152,260 (1)	\$ -	\$ -
Federal grants	9,258,200	9,944,379	9,314,396	-	629,983
Other financing sources	10,000	10,000	10,000	-	-
Private gifts and grants	-	173,121	108,542	-	64,579
Miscellaneous revenue	1,739,000	1,818,232	1,364,997	-	453,235
Fund Balance	-	152,596	152,596	-	-
Total Revenues:	\$ 16,130,851	\$ 17,250,588	\$ 16,102,791 (2)	\$ -	\$ 1,147,797
Expenditures:					
General government:					
Personal services and employee benefits	\$ 1,293,500	\$ 1,506,697	\$ 1,382,980	\$ -	\$ 123,717
Contractual services	1,827,100	1,934,852	1,365,028	-	569,824.00
Other	12,729,651	13,518,108	12,836,158 (3)	-	681,950.00
Other financing uses	280,600	290,931	243,011	-	47,920.00
Total Expenditures:	\$ 16,130,851	\$ 17,250,588	\$ 15,827,177	\$ -	\$ 1,423,411

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

(1) Budget to actual comparisons for non-major do not include multi year Capital Projects budget information. The State General Fund amount differs from the amounts on page 47 because the total amount of \$5,988,500 is excluded from the budget to actual comparison.

(2) "Total Revenues" on page 47 do not include Bond Proceeds Appropriations of \$1,528,400 in Fund 089 because it is also a multi year Capital Projects appropriation.

(3) "Other Expenditures" of \$1,528,400 are not included in the budget to actual comparisons for non-major programs because Fund 089 is a multi year appropriation.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
AoA Alzheimers (2-624.2100)					
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ -	\$ -	-	-
Federal grants	93,800	91,372	84,013	-	7,359
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	\$ 93,800	\$ 91,372	\$ 84,013	\$ -	\$ 7,359
Expenditures:					
General government:					
Personal services and employee benefits	78,800	63,690	59,438	-	4,252
Contractual services	-	-	-	-	-
Other	15,000	27,682	24,575	-	3,107
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ 93,800	\$ 91,372	\$ 84,013	\$ -	\$ 7,359

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

Title III Training (2-624.2200)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	11,000	11,000	9,475	-	1,525
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	\$ 11,000	\$ 11,000	\$ 9,475	\$ -	\$ 1,525
Expenditures:					
General government:					
Personal services and employee benefits	-	-	\$ -	\$ -	\$ -
Contractual services	5,000	750	-	-	750.00
Other	6,000	10,250	9,475	-	775.00
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ 11,000	\$ 11,000	\$ 9,475	\$ -	\$ 1,525

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

State Training Grant (2-624.2300)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ 13,700	\$ 13,700	\$ 13,704	\$ -	\$ (4)
Federal grants	-	-	-	-	-
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	8,731	8,731	-	-
Total Revenues:	\$ 13,700	\$ 22,431	\$ 22,435	\$ -	\$ (4)
Expenditures:					
General government:					
Personal services and employee benefits	-	-	-	-	-
Contractual services	2,100	14,686	14,488	-	198
Other	11,600	7,745	4,327	-	3,418
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ 13,700	\$ 22,431	\$ 18,815	\$ -	\$ 3,616

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

Title IIIIB/VII Long Term Care Omb. (2-624.2400)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ 287,900	\$ 287,900	\$ 287,892	\$ -	\$ 8
Federal grants	436,900	461,900	449,507	-	12,393
Other financing sources	10,000	10,000	10,000	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	\$ 734,800	\$ 759,800	\$ 747,399	\$ -	\$ 12,401
Expenditures:					
General government:					
Personal services and employee benefits	566,000	\$ 565,706	\$ 564,215	\$ -	\$ 1,491
Contractual services	11,000	17,000	15,186	-	1,814.00
Other	157,800	177,094	167,121	-	9,973.00
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ 734,800	\$ 759,800	\$ 746,522	\$ -	\$ 13,278

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

AARP Foundation Money Management (2-624.2510)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	-	-	-	-	-
Other financing sources	-	-	-	-	-
Private gifts and grants	-	10,000	6,805	-	3,195
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	\$ -	\$ 10,000	\$ 6,805	\$ -	\$ 3,195
Expenditures:					
General government:					
Personal services and employee benefits	-	-	\$ -	\$ -	\$ -
Contractual services	-	-	-	-	-
Other	-	10,000	6,805	-	3,195
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ -	\$ 10,000	\$ 6,805	\$ -	\$ 3,195

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

SAOA HIBAC Grant (2-624.2510)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ 160,700	\$ 161,700	\$ 160,704	\$ -	\$ 996
Federal grants	-	-	-	-	-
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	\$ 160,700	\$ 161,700	\$ 160,704	\$ -	\$ 996
Expenditures:					
General government:					
Personal services and employee benefits	139,000	\$ 144,947	\$ 144,946	\$ -	\$ 1
Contractual services	-	-	-	-	-
Other	21,700	16,753	15,298	-	1,455
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ 160,700	\$ 161,700	\$ 160,244	\$ -	\$ 1,456

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

STG-Grant (2-624.2510)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	-	155,675	78,292	-	77,383
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	\$ -	\$ 155,675	\$ 78,292	\$ -	\$ 77,383
Expenditures:					
General government:					
Personal services and employee benefits	-	\$ 79,675	\$ 49,616	\$ -	\$ 30,059
Contractual services	-	50,000	21,107	-	28,893
Other	-	26,000	7,569	-	18,431
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ -	\$ 155,675	\$ 78,292	\$ -	\$ 77,383

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

Legacy Corps Grant (2-624.2510)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	-	-	-	-	-
Other financing sources	-	-	-	-	-
Private gifts and grants	-	163,121	101,737	-	61,384
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	\$ -	\$ 163,121	\$ 101,737	\$ -	\$ 61,384
Expenditures:					
General government:					
Personal services and employee benefits	-	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-	-
Other	-	163,121	101,737	-	61,384
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ -	\$ 163,121	\$ 101,737	\$ -	\$ 61,384

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

SAOA DHHS HCFA-ICA / CMS GRANTS (2-624.2590)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	159,600	312,424	275,293	-	37,131
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	215	-	(215)
Fund Balance	-	-	-	-	-
Total Revenues:	\$ 159,600	\$ 312,424	\$ 275,508	\$ -	\$ 36,916
Expenditures:					
General government:					
Personal services and employee benefits	101,100	\$ 113,772	\$ 113,716	\$ -	\$ 56
Contractual services	-	-	-	-	-
Other	58,500	198,652	161,792	-	36,860
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ 159,600	\$ 312,424	\$ 275,508	\$ -	\$ 36,916

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

State Prescription Drug Assistance (2-624.2802)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ 162,900	\$ 161,900	\$ 162,900	\$ -	\$ (1,000)
Federal grants	-	-	-	-	-
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	\$ 162,900	\$ 161,900	\$ 162,900	\$ -	\$ (1,000)
Expenditures:					
General government:					
Personal services and employee benefits	95,800	\$ 95,800	\$ 95,248	\$ -	\$ 552
Contractual services	20,000	27,850	24,322	-	3,528
Other	47,100	38,250	34,174	-	4,076
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ 162,900	\$ 161,900	\$ 153,744	\$ -	\$ 8,156

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

ing and Disability Resource Center (2-624.2705)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	247,600	482,927	195,098	-	287,829
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	\$ 247,600	\$ 482,927	\$ 195,098	\$ -	\$ 287,829
Expenditures:					
General government:					
Personal services and employee benefits	146,300	\$ 240,956	\$ 160,903	\$ -	\$ 80,053
Contractual services	50,000	78,950	12,500	-	66,450
Other	51,300	163,021	21,695	-	141,326
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ 247,600	\$ 482,927	\$ 195,098	\$ -	\$ 287,829

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Medicare Waste Patrol (2-624.2900)					
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	200,000	198,906	196,930	-	1,976
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	\$ 200,000	\$ 198,906	\$ 196,930	\$ -	\$ 1,976
Expenditures:					
General government:					
Personal services and employee benefits	121,000	\$ 114,595	\$ 114,442	\$ -	\$ 153
Contractual services	-	-	-	-	-
Other	79,000	84,311	82,488	-	1,823
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ 200,000	\$ 198,906	\$ 196,930	\$ -	\$ 1,976

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

State Senior Employment Program (2-624.3100)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ 823,900	\$ 762,096	\$ 762,096	\$ -	\$ -
Federal grants	-	-	-	-	-
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	\$ 823,900	\$ 762,096	\$ 762,096	\$ -	\$ -
Expenditures:					
General government:					
Personal services and employee benefits	-	-	\$ -	\$ -	\$ -
Contractual services	-	-	-	-	-
Other	823,900	762,096	762,096	-	-
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ 823,900	\$ 762,096	\$ 762,096	\$ -	\$ -

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

Title V Senior Employment Program (2-624.3200)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ 45,500	\$ 39,390	\$ 39,390	\$ -	\$ -
Federal grants	515,300	409,982	386,526	-	23,456
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	<u>\$ 560,800</u>	<u>\$ 449,372</u>	<u>\$ 425,916</u>	<u>\$ -</u>	<u>\$ 23,456</u>
Expenditures:					
General government:					
Personal services and employee benefits	45,500	\$ 41,624	\$ 40,854	\$ -	\$ 770
Contractual services	-	-	-	-	-
Other	515,300	407,748	385,062	-	22,686
Other financing uses	-	-	-	-	-
Total Expenditures:	<u>\$ 560,800</u>	<u>\$ 449,372</u>	<u>\$ 425,916</u>	<u>\$ -</u>	<u>\$ 23,456</u>

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

DVR Mentors (2-624.350501)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ 1,824	\$ 1,824	\$ -	\$ -
Federal grants	-	28,539	22,167	-	6,372
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	\$ -	\$ 30,363	\$ 23,991	\$ -	\$ 6,372
Expenditures:					
General government:					
Personal services and employee benefits	-	-	\$ -	\$ -	\$ -
Contractual services	-	-	-	-	-
Other	-	30,363	23,991	-	6,372
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ -	\$ 30,363	\$ 23,991	\$ -	\$ 6,372

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2005

Employment (GOLD) Program (2-624.3499)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ 66,199	\$ 66,199	\$ -	\$ -
Federal grants	325,600	230,352	230,352	-	-
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	\$ 325,600	\$ 296,551	\$ 296,551	\$ -	\$ -
Expenditures:					
General government:					
Personal services and employee benefits	-	-	\$ -	\$ -	\$ -
Contractual services	-	-	-	-	-
Other	325,600	296,551	296,551	-	-
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ 325,600	\$ 296,551	\$ 296,551	\$ -	\$ -

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

Conference on Aging (2-622.6000)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	-	-	-	-	-
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	79,232	61,135	-	18,097
Fund Balance	-	-	-	-	-
Total Revenues:	\$ -	\$ 79,232	\$ 61,135	\$ -	\$ 18,097
Expenditures:					
General government:					
Personal services and employee benefits	-	\$ 31,232	\$ 24,902	\$ -	\$ 6,330
Contractual services	-	6,616	6,616	-	-
Other	-	41,384	40,937	-	447
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ -	\$ 79,232	\$ 72,455	\$ -	\$ 6,777

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

Federal AoA Alzheimers (2-624.4800)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	256,200	318,688	289,877	-	28,811
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	\$ 256,200	\$ 318,688	\$ 289,877	\$ -	\$ 28,811
Expenditures:					
General government:					
Personal services and employee benefits	-	-	\$ -	\$ -	\$ -
Contractual services	-	-	-	-	-
Other	256,200	318,688	289,877	-	28,811
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ 256,200	\$ 318,688	\$ 289,877	\$ -	\$ 28,811

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Fund

Year Ended June 30, 2006

Federal Title IIIB Social Services (2-624.4200)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	1,720,739	1,763,007	1,745,737	-	17,270
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	<u>\$ 1,720,739</u>	<u>\$ 1,763,007</u>	<u>\$ 1,745,737</u>	<u>\$ -</u>	<u>\$ 17,270</u>
Expenditures:					
General government:					
Personal services and employee benefits	-	-	\$ -	\$ -	\$ -
Contractual services	-	-	-	-	-
Other	1,720,739	1,763,007	1,745,737	-	17,270
Other financing uses	-	-	-	-	-
Total Expenditures:	<u>\$ 1,720,739</u>	<u>\$ 1,763,007</u>	<u>\$ 1,745,737</u>	<u>\$ -</u>	<u>\$ 17,270</u>

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

Federal Title IIIC-1 Congregate (2-624.4300)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	1,779,628	1,781,849	1,778,575	-	3,274
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	<u>\$ 1,779,628</u>	<u>\$ 1,781,849</u>	<u>\$ 1,778,575</u>	<u>\$ -</u>	<u>\$ 3,274</u>
Expenditures:					
General government:					
Personal services and employee benefits	-	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-	-
Other	1,779,628	1,781,849	1,778,575	-	3,274
Other financing uses	-	-	-	-	-
Total Expenditures:	<u>\$ 1,779,628</u>	<u>\$ 1,781,849</u>	<u>\$ 1,778,575</u>	<u>\$ -</u>	<u>\$ 3,274</u>

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

Federal Title III C-2 Home Delivered Meals (2-624.4400)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	876,013	877,116	877,116	-	-
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	<u>\$ 876,013</u>	<u>\$ 877,116</u>	<u>\$ 877,116</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:					
General government:					
Personal services and employee benefits	-	-	\$ -	\$ -	\$ -
Contractual services	-	-	-	-	-
Other	876,013	877,116	877,116	-	-
Other financing uses	-	-	-	-	-
Total Expenditures:	<u>\$ 876,013</u>	<u>\$ 877,116</u>	<u>\$ 877,116</u>	<u>\$ -</u>	<u>\$ -</u>

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

Federal Title IIID Preventive Health (2-624.4600)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	127,976	137,551	127,079	-	10,472
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	\$ 127,976	\$ 137,551	\$ 127,079	\$ -	\$ 10,472
Expenditures:					
General government:					
Personal services and employee benefits	-	-	\$ -	\$ -	\$ -
Contractual services	-	-	-	-	-
Other	127,976	137,551	127,079	-	10,472
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ 127,976	\$ 137,551	\$ 127,079	\$ -	\$ 10,472

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

TBI Special Revenue Fund (1-624.2105)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ -	\$ -	-	\$ -
Federal grants	-	-	-	-	-
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	1,739,000	1,739,000	1,303,647	-	435,353
Fund Balance	-	-	-	-	-
Total Revenues:	<u>\$ 1,739,000</u>	<u>\$ 1,739,000</u>	<u>\$ 1,303,647</u>	<u>\$ -</u>	<u>\$ 435,353</u>
Expenditures:					
General government:					
Personal services and employee benefits	-	\$ -	\$ -	-	\$ -
Contractual services	1,739,000	1,739,000	1,270,809	-	468,191
Other	-	-	-	-	-
Other financing uses	-	-	-	-	-
Total Expenditures:	<u>\$ 1,739,000</u>	<u>\$ 1,739,000</u>	<u>\$ 1,270,809</u>	<u>\$ -</u>	<u>\$ 468,191</u>

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

Federal NSIP (2-624.4900)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	1,631,800	1,631,800	1,595,643	-	36,157
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	\$ 1,631,800	\$ 1,631,800	\$ 1,595,643	\$ -	\$ 36,157
Expenditures:					
General government:					
Personal services and employee benefits	-	-	\$ -	\$ -	\$ -
Contractual services	-	-	-	-	-
Other	1,631,800	1,631,800	1,595,643	-	36,157
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ 1,631,800	\$ 1,631,800	\$ 1,595,643	\$ -	\$ 36,157

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

Foster Grandparent Program (2-624.5100)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ 1,720,125	\$ 1,720,125	\$ 1,720,125	\$ -	\$ -
Federal grants	-	-	-	-	-
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	97,028	97,028	-	-
Total Revenues:	\$ 1,720,125	\$ 1,817,153	\$ 1,817,153	\$ -	\$ -
Expenditures:					
General government:					
Personal services and employee benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Contractual services	1,579,989	1,670,008	1,553,308	-	116,700
Other	140,136	147,145	125,919	-	21,226
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ 1,720,125	\$ 1,817,153	\$ 1,679,227	\$ -	\$ 137,926

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

Senior Companion Program (2-624.5200)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$1,503,022	\$ 1,522,022	\$ 1,522,022	\$ -	\$ -
Federal grants	-	-	-	-	-
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	38,014	38,014	-	-
Total Revenues:	<u>\$1,503,022</u>	<u>\$ 1,560,036</u>	<u>\$ 1,560,036</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:					
General government:					
Personal services and employee benefits	-	-	\$ -	\$ -	\$ -
Contractual services	-	-	-	-	-
Other	1,362,558	1,416,250	1,352,068	-	64,182
Other financing uses	140,464	143,786	117,092	-	26,694
Total Expenditures:	<u>\$1,503,022</u>	<u>\$ 1,560,036</u>	<u>\$ 1,469,160</u>	<u>\$ -</u>	<u>\$ 90,876</u>

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

State Retired Senior Volunteer Program (2-624.5400)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ 405,904	\$ 415,404	\$ 415,404	\$ -	\$ -
Federal grants	-	-	-	-	-
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	8,823	8,823	-	-
Total Revenues:	\$ 405,904	\$ 424,227	\$ 424,227	\$ -	\$ -
Expenditures:					
General government:					
Personal services and employee benefits	-	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-	-
Other	405,904	424,227	413,046	-	11,181
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ 405,904	\$ 424,227	\$ 413,046	\$ -	\$ 11,181

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2005

John H Chafee (2-624.3499)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	-	18,950	18,218	-	732
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	\$ -	\$ 18,950	\$ 18,218	\$ -	\$ 732
Expenditures:					
General government:					
Personal services and employee benefits	-	\$ 14,700	\$ 14,700	\$ -	\$ -
Contractual services	-	-	-	-	-
Other	-	4,250	3,518	-	732
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ -	\$ 18,950	\$ 18,218	\$ -	\$ 732

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

Employment Bold (2-624.2600)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	-	115,121	114,543	-	578
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	\$ -	\$ 115,121	\$ 114,543	\$ -	\$ 578
Expenditures:					
General government:					
Personal services and employee benefits	-	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-	-
Other	-	115,121	114,543	-	578
Other financing uses	-	-	-	-	-
Total Expenditures:	\$ -	\$ 115,121	\$ 114,543	\$ -	\$ 578

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Statement of Revenues and Expenditures
Budget (GAAP Budgetary Basis) and
Actual - Nonmajor Funds

Year Ended June 30, 2006

FEDERAL TITLE III E NFCSP (2-624.4500)	Original Approved Budget	Final Approved Budget	Actual (Budgetary Basis)	Outstanding Encumbrances	Variance with Final Budget Positive (Negative)
Revenues:					
Intergovernmental revenues:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal grants	876,044	917,220	839,955	-	77,265
Other financing sources	-	-	-	-	-
Private gifts and grants	-	-	-	-	-
Miscellaneous revenue	-	-	-	-	-
Fund Balance	-	-	-	-	-
Total Revenues:	<u>\$ 876,044</u>	<u>\$ 917,220</u>	<u>\$ 839,955</u>	<u>\$ -</u>	<u>\$ 77,265</u>
Expenditures:					
General government:					
Personal services and employee benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-	-
Other	876,044	917,220	839,955	-	77,265
Other financing uses	-	-	-	-	-
Total Expenditures:	<u>\$ 876,044</u>	<u>\$ 917,220</u>	<u>\$ 839,955</u>	<u>\$ -</u>	<u>\$ 77,265</u>

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

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds - Capital Projects - Fund 053
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 6,115,801	\$6,115,801	\$ -	\$6,115,801
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>6,115,801</u>	<u>6,115,801</u>	<u>-</u>	<u>6,115,801</u>
Expenditures:				
General government:				
Other costs	<u>6,115,801</u>	<u>6,115,801</u>	<u>-</u>	<u>6,115,801</u>
Total expenditures	<u>6,115,801</u>	<u>6,115,801</u>	<u>-</u>	<u>6,115,801</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
State General Fund appropriation	-	-	-	-
Reversion to State General Fund	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2005			<u>-</u>	<u>-</u>
Fund balance at June 30, 2006			<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds - Capital Projects - Fund 089 (A)
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 120,000	\$ 120,000	\$ -	\$ 120,000
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>120,000</u>	<u>120,000</u>	<u>-</u>	<u>120,000</u>
Expenditures:				
General government:				
Other costs	<u>120,000</u>	<u>120,000</u>	<u>-</u>	<u>120,000</u>
Total expenditures	<u>120,000</u>	<u>120,000</u>	<u>-</u>	<u>120,000</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
State General Fund appropriation	-	-	-	-
Reversion to State General Fund	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2005			<u>-</u>	<u>-</u>
Fund balance at June 30, 2006			<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds - Capital Projects - Fund 089 (B)
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$2,991,900	\$1,463,500	\$1,528,400	\$2,991,900
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>2,991,900</u>	<u>1,463,500</u>	<u>1,528,400</u>	<u>2,991,900</u>
Expenditures:				
General government:				
Other costs	2,991,900	1,463,500	1,528,400	2,991,900
Total expenditures	<u>2,991,900</u>	<u>1,463,500</u>	<u>1,528,400</u>	<u>2,991,900</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
State General Fund appropriation	-	-	-	-
Reversion to State General Fund	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2005			<u>-</u>	<u>-</u>
Fund balance at June 30, 2006			<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds - Capital Projects - Fund 386
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 1,760,810	\$ 1,760,810	\$ -	\$ 1,760,810
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>1,760,810</u>	<u>1,760,810</u>	<u>-</u>	<u>1,760,810</u>
Expenditures:				
General government:				
Other costs	<u>3,219,945</u>	<u>3,184,267</u>	<u>-</u>	<u>3,184,267</u>
Total expenditures	<u>3,219,945</u>	<u>3,184,267</u>	<u>-</u>	<u>3,184,267</u>
Excess (deficiency) of revenues over expenditures	<u>(1,459,135)</u>	<u>(1,423,457)</u>	<u>-</u>	<u>(1,423,457)</u>
Other financing sources (uses):				
Transfers to other state agencies	-	(7,820)	-	(7,820)
State General Fund appropriation	1,459,135	1,459,135	-	1,459,135
Reversion to State General Fund	<u>-</u>	<u>(27,858)</u>	<u>-</u>	<u>(27,858)</u>
Total other financing sources (uses)	<u>1,459,135</u>	<u>1,423,457</u>	<u>-</u>	<u>1,423,457</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2005			<u>-</u>	<u>-</u>
Fund balance at June 30, 2006			<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds - Capital Projects - Fund 396
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$7,358,700	\$7,358,700	\$ -	\$ 7,358,700
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>7,358,700</u>	<u>7,358,700</u>	<u>-</u>	<u>7,358,700</u>
Expenditures:				
General government:				
Other costs	7,358,700	7,358,700	-	7,358,700
Total expenditures	<u>7,358,700</u>	<u>7,358,700</u>	<u>-</u>	<u>7,358,700</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
State General Fund appropriation	-	-	-	-
Reversion to State General Fund	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2005			<u>-</u>	<u>-</u>
Fund balance at June 30, 2006			<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds - Capital Projects - Fund 534
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 8,251,860	\$ 8,251,860	\$ -	\$ 8,251,860
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>8,251,860</u>	<u>8,251,860</u>	<u>-</u>	<u>8,251,860</u>
Expenditures:				
General government:				
Other costs	<u>8,251,860</u>	<u>8,251,860</u>	<u>-</u>	<u>8,251,860</u>
Total expenditures	<u>8,251,860</u>	<u>8,251,860</u>	<u>-</u>	<u>8,251,860</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
State General Fund appropriation	-	-	-	-
Reversion to State General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2005			<u>-</u>	<u>-</u>
Fund balance at June 30, 2006			<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds - Capital Projects - Fund 595
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
General government:				
Other costs	<u>5,892,864</u>	<u>2,044,538</u>	<u>1,044,493</u>	<u>3,089,031</u>
Total expenditures	<u>5,892,864</u>	<u>2,044,538</u>	<u>1,044,493</u>	<u>3,089,031</u>
Excess (deficiency) of revenues over expenditures	<u>(5,892,864)</u>	<u>(2,044,538)</u>	<u>(1,044,493)</u>	<u>(3,089,031)</u>
Other financing sources (uses):				
State General Fund appropriation	5,892,864	5,892,864	-	5,892,864
Reversion to State General Fund	<u>-</u>	<u>(28,040)</u>	<u>(94,061)</u>	<u>(122,101)</u>
Total other financing sources (uses)	<u>5,892,864</u>	<u>5,864,824</u>	<u>(94,061)</u>	<u>5,770,763</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 3,820,286</u>	<u>(1,138,554)</u>	<u>2,681,732</u>
Fund balance, June 30, 2005			<u>-</u>	<u>-</u>
Fund balance at June 30, 2006			<u>\$ (1,138,554)</u>	<u>\$ 2,681,732</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds - Capital Projects - Fund 648
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 12,394,891	\$ 12,394,891	\$ -	\$ 12,394,891
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>12,394,891</u>	<u>12,394,891</u>	<u>-</u>	<u>12,394,891</u>
Expenditures:				
General government:				
Other costs	<u>12,831,891</u>	<u>12,826,262</u>	<u>-</u>	<u>12,826,262</u>
Total expenditures	<u>12,831,891</u>	<u>12,826,262</u>	<u>-</u>	<u>12,826,262</u>
Excess (deficiency) of revenues over expenditures	<u>(437,000)</u>	<u>(431,371)</u>	<u>-</u>	<u>(431,371)</u>
Other financing sources (uses):				
State General Fund appropriation	437,000	437,000	-	437,000
Reversion to State General Fund	<u>-</u>	<u>(5,629)</u>	<u>-</u>	<u>(5,629)</u>
Total other financing sources (uses)	<u>437,000</u>	<u>431,371</u>	<u>-</u>	<u>431,371</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2005			<u>-</u>	<u>-</u>
Fund balance at June 30, 2006			<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds - Capital Projects - Fund 700
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 3,588,563	\$ 3,588,563	\$ -	\$ 3,588,563
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>3,588,563</u>	<u>3,588,563</u>	<u>-</u>	<u>3,588,563</u>
Expenditures:				
General government:				
Other costs	<u>3,588,563</u>	<u>3,588,563</u>	<u>-</u>	<u>3,588,563</u>
Total expenditures	<u>3,588,563</u>	<u>3,588,563</u>	<u>-</u>	<u>3,588,563</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
State General Fund appropriation	-	-	-	-
Reversion to State General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2005			<u>-</u>	<u>-</u>
Fund balance at June 30, 2006			<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds - Capital Projects - Fund 883 (A)
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 138,945	\$ 138,945	\$ -	\$ 138,945
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>138,945</u>	<u>138,945</u>	<u>-</u>	<u>138,945</u>
Expenditures:				
General government:				
Other costs	<u>138,945</u>	<u>138,945</u>	<u>-</u>	<u>138,945</u>
Total expenditures	<u>138,945</u>	<u>138,945</u>	<u>-</u>	<u>138,945</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
State General Fund appropriation	-	-	-	-
Reversion to State General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2005			<u>-</u>	<u>-</u>
Fund balance at June 30, 2006			<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds - Capital Projects - Fund 883 (B)
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$1,401,620	\$1,401,620	\$ -	\$1,401,620
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>1,401,620</u>	<u>1,401,620</u>	<u>-</u>	<u>1,401,620</u>
Expenditures:				
General government:				
Other costs	1,406,620	1,406,620	-	1,406,620
Total expenditures	<u>1,406,620</u>	<u>1,406,620</u>	<u>-</u>	<u>1,406,620</u>
Excess (deficiency) of revenues over expenditures	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>(5,000)</u>
Other financing sources (uses):				
State General Fund appropriation	5,000	5,000	-	5,000
Reversion to State General Fund	-	-	-	-
Total other financing sources (uses)	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2005			<u>-</u>	<u>-</u>
Fund balance at June 30, 2006			<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds - Capital Projects - Fund 954
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 4,160,000	\$ 4,160,000	\$ -	\$ 4,160,000
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>4,160,000</u>	<u>4,160,000</u>	<u>-</u>	<u>4,160,000</u>
Expenditures:				
General government:				
Other costs	<u>13,503,494</u>	<u>4,937,520</u>	<u>983,983</u>	<u>5,921,503</u>
Total expenditures	<u>13,503,494</u>	<u>4,937,520</u>	<u>983,983</u>	<u>5,921,503</u>
Excess (deficiency) of revenues over expenditures	<u>(9,343,494)</u>	<u>(777,520)</u>	<u>(983,983)</u>	<u>(1,761,503)</u>
Other financing sources (uses):				
Transfers to other state agencies	-	(4,500)	(21,060)	(25,560)
State General Fund appropriation	9,343,494	9,343,494	-	9,343,494
Reversion to State General Fund	<u>-</u>	<u>(1,980)</u>	<u>(200)</u>	<u>(2,180)</u>
Total other financing sources (uses)	<u>9,343,494</u>	<u>9,337,014</u>	<u>(21,260)</u>	<u>9,315,754</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ 8,559,494</u>	<u>(1,005,243)</u>	<u>7,554,251</u>
Fund balance, June 30, 2005			<u>-</u>	<u>-</u>
Fund balance at June 30, 2006			<u>\$(1,005,243)</u>	<u>\$ 7,554,251</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds - Capital Projects - Fund 962(A)
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 2,040,000	\$ 2,040,000	\$ -	\$ 2,040,000
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
	<u>2,040,000</u>	<u>2,040,000</u>	<u>-</u>	<u>2,040,000</u>
Total revenues				
Expenditures:				
General government:				
Other costs	2,098,000	2,098,000	-	2,098,000
	<u>2,098,000</u>	<u>2,098,000</u>	<u>-</u>	<u>2,098,000</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>(58,000)</u>	<u>(58,000)</u>	<u>-</u>	<u>(58,000)</u>
Other financing sources (uses):				
State General Fund appropriation	58,000	58,000	-	58,000
Reversion to State General Fund	-	-	-	-
	<u>58,000</u>	<u>58,000</u>	<u>-</u>	<u>58,000</u>
Total other financing sources (uses)				
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2005			<u>-</u>	<u>-</u>
Fund balance at June 30, 2006			<u>\$ -</u>	<u>\$ -</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds - Capital Projects - Fund 962(B)
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 5,068,447	\$ 5,068,447	\$ -	\$ 5,068,447
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>5,068,447</u>	<u>5,068,447</u>	<u>-</u>	<u>5,068,447</u>
Expenditures:				
General government:				
Other costs	11,056,947	5,068,447	-	5,068,447
Total expenditures	<u>11,056,947</u>	<u>5,068,447</u>	<u>-</u>	<u>5,068,447</u>
Excess (deficiency) of revenues over expenditures	<u>(5,988,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
State General Fund appropriation	5,988,500	-	5,988,500	5,988,500
Reversion to State General Fund	-	-	-	-
Total other financing sources (uses)	<u>5,988,500</u>	<u>-</u>	<u>5,988,500</u>	<u>5,988,500</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	5,988,500	5,988,500
Fund balance, June 30, 2005			<u>-</u>	<u>-</u>
Fund balance at June 30, 2006			<u>\$ 5,988,500</u>	<u>\$ 5,988,500</u>

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Special Revenue Funds - Capital Projects - Fund 965
Schedule of Revenues, Expenditures and
Changes in Fund Balance
From Inception and for the Year Ended June 30, 2006

	<u>Project Authorization</u>	<u>Prior Years</u>	<u>Current Year</u>	<u>Total</u>
Revenues:				
State shared revenue:				
Bond sales	\$ 7,953,519	\$ 7,953,519	\$ -	\$ 7,953,519
Intergovernmental revenues:				
Federal grants	-	-	-	-
Other gifts and donations:				
Donations	-	-	-	-
Total revenues	<u>7,953,519</u>	<u>7,953,519</u>	<u>-</u>	<u>7,953,519</u>
Expenditures:				
General government:				
Other costs	<u>7,953,519</u>	<u>7,953,519</u>	<u>-</u>	<u>7,953,519</u>
Total expenditures	<u>7,953,519</u>	<u>7,953,519</u>	<u>-</u>	<u>7,953,519</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):				
State General Fund appropriation	-	-	-	-
Reversion to State General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2005			<u>-</u>	<u>-</u>
Fund balance at June 30, 2006			<u>\$ -</u>	<u>\$ -</u>

Name of JPA	Parties to JPA	Short Description of Purpose	Start Date	End Date	Amount of Agreement	Audit Agency	Fiscal Agent	Agency Responsible For Reporting
FGP	ALTSD/DOH	Foster GrandParent Program	7/1/2006	6/30/2007	\$ 140,136	ALTSD	DFA	ALTSD
SCP	ALTSD/DOH	Senior Companion Program To provide the state share of the direct program costs to HSD for the Brain Injury Program.	7/1/2006	6/30/2007	\$ 146,508	ALTSD	DFA	ALTSD
TBI	ALTSD/NMHSD	To establish, implement and fund the Governor's office of Faith Based Initiative	9/1/2005	Sec 8	\$ 1,877,500	ALTSD	DFA	ALTSD
Faith Based Initiative	ALTSD/NMHSD/DOH/PED/ CYFD	To designate to ALTSD the operational responsibility for Mi Via, New Mexico's Self Directed HCBSW	5/19/2006	Sec 6 45 day notice.	\$ 80,000	ALTSD	DFA	ALTSD
Mi Via New Mexico	ALTSD/Doha/NMHSD		8/24/2006	Sec 8, 45 days notice	\$ 350,000	ALTSD	DFA	ALTSD
Adult Protective Services	ALTSD/CYFD	To provide for a working relationship between CYFD and ALTSD for the Adult Protective Services program	7/1/2005	7/1/2008	Cost Reimbursement to a maximum of \$18,000.	ALTSD	DFA	ALTSD
Medicaid	HSD/ALTSD	To obtain services from the ALTSD in order match state funds appropriated to the ALTSD with federal Medicaid funds approved under the Medical Assistance Division's (MAD) state plan.	5/1/2003	Article 9 Termination agreement	Request monthly reimbursement for Medicaid matching funds.	HSD	DFA	HSD
Long term services for medicare recipients.	HSD/ALTSD	To provide for the delivery of intake, referral and assistance services.	1/1/2004	Article 9 Termination agreement	Request monthly reimbursement for intake, referral and assistance services.	HSD	DFA	HSD
D & E waiver/ Personal Care Option (PCO)/ Program for All-inclusive Care for the Elderly (PACE).	HSD/ALTSD	To designate to the ALTSD the administrative and programmatic responsibility for the medicare programs as identified in the agreement.	8/13/2004	Sec 8, 45 days notice	\$1,500,000 each (12) month period of Agreement	HSD	DFA	HSD
Behavioral Health Collaborative.	CYFD, Doha, HSD, ALTSD, PED, NMCD, and amended to include HED.	The purpose of the Interagency Behavioral Health Purchasing Collaborative (IBHPC) is to develop a statewide system of behavioral health care that is accessible and continuously available.	12/9/2005	6/30/2010	Total amount is \$1,225,217 ALTSD contribution is \$21,197	CYFD	DFA	CYFD
Mentors	CYFD/ALTSD	The ALTSD will administer a "Mentoring Program" for approximately 25 Protective service clients in Santa Fe, Curry and Dona Ana Counties	7/31/2006	6/30/2007	\$33,300	CYFD	DFA	CYFD

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2006

<u>Federal Grantor/Program Title</u>	<u>FY</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
U.S. Department of Health and Human Services - Title III			
A. Administration	05	93.044	\$ 90,438
	05	93.045	134,934
	05	93.043	1,929
	06	93.044	111,143
	06	93.045	<u>200,356</u>
			<u>538,800</u>
B. Training	06	93.044	<u>9,475</u>
			<u>9,475</u>
B. Social Services (note 2)	05	93.044	654,364
	06	93.044	<u>1,091,373</u>
			<u>1,745,737</u>
B. Nursing Home Ombudsman	05	93.044	101,409
	06	93.044	<u>225,538</u>
			<u>326,947</u>
C1. Congregate Meals (note 2)	05	93.045	918,116
	06	93.045	<u>860,459</u>
			<u>1,778,575</u>
C2. Home Delivered Meals (note 2)	05	93.045	532,410
	06	93.045	<u>344,706</u>
			<u>877,116</u>
E. Family Caregiver Support (note 2)	05	93.052	727,325
	06	93.052	<u>112,630</u>
			<u>839,955</u>
D. Preventive Health (note 2)	02	93.043	\$ (103)
	04	93.043	8,486
	05	93.043	<u>118,696</u>
			<u>127,079</u>

The accompanying notes are an integral part of this schedule.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Schedule 17
Page 2 of 3

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2006

<u>Federal Grantor/Program Title</u>	<u>FY</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
U.S. Department of Health and Human Services - Title III			
Ombudsman Activities	05	93.042	\$ 36,588
	06	93.042	<u>54,392</u>
			<u>90,980</u>
Elderly Abuse	05	93.041	12,935
	06	93.041	<u>18,645</u>
			<u>31,580</u>
Total Title III			<u>6,366,244</u>
Real Choice	05	93.779	28,581
	06	93.779	<u>238,876</u>
			<u>267,457</u>
Center For Medicare and Medicaid Services (note 2)	04	93.779	227,427
	05	93.779	<u>47,865</u>
			<u>275,292</u>
Nutrition Services Incentive Program	05	93.053	1,260,598
	06	93.053	<u>335,045</u>
			<u>1,595,643</u>
Medicare Waste Patrol/Senior Saving Medicare	05	93.048	18,706
	06	93.048	<u>178,224</u>
			<u>196,930</u>
Alzheimers Disease Program	05	93.048	(100)
	06	93.048	<u>373,990</u>
			<u>373,890</u>
System Transformation Grant	06	93.779	<u>78,292</u>
Aging and Disability Resource Center	05	93.048	(200)
	06	93.048	<u>195,298</u>
			<u>195,098</u>

The accompanying notes are an integral part of this schedule.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT

Schedule 17
Page 3 of 3

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2006

<u>Federal Grantor/Program Title</u>	<u>FY</u>	<u>CFDA Number</u>	<u>Federal Expenditures</u>
U.S. Department of Health and Human Services			
Pass-Through Programs From			
HSD - Medicaid Programs	06	93.778	\$ 561,414
CYFD - John H Chafee	06	93.778	8,359
CYFD - Title XIX	06	93.778	46,037
HSD - Title XX	06	93.667	2,629,563
DOH -Health Resources and Services Administration	05	93.234	(11,740)
DOH -TBI Waiver	06	93.234	54,630
HSD - ARDC	05	93.778	(175)
HSD - ARDC	06	93.778	454,160
HSD - GOLD	05	93.558	(243)
HSD - GOLD	06	93.558	488,749
Subtotal Pass-Through Programs			<u>4,230,754</u>
Total U.S. Department of Health and Human Services			<u>13,579,600</u>
U.S. Department of Labor - Title V			
Senior Employment Program	04	17.235	(100)
	05	17.235	467,497
			<u>467,397</u>
Pass-Through Programs From			
WIA - Southwest WBD	04	17.258	(20)
WIA - Southwest WBD	05	17.258	160,921
Subtotal Pass-Through Programs			<u>160,901</u>
Total U.S. Department of Labor			<u>628,298</u>
U.S. Department of Education			
Department of Vocational Rehabilitational - Mentor Program	05	84.235s	9,281
	06	84.235s	25,231
			<u>34,512</u>
Total Federal Awards Expended			<u>\$ 14,242,410</u>

The accompanying notes are an integral part of this schedule.

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT**

Notes to the Schedule of Expenditures of Federal Awards

June 30, 2006

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Department and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Not-For-Profit Organizations*. The amounts presented in this schedule agree with amounts presented in, or used in the preparation of, the financial statements.

NOTE 2. SUBRECIPIENTS

Of the federal expenditures presented in the schedule, the Department provided federal awards to subrecipients as follows:

Program Title	Federal CFDA Number	Amount Provided To Subrecipients
Preventive Health	93.043	\$ 127,079
Social Services	93.044	1,745,737
Nutrition Services	93.045	2,655,691
Alzheimer's Disease Program	93.048	289,877
Family Caregiver Support	93.052	839,955
Nutrition Services Incentive Program	93.053	<u>1,595,643</u>
Total		<u>\$ 7,253,982</u>

MOSS ADAMS LLP

CERTIFIED PUBLIC ACCOUNTANTS
6100 UPTOWN BLVD NE SUITE 400
ALBUQUERQUE, NM 87110

**Report on Internal Control Over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of the Financial Statements Performed
In Accordance With *Government Auditing Standards***

State of New Mexico
Aging and Long Term Services Department
and
Mr. Domingo Martinez, CGFM
New Mexico State Auditor

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the State of New Mexico Aging and Long Term Services Department (Department) as of and for the year ended June 30, 2006, which collectively comprise the Department's basic financial statements as listed in the accompanying table of contents. We have also audited the financial statements of each of the Department's non-major governmental funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2006, 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 Department's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted other matters that are required to be reported per section 12-6-5 NMSA 1978 that we have described in the accompanying schedule of recommendations as items 06-01, 06-02, and 06-03.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Department's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

SUPPLEMENTAL INFORMATION

State of New Mexico
Aging and Long Term Services Department
and
Mr. Domingo Martinez, CGFM
New Mexico State Auditor

This report is intended solely for the information and use of the Department, the Office of the State Auditor, and the cognizant audit agency and other federal audit agencies and is not intended to be and should not be used by anyone other than these specified parties.

Mess Adams LLP

Albuquerque, New Mexico
December 8, 2006

**Report on Compliance With Requirements
Applicable to Each Major Program and Internal Control
Over Compliance in Accordance With OMB Circular A-133**

State of New Mexico
Aging and Long Term Services Department
and
Mr. Domingo Martinez, CGFM
New Mexico State Auditor

Compliance

We have audited the compliance of the State of New Mexico Aging and Long Term Services Department (Department) with the types of compliance requirements described in the *US Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2006. The Department's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Department's management. Our responsibility is to express an opinion on the Department's compliance based on our audit.

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

In our opinion, the Department complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2006. The results of our auditing procedures are described in the accompanying schedule of findings and questioned costs.

Internal Control Over Compliance

The management of the Department is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Department's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinions on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

State of New Mexico
Aging and Long Term Services Department
and
Mr. Domingo Martinez, CGFM
New Mexico State Auditor

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Department, the Office of the State Auditor, and the cognizant audit agency and other federal audit agencies and is not intended to be and should not be used by anyone other than these specified parties.

Mess Adams LLP

Albuquerque, New Mexico
December 8, 2006

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
STATUS OF PRIOR YEAR AUDIT RECOMMENDATIONS

Year Ended June 30, 2006

REPORTABLE CONDITIONS

None.

FINDINGS - FINANCIAL STATEMENTS AUDIT

None.

FINDINGS - FEDERAL AWARDS PROGRAM

None.

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT**

SUMMARY OF AUDITORS' RESULTS

June 30, 2006

Financial Statements

Type of auditors' report issued Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes x No
- Reportable condition(s) identified that are not considered to be material weakness(es)? _____ Yes x None Reported

Non-compliance material to financial statements noted? _____ Yes x No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes x No
- Reportable condition(s) identified that are not considered to be material weakness(es) _____ Yes x None reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 501(a) of Circular A-133? _____ Yes x No

Identification of Major Program

CFDA Number	Name of Federal Program or Cluster
93.053*	U.S. DHHS Nutrition Services Incentive Program
93.044*	U.S. DHHS Title III Supportive Services
93.045*	U.S. DHHS Congregate/Home Meals
17.235	U.S. Department of Labor – Title V Senior Employment Program
93.779	U.S. DHHS Health Information and Assistance and System Transportation
17.258	Southwest WBD Training
93.667	HSD Title XX

Dollar threshold used to distinguish between type A and type B programs \$ 427,272

Auditee qualified as low-risk auditee? x Yes _____ No

* Department of Health and Human Services - Special programs for the Agency and nutrition services incentives program cluster

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

CURRENT YEAR AUDIT RECOMMENDATIONS

June 30, 2006

06-01 Information Technology

Condition:

This recommendation is not a condition which arises to the level of a reportable condition financial statements audit finding or federal awards program finding. During our technology review it was noted that the disaster recovery plan has not been tested during the past year.

Criteria:

The organization should test the disaster recovery plan to ensure the viability of the plan and timeliness of its execution.

Questioned Costs:

None

Cause:

ALSTD's disaster recovery plan has not been tested to ensure timely recovery of systems and data to operational status.

Effect:

In the event of a major disaster the organization it is uncertain how quickly the systems could be recovered. The risk is business operations would be disrupted for an indefinite period.

Recommendation:

We recommend that the disaster recovery plan be tested for viability. System recovery testing and backup tape restoration should be conducted periodically, and the tests should be documented and formalized to be included with the Organization's overall business continuity planning. Although it is understood that performing a full test of the disaster recovery plan would affect production systems and is impractical, the Organization should consider testing other areas of the disaster recovery plan, if possible. This will help the Organization prepare for continuing operations in the event of an unforeseen disaster.

Response:

ALSTD concurs with this recommendation and the CIO has since reviewed the disaster recovery plan that is in place and at the beginning of FY2007 documented the steps necessary to improve and actually implement a disaster recovery plan. A new plan will be written and tested by the end of the current fiscal year.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT
CURRENT YEAR AUDIT RECOMMENDATIONS (CONTINUED)

June 30, 2006

06-02 Information Technology

Condition:

This recommendation is not a condition which arises to the level of a reportable condition financial statements audit finding or federal awards program finding. During our technology review it noted that security logs are not reviewed on a regular basis. Security logs are currently maintained and reviewed in an ad-hoc manner

Criteria:

The organization should implement procedures to ensure regular review of security logs.

Questioned Costs:

None

Cause:

Security logs are not reviewed on a regular basis to ensure that unauthorized access or irregularities are investigated in a timely manner.

Effect:

Failure to review security logs on a regular basis can allow breaches and corruption to go undetected, and consequently destroy the integrity of electronic records.

Recommendation:

We recommend that security log reviews are performed on a daily or weekly basis.

Response:

ALSTD does not have control or access to the Cisco PIX firewall that GSD maintains and operates. The logs from this firewall are the only way to know/determine if and when any breach or attempted breach by outside parties has occurred. The ALTSD CIO has made a formal request to the General Services Department for these log reports.

STATE OF NEW MEXICO
AGING AND LONG TERM SERVICE DEPARTMENT

CURRENT YEAR AUDIT RECOMMENDATIONS (CONTINUED)

June 30, 2006

06-03 Information Technology – Restoration Tests

Condition:

This recommendation is not a condition which arises to the level of a reportable condition financial statements audit finding or federal awards program finding. During our technology review it was noted that there is not a regular schedule for performing restoration tests on its backup tapes.

Criteria:

The organization should implement procedures to ensure regular restoration tests.

Questioned Costs:

None

Cause:

Restoration tests are not performed on a regular basis of the backup tapes to ensure that the backup procedures are working properly.

Effect:

Failure to perform the restoration tests can cause the agency to not know if the backup tapes are not performing correctly.

Recommendation:

We recommend that restoration tests be performed on a regular basis.

Response:

A complete restoration of all files, including the NDS (Novell Directory Services) is done on a weekly basis to a standby – offline backup server that has, in addition to an upgraded and fully patched 5.1 version of Novell (as opposed to our online 5.0 version), an upgraded version of ARCserve, a much newer and more robust Dell Server and a high capacity Super DLT tape drive, which is ready to go online, seamlessly, should the need arise. Full restoration up to the minute of the switchover including quality assurance testing will take 4 to 6 hours. Since originally providing information to the auditors, IT is now testing the restoration once a month.

**STATE OF NEW MEXICO
AGING AND LONG TERM SERVICES DEPARTMENT
EXIT CONFERENCE
June 30, 2006**

The financial statements and auditors' reports were discussed during the exit conference held December 12, 2006. The exit conference was attended by the following individuals:

Aging and Long Term Services Department

- Patricia Barton, Chief Information Officer
- Fred Muniz, Financial Consultant
- Mark Gonzales, Accountant/Auditor
- Louie Baca, Adult Protective Services Finance Bureau Chief
- Ted Starnes, Finance Manager
- Patsy Trujillo, Deputy Secretary
- Robert Lujan, ASD Director
- Debbie Armstrong, Cabinet Secretary
- Michael Spanier, Deputy Secretary

Moss Adams LLP

- Wayne Brown, Managing Partner
- Clarke Cagle, Senior Manager
- Vikki Sanchez, Senior

The financial statements and footnotes were prepared by the Aging and Long Term Services Department with the assistance of the auditors Moss Adams LLP from information contained in the general ledger and other accounting records maintained by the Department.