

**NM Department of Transportation
Financial Statements
for the Year Ended
June 30, 2011
and Independent
Auditors' Report**

NEW MEXICO DEPARTMENT OF TRANSPORTATION
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Year Ended June 30, 2011

Commission

Pete Rahn	Chairman	District 3
Debra Hicks	Vice-Chairman	District 2
Dr. Kenneth White	Secretary	District 1
Ronald Schmeits	Commissioner	District 4
Butch Mathews	Commissioner	District 5
Jackson Gibson	Commissioner	District 6

Administrative Officers

Alvin C. Dominguez, P.E.	Cabinet Secretary
Tom J. Church	Deputy Secretary

REPORT OF INDEPENDENT AUDITORS

Mr. Alvin C. Dominguez, P.E., Cabinet Secretary
State of New Mexico
Department of Transportation
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of State of New Mexico Department of Transportation (Department) as of and for the year ended June 30, 2011, which collectively comprise the Department's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the Department's nonmajor governmental funds, the budgetary comparisons for the major debt service funds, major capital project funds, the proprietary fund, and nonmajor funds presented as supplementary information in the accompany combining and individual fund financial statements as of and for the year ended June 30, 2011, as listed in the table of contents. These financial statements are the responsibility of the Department's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

Mr. Alvin C. Dominguez, P.E., Cabinet Secretary
State of New Mexico
Department of Transportation
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

As discussed in Note 2, the financial statements of the Department are intended to present the financial position and changes in financial position of only that portion of the governmental activities, major funds and aggregate remaining fund information of the State of New Mexico that is attributable to the transactions of the Department. They do not purport to, and do not present fairly the financial position of the State of New Mexico as of June 30, 2011, and the changes in its financial position and budgetary comparisons for the year 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 business-type activities, each major fund, and the aggregate remaining fund information of the Department as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the general fund and major special revenue funds for the year then ended in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the Department as of June 30, 2011, and the respective changes in financial position and the respective budgetary comparisons for the major capital project funds, debt service funds, and nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1 to the financial statements, as of July 1, 2010, with the implementation of GASB 54, the Department now presents its HIF and WIPP bond funds separately from the State Road Fund. The net cumulative effect of this change in fund type resulted in a reclassifications of beginning fund balances of \$15,413,083 for WIPP and (\$2,745,727) for HIF from the State Road Fund in the fund financial statements.

Mr. Alvin C. Dominguez, P.E., Cabinet Secretary
State of New Mexico
Department of Transportation
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2011 on our consideration of the Department'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.

The management's discussion and analysis on pages 4 through 23 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 basic financial statements and individual fund financial statements and budgetary comparisons that collectively comprise the Department's basic financial statements. The accompanying schedule of federal expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and are not a required part of the basic financial statements. The additional schedules listed as other supplemental information in the table of contents is presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Mess Adams LLP

Albuquerque, New Mexico
December 13, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of New Mexico Department of Transportation (Department), we offer the readers of the Department's financial statement this narrative overview and analysis of the financial activities of the Department for the fiscal year ended June 30, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in footnotes to the basic financial statements, which start on page 45 of this audit report.

1. Overview of the Financial Statements

Financial Highlights

The Department's net assets increased by \$6,194,697, and the net assets of the Department's governmental activities increased by \$6,111,769 due to increased revenues over expenditures.

This discussion and analysis is intended to serve as an introduction to the Department's basic financial statements. The Department's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) major governmental fund financial statements, and 3) notes to the financial statements. This report also contains other non-major combining and individual governmental fund statements and supplementary information, including the schedule of expenditures of Federal awards, in addition to the basic financial statements themselves.

Government-wide Financial Statements

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

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

The Statement of Activities presents information showing how the Department's net assets changed during the fiscal year. All changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

The Department's primary purpose is the construction and maintenance of the infrastructure of the State of New Mexico. Thus, in the government-wide financial statements, the primary function is public works.

The government-wide financial statements start on page 26 of this report.

1. Overview of the Financial Statements - continued

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Department uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Department are divided into two categories: governmental funds and proprietary fund.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current resources and use of spendable resources, as well as on the balance of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Department has 57 governmental funds. Governmental funds are reported as major funds in the accompanying financial statements if they meet both of the following criteria:

- 1) Ten percent criterion - An individual governmental fund reports as least 10 percent of any of the following: a) total governmental fund assets, b) total governmental fund liabilities, c) total governmental fund expenditures.
- 2) Five percent criterion - An individual governmental fund reports at least 5 percent of the total for both governmental and enterprise funds of any of the items for which it met the 10 percent criterion.

The Department's major governmental funds are the following:

State Road Fund(s) (Funds #10040, 10140, 20100, 78800, 78900 and 82000). The State Road Fund(s) were created by Section 67-3-65, NMSA 1978. The State Road Fund(s) are the operating fund of the Department and is used to account for substantially all of the Department's financial activities.

General Fund Appropriations Fund (Fund #10070). The General Fund Appropriations fund was created to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the transfer of funds from the State General Fund. This fund reverts to the State General Fund upon completion of the appropriation project or upon expiration of the appropriation period. This is a capital projects fund. Management has decided to continue to present in the body of the financial statements as a major fund, whether or not the criteria is met in order to be consistent with prior years.

1. Overview of the Financial Statements - continued

ARRA Project Fund (Fund #89000) - The ARRA Fund was created under the American Recovery and Reinvestment Act of 2009, a federal economic stimulus program. This fund tracks the expenditure and reimbursement of projects which qualify under the terms of the Act. This is a non-reverting fund.

WIPP Bond Project Fund (Fund #43100). The Waste Isolation Pilot Plant (WIPP) Bond Project Fund was created under US congress Public Laws Waste Isolation Pilot Plant Withdrawal Act Public Law 102-579 of 1992 and National Defense Act Public Law 104-201 of 1997. The funds provided under these acts become state funds under the purposes specified under the acts. These funds are required to be used for road projects related to the Waste isolation Pilot Plant in Carlsbad, New Mexico. This is a non-reverting fund. The governmental fund types used by the Department were evaluated based on the provisions of GASB Statement No. 54. The WIPP Bond Project Fund (#43100) is now presented separately as a major fund; therefore, a reclassification of (\$2,745,727.19) was made to record the beginning fund balance of Fund 43100 and increase the beginning fund balance of the General Fund for the separate presentation of Fund 43100. These changes had no impact on governmental activities as reported on the prior year Statement of Activities.

2010A Project Fund (Fund #10450). The project fund was created by the engagement of \$200,000,000 Line of Credit June 2008. The Line of Credit was engaged in with an adjustable rate and to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has determined to be necessary or desirable as part of the GRIP transportation projects. The fund does not receive state general fund appropriations that are subject to reversion.

2010A/LOC Debt Service Fund (Fund #11140). The fund was created in fiscal year 2010 to separate out the costs of the debt from the expenditures for the projects for which the debt was incurred.

Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the six major funds. Data from the other 46 funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in this report. See pages 198 through 218.

Proprietary Funds

The Department has one type of proprietary fund. An enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The Department uses its enterprise fund to account for the State Infrastructure Bank, since its purpose is to make loans for road projects.

Proprietary funds provide the same type of information as the government-wide financial statements. The proprietary fund financial statements provide separate information for the State Infrastructure Bank since it is considered to be a major fund of the Department.

1. Overview of the Financial Statements - continued

The basic proprietary fund financial statements can be found on pages 38 through 39 and the cash flows statement is on page 40 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 45.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain other supplementary information including the Schedule of Severance Tax Bonds, Schedule of Special Appropriations, Schedule of Petty Cash Deposit Accounts, Schedule of State Road Fund User and Fuel Taxes, Schedule of Debt Service and Coverage Ratios and the Schedule of Expenditures of Federal Awards.

1. Overview of the Financial Statements - continued

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of the Department's financial position. At June 30, 2011, the Department's assets exceeded liabilities by \$5,723,216,965.

The largest portion of the Department's net assets reflect its investments in capital assets (e.g., land, building, equipment, improvements, and infrastructure) less any debt and unspent bond proceeds used to acquire those assets that are still outstanding. Although the Department's investment in its capital assets is reported net of related debt and unspent bond proceeds, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Net Assets

As of June 30, 2011 and 2010, the Department has positive balances in two categories of net assets, both for the government fund financial statement as a whole, as well as for its separate categories - governmental and business-type activities. Table A-1 summarizes the Department's net assets for the fiscal years ended June 30, 2011 and 2010.

Table A-1 The Department's Net Assets

	Governmental Activities		Business-type Activities	
	2011	2010	2011	2010
Assets:				
Current and other assets	\$ 566,763,598	\$ 485,058,128	\$ 20,803,240	\$ 20,718,458
Capital assets and other	7,124,000,071	7,253,383,083	-	-
Total Assets	\$ 7,690,763,669	\$ 7,738,441,211	\$ 20,803,240	\$ 20,718,458
Liabilities:				
Current liabilities	\$ 226,133,203	\$ 317,740,132	\$ 210,874	\$ 209,020
Long-term liabilities	1,762,005,867	1,724,188,249	-	-
Total Liabilities	\$ 1,988,139,070	\$ 2,041,928,381	\$ 210,874	\$ 209,020
Net Assets:				
Invested in capital assets, net of related debt and unspent bond proceeds	\$ 5,335,465,257	\$ 5,390,883,051	-	-
Restricted	367,159,342	305,629,779	20,592,366	20,509,438
Total Net Assets	\$ 5,702,624,599	\$ 5,696,512,830	\$ 20,592,366	\$ 20,509,438

1. Overview of the Financial Statements - continued

Total	
2011	2010
\$ 587,566,838	\$ 505,776,586
7,124,000,071	7,253,383,083
\$ 7,711,566,909	\$ 7,759,159,669
\$ 226,344,077	\$ 317,949,152
1,762,005,867	1,724,188,249
\$ 1,988,349,944	\$ 2,042,137,401
\$ 5,335,465,257	\$ 5,390,883,051
387,751,708	326,139,217
\$ 5,723,216,965	\$ 5,717,022,268

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Management's Discussion and Analysis
Year Ended June 30, 2011

1. Overview of the Financial Statements - continued

Changes in Net Assets

Table A-2 provides a summary of the Department's operations for the years ended June 30, 2011 and 2010. Governmental activities increased the Department's net assets by \$6,111,769 in 2011 and decreased the Department's net assets by \$86,161,120 in 2010. Business-type activities increased the Department's net assets by \$82,928 in 2011 and by \$43,133 in 2010, due to interest income earned during the year.

Table A-2 Changes in the Department's Net Assets

	Governmental Activities		Business-type Activities	
	2011	2010	2011	2010
Revenues:				
Program revenues:				
Charges for services	\$ 33,708,736	\$ 54,053,261	\$ -	\$ -
Operating grants	29,203,468	-	-	-
Capital grants	447,931,325	472,185,843	-	-
General revenues:				
User and fuel taxes	388,370,420	376,607,413	-	-
Interest income	4,222,039	12,164,824	82,928	43,133
Special revenues:				
Gain (loss) on disposal of assets	1,857,311	53,850,793	-	-
Total Revenues	905,293,299	968,862,134	82,928	43,133
Expenses:				
Programs and infrastructure	721,146,288	697,732,542	-	-
Transportation and highway operations	222,820,447	223,872,318	-	-
Program support	51,860,125	148,167,430	-	-
Total Expenses	995,826,860	1,069,772,290	-	-
Net Revenues Before Transfers and Reversions	(90,533,561)	(100,910,156)	82,928	43,133
Transfers and Reversions	96,645,330	14,749,031	-	-
(Decrease) Increase in Net Assets	6,111,769	(86,161,125)	82,928	43,133
Net Assets, Beginning of Fiscal Year	5,696,512,830	5,782,673,955	20,509,438	20,466,305
Net Assets, End of Fiscal Year	\$ 5,702,624,599	\$ 5,696,512,830	\$ 20,592,366	\$ 20,509,438

1. Overview of the Financial Statements - continued

Total	
2011	2010
\$	\$
33,708,736	54,053,261
29,203,468	-
447,931,325	472,185,843
388,370,420	376,607,413
4,304,967	12,207,957
1,857,311	53,850,793
905,376,227	968,905,267
721,146,288	697,732,542
222,820,447	223,872,318
51,860,125	148,167,430
995,826,860	1,069,772,290
(90,450,633)	(100,867,023)
96,645,330	14,749,031
6,194,697	(86,117,992)
5,717,022,268	5,803,140,260
\$ 5,723,216,965	\$ 5,717,022,268

1. Overview of the Financial Statements - continued

Governmental Funds

The Department's governmental funds are designed to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Department's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the 2011 fiscal year, the Department's governmental funds reported combined ending fund balances of \$431,268,219 an increase of \$119,662,161 from the prior year. Restricted fund balance indicates amounts available for expenditures in subsequent years for the purposes for which the initial revenues were intended. Non-spendable fund balance indicates amounts which have already been spent and now consist of inventories, long-term assets and prepaid items and other reserved items of \$52,852,541.

The changes in fund balance for the Department's major funds for 2011 are as follows:

State Road Fund(s) (Fund #10040, 10140, 20100, 78800, 78900, 82000)	\$ 68,892,057
General Fund Appropriations (Fund #10070)	(10,675,590)
ARRA Project Fund (Fund #89000)	2,208,306
WIPP Bond Project Fund (Fund #43100)	34,760
2010A Project Fund (Fund #10450)	61,719,253
2010A/LOC Debt Service Fund (Fund #11140)	<u>43,896</u>
Major funds, net change in fund balances	<u><u>\$ 122,222,682</u></u>

The net increase in the State Road Fund(s) is due to some road projects postponed.

The net decrease in the General Fund Appropriations Fund is mainly due to reversions to the State General Fund of \$1,112,887 and \$8,759,972 of expended funds on road projects.

The net increase in the ARRA Project Fund is due to collections of prior year receivables.

The net increase in the WIPP Bond Project Fund is due to collections of prior year receivables.

The net increase in the 2010A Project Fund is due to receipt of proceeds from the refunding which were in excess of the principal of the paid off Line of Credit.

The net increase in the 2010A/LOC Debt Service Fund is due to the excess of the refunding proceeds and premiums over the Line of Credit principal payoff and the distribution of proceeds to the 2010A Project Fund.

1. Overview of the Financial Statements - continued

Budgetary Highlights

The Department budgets are on a modified accrual basis and not all funds are budgeted. The Department made revisions to the original approved budget by \$58,017,471. Overall, these changes were caused by the following significant budget adjustments:

Increase--Pueblo contribution for road projects	\$ 1,163,298
Increase--HIF fund	4,800,000
Increase--Federal Transit & Rail--FHWA/CMAQ	3,000,000
Increase--Federal Transit & Rail--FTA	780,000
Increase--Earnings on 06 GRIP funds (CAPBUD)	6,952,000
Increase--State road fund cash balance	149,000
Increase--Traffic Safety Interlock program	250,000
Increase--Federal Transit & Rail--State of Texas contribution for Park n Ride	366,173
Increase--Federal Transit & Rail--FTA	4,000,000
Increase--Road Betterments--WIPP	32,000,000
Increase--Road Betterments--Bernalillo County and City of Carlsbad contributions	1,520,000
Increase--Highway Operations--MESA PDC Warranty Reimbursement	3,037,000
	<u>\$ 58,017,471</u>

The State Road Fund(s) (general funds) original budget for fiscal year 2011 was \$704,181,000. The final budget for the fiscal year was \$901,567,257. The \$197,386,257 increase in budget was mainly due to the Department's practice of rolling forward into FY11 its remaining FY10 unexpended contracts and purchase orders. The appropriation budgetary period for those FY10 unexpended contracts and purchase orders lapses at the end of the FY10 fiscal year and the Department has to re-establish budget in FY11 to cover the roll forward of its unexpended contracts and purchase order. The Department funds the budget increase by utilizing the balance of the unused FY10 budget revenues that were originally budgeted for the unexpended contracts and purchase orders. The roll forward budget is not included in the above schedule of significant budget adjustments.

1. Overview of the Financial Statements - continued

Capital Assets Overview

The Department's investment in capital assets for its governmental activities as of June 30, 2011, amounts to \$7,008,104,408 (net of accumulated depreciation). This investment in capital assets includes land, right of way, buildings, equipment, improvement and the infrastructure. Business-type activities have no capital assets.

Major Infrastructure Projects

The Department develops plans to build a transportation system that will better serve the State of New Mexico. Advanced and innovative strategies include building roads using a corridor approach, where an entire route between communities is built. By designing and constructing entire corridors, the Department has been able to realize efficiencies to benefit the state. The Department also employs innovative project development techniques, warranty agreements and highly advanced financing techniques to accomplish the objectives of the Major Investment Program.

Fiscal Year 2010-2011 Active Projects with a contract amount of \$10 million or more:

US 491, MP 46.000 to MP 59.000 - San Juan County
US 67/87, MP 359.950 to MP 375.200 - Colfax County
US 54, MP 163.230 to MP 175.098 - Lincoln and Torrance County
US 491, MP 67.700 to MP 77.000 - San Juan County
US 64, MP 140.000 to MP 148.560 - Rio Arriba County
US 64, MP 62.000 to MP 64.000 - Rio Arriba County
US 62/180, MP 35.040 to MP 35.590 and US 285, MP 33.262 to MP 34.612 - Eddy County
US 54, MP 112.700 to MP 119.000 - Lincoln County
I-25, MP 239.686 to MP 242.208 - Sandoval County
US 54, MP 107.00 to MP 113.000 - Lincoln County
I-40, MP 53.900 to MP 60.000 - McKinley County
NM 26, MP 0.000 to MP 26.000 - Luna County

1. Overview of the Financial Statements - continued

Automotive and Major Road Fund Equipment

For fiscal year 2011, the Automotive and Major Road Fund Equipment modified accrual basis budget total was approximately \$8.5 million. Of this budget, approximately \$7.6 million was fully expended at June 30, 2011. Automotive and Major Road Fund Equipment purchased includes pickups, dump trucks, rollers, excavators, mowers, tractors, loaders, snowplows, brooms, dozers, motor graders, spreaders, millers, trailers, motor vehicles, etc. All items are approved during the legislative session prior to July of each fiscal year. The Department holds several sales and public auctions during the year to liquidate old and obsolete equipment to public and private entities.

**Table A-3
Department's Capital Assets**

	2011	2010
Land	\$ 5,203,234	\$ 5,205,375
Construction in Process	138,315,764	65,953,737
Right of Way	482,057,709	474,077,800
Infrastructure	15,198,106,783	15,281,018,047
Equipment and furniture	30,059,620	29,174,992
Library	102,614	102,614
Buildings	45,966,744	44,051,133
Automotive and Major Road Fund Equipment	199,045,213	192,107,225
Accumulated depreciation	(9,090,753,273)	(8,966,145,733)
Total	\$ 7,008,104,408	\$ 7,125,545,190

Additional information on the Department's capital assets can be found in Note 10 of this report.

1. Overview of the Financial Statements - continued

Debt Administration

The Department is authorized to issue bonds by authority of Section 67-3-59.1 of the New Mexico Statutes Annotated (NMSA)(1978), as amended. The focus of the Department's bond program is to accelerate transportation construction projects while maintaining strong debt service coverage ratios and minimizing the costs of borrowing.

At June 30, 2011, the Department had a total outstanding debt (bonds) of \$1,704,450,000. Outstanding bond debt is backed by the Department's state tax revenues and FHWA revenues.

Table A-4
Department's Outstanding Debt

	<u>2011</u>	<u>2010</u>
Bonds (excludes deferred amounts on refunding)	<u>\$ 1,704,450,000</u>	<u>\$ 1,608,115,000</u>

The Department's total bond debt increased by 6%, or \$96,335,000. Total outstanding bond debt at the end of the 2011 fiscal year was \$1,704,450,000 compared to \$1,608,115,000 at the end of the 2010 fiscal year. The net increase in debt resulted from the excess of the new issuances of \$635,700,000 over debt principal repayments of \$69,080,000 and principal refunded of \$470,285,000. See Note 13 for a detail of all outstanding bonds.

The Department did not pay any arbitrage to the Internal Revenue Service for any excess income earned on bond proceeds during the fiscal year, and did not have any arbitrage liability at the end of the fiscal year.

2. Economic Factors and Revenue Forecasts

Economic and Demographic Characteristics

New Mexico is the 36th largest state by population and the fifth largest in land area. The population of the State as of April 1, 2010 was 2,059,179. Between 2000 and 2010, the State was the fifteenth fastest growing state, as the population increased 13.2 percent from the 2000 population of 1,819,046. Over the same period of time, the national population grew 9.7 percent. Most of this population growth is occurring in or near the larger cities. There are four Metropolitan Statistical Areas (MSA) in the state. The Albuquerque MSA is comprised of Bernalillo, Sandoval, Torrance and Valencia Counties; the Las Cruces MSA is Dona Ana County; the Santa Fe MSA is Santa Fe County, and the Farmington MSA is San Juan County. The fastest growing counties in the state are Sandoval, Dona Ana, Bernalillo, Valencia and Lea.

Major industries in the State are energy resources, semi-conductor manufacturing, tourism, services, arts and crafts, agriculture-agribusiness, government, manufacturing and mining. In 2009, New Mexico was the 64th largest producing state of natural gas and the 7th largest producing state of petroleum crude oil. That same year coal, copper and potash production value amounted to over \$1.5 billion and the state ranked 12th, 3rd and 1st respectively in the US. The mining and logging industry employed about 18,358 New Mexicans in 2010. Major federally funded scientific research facilities at Los Alamos, Albuquerque and White Sands are also a notable part of the State's economy. The state's major transportation routes include Interstate-25, running north-south from El Paso, Texas through Las Cruces, Albuquerque, Santa Fe, Las Vegas and Raton, New Mexico toward Pueblo and Denver, Colorado. Major east-west routes, especially important to interstate commercial carrier traffic, include Interstate-10 from El Paso, Texas to Tucson and Phoenix, Arizona, and Interstate-40 from Amarillo, Texas through Tucumcari, Albuquerque and Gallup, New Mexico to Flagstaff, Arizona.

Revenue Forecasts and Budgets

Federal Revenue:

FHWA Revenue - The amount of FHWA revenue (obligation authority) available to all states has slightly increased as a result of the passage of the new 5 year transportation reauthorization bill entitled "Safe, Accountable, Flexible, and Efficient Transportation Equity Act for the 21st Century – A Legacy for Users" "SAFETEA-LU" in 2005. The amounts of "obligation limitation" available to New Mexico are \$287.5 million in FY2005, \$292.8 million in FY2006, \$271.1 million in FY2007, \$253.5 million in FY2008, \$372.5 million in FY2009, \$314.8 million in FY2010 and \$321.8 million in FY2011. This compares to previous amounts of \$278.9 million in FY2002, \$263.2 million in FY2003, and \$243.5 million in FY2004. The reauthorization bill provides "apportionment" amounts, but the real spending amount (the "obligation limitation") is determined by the appropriation levels in each year's federal budget bill.

2. Economic Factors and Revenue Forecasts - continued

Federal Transit Administration Funds - NMDOT reported revenue of \$13,670,119 in FY 2011 Federal Transit Administration grant funds.

National Highway Traffic Safety Administration Funds - NMDOT reported revenue of \$11,224,060 in FY 2011 of National Highway Traffic Safety Administration grant funds.

DOE Revenue - The Department of Energy will continue to provide New Mexico with more than \$20 million per year through FY2011 pursuant to an agreement in connection with the Waste Isolation Pilot Project in Carlsbad, New Mexico. The amount of this revenue budgeted for debt service was \$20.7 million in FY 2004, \$21.1 million in FY 2005, \$19.8 million in FY 2006, \$15.7 million in FY 2007, \$14.7 million in FY 2008, \$15.9 million in FY 2009, \$25.1 million in FY 2010, and \$26.6 million in FY 2011.

ARRA Revenue - NMDOT reported revenue of \$18,639 of FY 2011 ARRA funds passed through from the New Mexico Energy, Mineral and Natural Resources Department. NMDOT also reported \$104,702,350 revenue of FY 2011 ARRA funds from FHWA.

State Revenue:

Revenues for the New Mexico Department of Transportation over the long-term (20 years) are characterized as being steady and growing at rates associated with the Consumer Price Index (CPI). There have been periods of stronger and slower, even declining, rates of growth. From fiscal years 1988 to 2000, the average annual compound growth rate was 2.7% and from 2003 to 2007 it was 7.5%. In fiscal year 2001, there was a contraction and then a slowdown due to economic recession that lasted three years.

Department of Transportation revenues have not been exempted from the latest recession. However, there is sufficient diversity of type that not all are being impacted to the same extent. State Road Fund revenues are about half and half passenger car to trucking activity. Those revenues associated with passenger cars (gasoline and registrations) have been virtually flat while trucking (special fuel and weight/distance) revenues, influenced by economic recession during FY2008 through FY2010 was impacted negatively by about 15%. With recent current improvements in the US economy, trucking activity has begun to improve and concurrently there has been an increase in the trucking related revenues. FY 2007 was the peak year for Road Fund revenues before the recession; FY 2010 was the low point with revenues falling by over \$35 million or 9%. FY 2014 is forecast to be the year that revenues finally surpass the FY 2007 level, with the peak-to-return cycle lasting 7 years: 3 years down by 10% and 4 years to fully recover.

The latest (July 2011) revenue forecast for the State Road Fund expects revenue growth of about 1.4% in FY2012, followed by growth in the 2.5% to 3% range during the subsequent four fiscal years. The revenue growth forecast for the Department as a whole is somewhat less at slightly over 1% for FY2012, followed by growth in the 2.5% to 3% range during the subsequent four fiscal years.

2. Economic Factors and Revenue Forecasts - continued

State Revenue Forecasts - Major Revenue Sources

In the fall of 2003, a special session of the New Mexico Legislature was held and transportation rates and fees were raised on special fuels (primarily diesel), weight/distance trucking rates and motor vehicle registration fees. The basis of these increases was to provide \$40 million annually for the debt service on GRIP, a large, multi-year road construction program. The increases were designed also to add \$20 million for road maintenance. These rate/fee increases, along with the strong economy, added almost \$100 million (36%) from FY 2003 to FY 2007 to the annual State Road Fund revenue levels.

The budget estimate for state tax and fee revenue is prepared in July/August and December/January for each year for the budget year ending 24 months (or 18 months) later. Each fiscal year's revenue estimate is formally assessed six times: twice before the year begins, twice during the fiscal year and twice after the end, with the final numbers being the actual audit.

In fiscal years 2005 through 2007, state revenues from gasoline, special fuels, weight/distance and vehicle registrations grew by \$47.7, \$15.9, \$18.7, million each year, respectively. In fiscal years 2008 through 2010, these same revenues declined \$13.2, \$19.0 and \$5.6 million each year. These four revenue sources constitute 93% of the state road fund. These revenues were consistent with the forecasts for the periods and did add the expected \$60 million for GRIP debt service and highway maintenance expenditures. Strong economic trends, particularly in the trucking industry, also helped to provide for strength in revenue growth in FY 2005 through FY 2007 and have led to the decline in FY 2008 through FY 2010, and are now the primary contributors to the return to historic levels.

Due to the size and importance of each of these four sources, a look at each individually helps to provide a more complete picture of the Department's revenues.

Gasoline tax is the largest of State's revenue sources, providing about \$108.6 million in revenue in FY 2011. This tax is 17 cents per gallon of gasoline sold, with about three-fourths going to the state road fund and the remainder going primarily to municipalities and counties. It is the one major tax that was not increased during the special session of 2003. Historically, gasoline gallons sold increased until 1995, remained relatively stable from 1995 to 1999, and decreased in 2001, when they again stabilized. The peak years were 1995 to 1999, with 1998 providing \$117.9 million. When increases, slowing and plateaus are discussed in conjunction with gasoline revenues, it should be noted that they are very moderate changes.

Of much interest and frequent query, is how the gasoline usage (gallons) has fared during the large price fluctuations in 2008 and in light of the economic slowdown. Somewhat surprisingly, for New Mexico, there has been surprisingly little change in gasoline usage.

2. Economic Factors and Revenue Forecasts - continued

Special fuel tax (primarily diesel) is the second largest of the state's revenue sources, providing about \$92.8 million in FY 2011, down from the peak of \$101.5 in FY 2008. The tax per gallon was raised from 18 to 21 cents per gallon effective in FY 2005. Of the 21 cents, the State Road Fund receives 19 cents, with the remainder going to the Local Governments Road Fund. Including the 2003 special legislative session rate increase, special fuels grew by \$27.0 million, or 36%, from FY 2004 to FY 2008. Special fuel, over time, has been a strongly-growing revenue source with an average annual compound growth rate of 5.2% from 1988 to 2008.

Weight/Distance tax is charged on trucks over 26,000 pounds and varies by weight and distance traveled in New Mexico. It is historically the third largest revenue producer, with about \$73.8 million in revenue in FY 2011, down from the peak of \$77.4 million in FY 2008. Its rates, too, were raised in the fall 2003 special session. Prior to the tax rate increase, revenues averaged \$50+ million. After FY 2004, revenue increased from 43% to 50%, primarily due to the 38% tax rate increase. (It should be noted that an additional "bump" increase occurred in 2007 because of revenue accrual accounting changes.)

During the latest economic recession, declining consumer durable goods expenditures led to a fairly steep and sudden reduction in freight of all types including air, ship, rail and truck. That decline was in the range of 20% and began in December, 2008. Corresponding reductions in State Road Fund trucking related revenues began in March 2009 and, in only four months, dropped the annual revenue by \$2 million in FY2009. The full year impact in FY2010 of this Weight/Distance tax revenue decline was a \$7.8 million decrease relative to FY2008.

Motor vehicle registration fees are the fourth largest revenue source at about \$73 million in FY 2011. These fees were raised in the 2003 Special Legislative session by about 33%, and revenue increased by about \$20.7 million, or 39%, from FY 2004 to FY 2008. The fees are based on three weight classes for passenger vehicles and 14 weight classes for trucks and commercial carriers. The annual registration fees for trucks over 26,000 pounds are low because those vehicles are subject to the weight/distance taxes, discussed above. This revenue, like gasoline, has remained stable during both the economic expansions and recessionary periods.

Two revenue sources have been impacted negatively by recent federal procedure rulings and legislation. One is the Trip Tax and the other is New Mexico Public Regulation Commission common carrier registration fees. Trip Tax is charged on trucks in lieu of the weight/distance tax and vehicle registration fees for those trucks/companies not registered for weight/distance. What was called a cab card and carried in each truck was used for weight/distance registration identification. Federal regulations now prevent states from requiring the showing of state-specific taxpayer documentation cards. Trip tax rose to a peak of \$8.6 million in FY 2006 and provided revenues of about \$5.9 million in FY 2011. New Mexico is one of four states that imposes a weight/distance tax and its associated trip tax. There have been strong investments recently in reporting enforcement and an optical scanning computer truck identification interface with the weight/distance tax data base. These have been accompanied by penalty increases for improper weight/distance tax filing, capital improvements at ports of entry and statewide enhanced documentation checks.

2. Economic Factors and Revenue Forecasts - continued

The New Mexico Public Regulation Commission previously collected common carrier registration fees. Because of efforts by the trucking industry to centralize registrations (because so many trucks are on the road and prorating registrations in so many states), a new common system and procedures were passed into law in the fall of 2006. In FY 2006, the Department received \$3.7 million in revenue. Under the new national system, the total fees across the country were capped at \$100 million and then apportioned such that the maximum New Mexico can now receive is \$3.2 million. Because of delays in getting the system up and running, revenue for FY 2007 came in at \$377,000, \$866,000 for FY 2008, \$2.3 million in FY 2009, and \$1.4 million in FY 2010. With recent improvements to this situation, FY2011 revenue came in at about \$3 million, and future years are expected to continue at the \$3 million level.

Background - Gasoline Tax and Tribal Tax Sharing Agreements

The state permits gasoline to be sold at retail by registered Indian tribal distributors on Indian land free of State gasoline tax to the extent that the applicable Indian government imposes a similar tax (for its own benefit) on retail gasoline sales. The growth in tribal market share initially out-paced the overall growth rate of gasoline sales as a result of competitive pricing, casino traffic, and new tribal travel centers. Currently the tribal sales have stabilized with a slowly growing trend.

In 2003 and 2004, legislation allowed the state to enter into "tax sharing agreements" with the two Native American Pueblos that were previously entitled to market a limited amount of state-tax-free gasoline outside reservation boundaries. Under the agreements, 40% of the tax collected on 30 million gallons of gasoline per year will be shared with each of the two Pueblos, in exchange for the Pueblos ceasing their wholesale sales activities outside reservation boundaries. The result of these agreements (entered into on January 1, 2004 and July 1, 2004) is revenue gain for the state and significantly more predictable gasoline revenues. The term of the two agreements was for a period of 10 years, and both agreements are currently in the process of amending those terms to extend for an additional 10 years, pursuant to 2010 statutory changes.

3. Contacting the Department's Financial Management

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

Attn: Accounting Services Director
New Mexico Department of Transportation
1120 Cerrillos Road
P.O. Box 1149
Santa Fe, New Mexico 87504-1149
(505) 827-5108

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FINANCIAL STATEMENTS

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Net Assets

As of June 30, 2011

	Governmental Activities	Business-type Activities (State Infrastructure Bank)	Total
Current Assets:			
Cash (Note 2):			
Unrestricted	\$ 2,600	\$ -	\$ 2,600
Restricted	-	-	-
Cash equivalents (Note 2): (Investment in state general fund investment pool)			
Unrestricted	-	-	-
Restricted	166,833,050	18,869,955	185,703,005
Managed by NMFA	211,244,577	-	211,244,577
Receivables:			
Taxes receivable, net	66,944,858	-	66,944,858
Accounts receivable, net (Note 3)	19,994,777	-	19,994,777
Interest receivable	207,386	-	207,386
Notes and loans receivable (Note 5)	10,588	1,931,805	1,942,393
Other receivables	99,589	-	99,589
U.S. Department of Transportation (Note 6)	60,847,224	-	60,847,224
Due from other funds (Note 7)	-	-	-
Due from other state agencies (Note 8)	13,331,450	1,480	13,332,930
Capitalized issuance costs	899,144	-	899,144
Inventories (Note 9)	13,917,559	-	13,917,559
Prepaid expense - other	2,322	-	2,322
Prepaid expense - risk management	-	-	-
Prepaid expense - NM44 warranty	3,189,030	-	3,189,030
Property held for resale, net	9,239,444	-	9,239,444
Total Current Assets	566,763,598	20,803,240	587,566,838
Non-Current Assets:			
Deferred outflow of resources	81,386,300	-	81,386,300
Capitalized issuance costs, net	8,005,177	-	8,005,177
Prepaid expense - NM44 warranty, net	26,504,186	-	26,504,186
Capital assets, net (Note 10)	7,008,104,408	-	7,008,104,408
Total Non-Current Assets	7,124,000,071	-	7,124,000,071
Total Assets	\$ 7,690,763,669	\$ 20,803,240	\$ 7,711,566,909

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Net Assets

As of June 30, 2011

	Governmental Activities	Business-type Activities (State Infrastructure Bank)	Total
Current Liabilities:			
Accounts payable and contracts payable, including retainage of \$9,301,382	\$ 72,334,505	\$ -	\$ 72,334,505
Due to other agencies (Note 12)	31,133,472	-	31,133,472
Due to state general fund	2,364,893	-	2,364,893
Payable to other governments	-	210,874	210,874
Deferred revenue	27,298,921	-	27,298,921
Other accrued expenses	3,565,009	-	3,565,009
Accrued interest	-	-	-
Other liabilities	9,537,840	-	9,537,840
Short-term note payable (taxable line of credit) (Note 13)	-	-	-
Current portion of long-term obligations (Note 13):			
Tax-exempt line of credit	-	-	-
Compensated absences	5,651,259	-	5,651,259
Debentures payable, net of deferred loss on refunding	62,382,469	-	62,382,469
Capitalized bond premium	11,864,835	-	11,864,835
Total Current Liabilities	226,133,203	210,874	226,344,077
Long-Term Liabilities:			
Long-term obligations (Note 13):			
Derivative instruments interest rate swap	81,386,300	-	81,386,300
Tax-exempt line of credit	-	-	-
Debentures payable, net of deferred loss on refunding	1,559,362,638	-	1,559,362,638
Capitalized bond premium, net	121,256,929	-	121,256,929
Total Long-Term Liabilities	1,762,005,867	-	1,762,005,867
Total Liabilities	1,988,139,070	210,874	1,988,349,944
Net Assets:			
Invested in capital assets, net of any related debt and unspent debt proceeds	5,335,465,257	-	5,335,465,257
Restricted for:			
Loans	-	20,592,366	20,592,366
Specific purposes	367,159,342	-	367,159,342
Total Net Assets	5,702,624,599	20,592,366	5,723,216,965
Total Liabilities and Net Assets	\$ 7,690,763,669	\$ 20,803,240	\$ 7,711,566,909

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Activities

For the Year Ended June 30, 2011

	Governmental Activities	Business-type Activities (State Infrastructure Bank)	Total
Program Expenses:			
Programs and infrastructure	\$ 721,146,288	\$ -	\$ 721,146,288
Transportation and highway operations	222,820,447	-	222,820,447
Program support	51,860,125	-	51,860,125
Total Program Expenses	<u>995,826,860</u>	<u>-</u>	<u>995,826,860</u>
Program Revenues:			
Charges for services	33,708,736	-	33,708,736
Operating grants	29,203,468	-	29,203,468
Capital grants	447,931,325	-	447,931,325
Total Program Revenues	<u>510,843,529</u>	<u>-</u>	<u>510,843,529</u>
Net Program Revenue (Expense)	<u>(484,983,331)</u>	<u>-</u>	<u>(484,983,331)</u>
General Revenues (Expenses):			
User and fuel taxes	388,370,420	-	388,370,420
Interest income	4,222,039	82,928	4,304,967
Total General Revenues (Expenses)	<u>392,592,459</u>	<u>82,928</u>	<u>392,675,387</u>
Special Items:			
Gain (loss) on disposal of assets and adjustments	1,857,311	-	1,857,311
Total Special Items	<u>1,857,311</u>	<u>-</u>	<u>1,857,311</u>
Transfers:			
Reversions to state general fund (Note 15)	(1,114,887)	-	(1,114,887)
Transfers from: severance tax bond appropriation (Note 11)	104,294,682	-	104,294,682
Transfers from (to) other state agencies and local governments, net (Note 11)	(6,534,465)	-	(6,534,465)
Total Transfers	<u>96,645,330</u>	<u>-</u>	<u>96,645,330</u>
Net General Revenues and Transfers	<u>491,095,100</u>	<u>82,928</u>	<u>491,178,028</u>
Change in Net Assets/Operating Income	6,111,769	82,928	6,194,697
Net Assets, Beginning of Fiscal Year	5,696,512,830	20,509,438	5,717,022,268
Net Assets, End of Fiscal Year	<u>\$ 5,702,624,599</u>	<u>\$ 20,592,366</u>	<u>\$ 5,723,216,965</u>

See Independent Auditors' Report and Notes to Financial Statements

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Balance Sheet - Governmental Funds

As of June 30, 2011

	Major Funds			
	State Road Fund(s) (SHARE 10040, 10140, 20100, 78800, 78900, 82000)	General Fund Appropriations (SHARE 10070)	ARRA Project Fund (SHARE 89000)	WIPP Bond Project Fund (SHARE 43100)
Assets:				
Cash: (Note 2)				
Unrestricted	\$ 2,600	\$ -	\$ -	-
Restricted	-	-	-	-
Cash Equivalents: investment in state general fund investment pool) (Note 2)				
Unrestricted	-	-	-	-
Restricted	88,310,038	2,956,363	-	7,347,222
Managed by NMFA	76,098	-	-	-
Receivables:				
Taxes receivable, net	61,637,746	-	-	-
Accounts receivable, net (Note 3)	2,135,143	-	-	17,859,634
Interest receivable	195,582	-	-	-
Notes and loans receivable (Note 5)	10,588	-	-	-
Other receivables	99,588	1	-	-
Due from:				
U.S. Department of Transportation (Note 6)	42,344,720	-	11,132,265	-
Other funds (Note 7)	5,153,508	18,906	11,757	-
Other state agencies (Note 8)	270,464	-	-	877
Inventories (Note 9)	13,917,559	-	-	-
Prepaid expenses - other	2,322	-	-	-
Prepaid expenses - risk management	-	-	-	-
Prepaid expense - NM44 warranty	29,693,216	-	-	-
Property held for resale	9,239,444	-	-	-
Total Assets	\$ 253,088,616	\$ 2,975,270	\$ 11,144,022	\$ 25,207,733
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 46,189,562	\$ 1,140,436	\$ 3,879,670	\$ 619,778
Due to other funds	3,336,530	-	235,767	-
Due to other agencies (Note 12)	12,666,050	25,000	7,732,062	-
Due to state general fund	22,096	1,123,760	-	-
Deferred revenue	8,238,817	-	2,653,047	27,298,922
Other accrued expenses	3,468,647	-	242	-
Other liabilities	9,536,308	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	-
Total Liabilities	83,458,010	2,289,196	14,500,788	27,918,700
Fund Balances:				
Non-spendable	52,852,541	-	-	-
Restricted	11,137	-	-	-
Committed	128,177,840	686,074	-	-
Assigned	-	-	-	-
Unassigned	(11,410,912)	-	(3,356,766)	(2,710,967)
Total Fund Balances	169,630,606	686,074	(3,356,766)	(2,710,967)
Total Liabilities and Fund Balances	\$ 253,088,616	\$ 2,975,270	\$ 11,144,022	\$ 25,207,733

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Balance Sheet - Governmental Funds



Major Funds (continued)

<u>2010A Bond Project Fund (SHARE 10450)</u>	<u>2010A/LOC Bond Debt Service (SHARE 11140)</u>	<u>Other Governmental</u>	<u>Total Governmental</u>
\$ -	\$ -	\$ -	\$ 2,600
-	-	-	-
-	-	-	-
3	-	68,219,424	166,833,050
69,162,887	43,752	141,961,840	211,244,577
-	-	5,307,112	66,944,858
-	-	-	19,994,777
4,620	167	7,017	207,386
-	-	-	10,588
-	-	-	99,589
-	-	7,370,239	60,847,224
-	-	1,259,949	6,444,120
-	-	13,060,109	13,331,450
-	-	-	13,917,559
-	-	-	2,322
-	-	-	-
-	-	-	29,693,216
-	-	-	9,239,444
<u>\$ 69,167,510</u>	<u>\$ 43,919</u>	<u>\$ 237,185,690</u>	<u>\$ 598,812,760</u>
\$ 6,533,242	\$ -	\$ 13,971,817	\$ 72,334,505
-	-	2,871,823	6,444,120
-	-	10,710,360	31,133,472
-	-	1,219,037	2,364,893
-	-	3,973,916	42,164,702
-	-	96,120	3,565,009
-	-	1,532	9,537,840
-	-	-	-
<u>6,533,242</u>	<u>-</u>	<u>32,844,605</u>	<u>167,544,541</u>
-	-	-	52,852,541
62,634,268	43,919	166,385,702	229,075,026
-	-	41,858,511	170,722,425
-	-	-	-
-	-	(3,903,128)	(21,381,773)
<u>62,634,268</u>	<u>43,919</u>	<u>204,341,085</u>	<u>431,268,219</u>
<u>\$ 69,167,510</u>	<u>\$ 43,919</u>	<u>\$ 237,185,690</u>	<u>\$ 598,812,760</u>

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Reconciliation of the Balance Sheet-Governmental Funds to the Statement of Net Assets

As of June 30, 2011

Total Fund Balances - Governmental Funds
(Governmental Fund Balance Sheet)

\$ 431,268,219

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

Amounts recorded as deferred revenue in the governmental funds that were not received within the period of availability - 60 days after year end; recorded as revenue in the Statement of Activities:

Balance Sheet - Governmental Funds	42,164,702	
Statement of Net Assets	(27,298,921)	
Change in deferred revenue		14,865,781

Capital assets used in governmental activities are not financial resources and, therefore, not reported in the funds:

The cost of capital assets is	16,098,857,681	
Accumulated depreciation is	(9,090,753,273)	
Total capital assets		7,008,104,408

Long-term debt not recorded as liabilities in the governmental funds, but recorded as long-term liabilities in the Statement of Net Assets:

Long-term notes payable (tax-exempt line of credit)		-
Debentures payable (bonds only)		(1,704,450,000)
Deferred loss on refunding (net of current period amortization)		82,704,893
Compensated absences		(5,651,259)

Capitalized issuance costs not recorded in the governmental funds as an asset, net of amortization:

8,904,321

Capitalized bond premiums not recorded in the governmental funds as a liability, net of amortization:

(133,121,764)

Net Assets of Governmental Activities (Statement of Net Assets)

\$ 5,702,624,599

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Reconciliation of the Balance Sheet-Governmental Funds to the Statement of Net Assets

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds

For the Year Ended June 30, 2011

	Major Funds			
	State Road Fund(s) (SHARE 10040, 10140, 20100, 78800, 78900, 82000)	General Fund Appropriations (SHARE 10070)	ARRA Project Fund (SHARE 89000)	WIPP Bond Project Fund (SHARE 43100)
Revenues:				
User and fuel taxes	\$ 363,283,359	\$ -	\$ -	\$ -
U.S. Department of Transportation	310,654,795	-	113,318,572	-
U.S. Department of Energy	-	-	-	26,622,957
Fees and fines	53	-	-	-
Licenses and permits	8,207,829	-	-	-
Charges for services	1,170,619	-	-	-
DWI interlock device	-	-	-	-
Other revenue	10,388,488	(134,687)	711,411	-
Interest earnings	95,649	-	-	34,760
Total Revenues	693,800,792	(134,687)	114,029,983	26,657,717
Expenditures:				
Current:				
Operating costs	11,280,880	-	-	-
Personal services	89,210,305	-	11,852	-
Out-of-state travel	22,583	-	-	-
Grants and services	1,909,032	40,000	3,357,109	-
Travel	17,149,039	-	2,317	-
Maintenance and repairs	8,002,692	-	-	-
Supplies	32,198,143	-	-	-
Contractual services	48,263,374	1,737,527	179,210	-
Other costs	828,810	-	-	-
Employee benefits	43,672,029	-	4,470	-
Capital outlay	232,017,999	6,982,445	108,285,358	7,879,722
Debt service:				
Principal	50,274,793	-	-	16,213,358
Interest	71,227,233	-	-	2,529,877
Trustee and broker fees	2,317,059	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	608,373,971	8,759,972	111,840,316	26,622,957
Excess (Deficiency) of Revenues Over (Under) Expenditures	85,426,821	(8,894,659)	2,189,667	34,760
Other Financing Sources (Uses):				
Appropriations, net of reversions (Note 15)	-	(1,112,887)	-	-
Transfers: severance				
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies (Note 11)	(6,938,000)	(165,104)	18,639	-
Transfers from (to) escrow agent (Note 11)	-	-	-	-
Transfers: intra-agency (Note 11)	(9,596,764)	(502,940)	-	-
Proceeds from LT notes payable (Note 11)	-	-	-	-
Face value of debentures payable (Note 11)	-	-	-	-
Premiums of debentures payable (Note 11)	-	-	-	-
Total Other Financing Sources (Uses)	(16,534,764)	(1,780,931)	18,639	-
Net Changes in Fund Balances	68,892,057	(10,675,590)	2,208,306	34,760
Fund Balance, June 30, 2010	113,405,905	11,361,664	(5,565,072)	-
Change in Fund Type (Note 1)	(12,667,356)	-	-	(2,745,727)
Fund Balance, restated at June 30, 2010	100,738,549	11,361,664	(5,565,072)	(2,745,727)
Fund Balance, June 30, 2011	\$ 169,630,606	\$ 686,074	\$ (3,356,766)	\$ (2,710,967)

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds

<u>Major Funds (continued)</u>			
<u>2010A Bond Project Fund (SHARE 10450)</u>	<u>2010A/LOC Bond Debt Service (SHARE 11140)</u>	<u>Other Governmental</u>	<u>Total Governmental</u>
\$ -	\$ -	\$ 25,087,058	\$ 388,370,417
-	-	29,203,468	453,176,835
-	-	-	26,622,957
-	-	68,644	68,697
-	-	12,028,682	20,236,511
-	-	-	1,170,619
-	-	1,478,775	1,478,775
43	-	(211,121)	10,754,134
80,737	1,504	4,009,388	4,222,038
<u>80,780</u>	<u>1,504</u>	<u>71,664,894</u>	<u>906,100,983</u>
-	-	40,450	11,321,330
-	-	1,026,972	90,249,129
-	-	13,645	36,228
-	-	49,002,974	54,309,115
-	-	35,615	17,186,971
-	-	38,885	8,041,577
-	-	40,702	32,238,845
-	-	11,360,513	61,540,624
-	-	8,224,584	9,053,394
-	-	364,768	44,041,267
17,796,180	-	103,178,351	476,140,055
-	122,588,068	2,591,849	191,668,068
2,654	-	2,735,115	76,494,879
-	-	2,550,639	4,867,698
-	1,328,466	3,105,840	4,434,306
<u>17,798,834</u>	<u>123,916,534</u>	<u>184,310,902</u>	<u>1,081,623,486</u>
<u>(17,718,054)</u>	<u>(123,915,030)</u>	<u>(112,646,008)</u>	<u>(175,522,503)</u>
-	-	(2,000)	(1,114,887)
-	-	104,294,682	104,294,682
-	-	550,000	(6,534,465)
-	-	(550,564,701)	(550,564,701)
77,411,932	(77,411,932)	10,099,704	-
2,025,375	-	-	2,025,375
-	174,625,000	461,075,000	635,700,000
-	26,745,858	84,632,802	111,378,660
<u>79,437,307</u>	<u>123,958,926</u>	<u>110,085,487</u>	<u>295,184,664</u>
<u>61,719,253</u>	<u>43,896</u>	<u>(2,560,521)</u>	<u>119,662,161</u>
915,015	23	191,488,523	311,606,058
-	-	15,413,083	-
<u>915,015</u>	<u>23</u>	<u>206,901,606</u>	<u>311,606,058</u>
<u>\$ 62,634,268</u>	<u>\$ 43,919</u>	<u>\$ 204,341,085</u>	<u>\$ 431,268,219</u>

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental
Funds to the Statement of Activities

For the Year Ended June 30, 2011

Net Changes in Fund Balances - Total Governmental Funds

(Statement of Revenues, Expenditures, and Changes in Fund Balances) \$ 119,662,161

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

Net change in deferred revenue adjustments from prior to current year (reported as a liability in the Balance Sheet-Governmental Funds and reported as revenue in the Statement of Activities.) (2,664,999)

In the Statement of Activities, certain operating expenses - compensated absences (sick and annual leave) - are measured by the amounts earned during the year to the Governmental Funds, however, expenditure for these items are measured by the amounts of financial resources used (essentially, the amounts actually paid). The increase (decrease) in the compensated absences liabilities for the fiscal year was: 756,543

The Statement of Revenues, Expenditures and Changes in Fund Balances report capital outlays as expenditures. In the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In the current period these amounts were:

Capital outlay	476,140,055	
Depreciation expense	(595,438,149)	
Sale of capital asset and adjustments, net book value	1,857,311	
Excess of depreciation expense over capital outlay		(117,440,783)

(Issuance) repayment of debentures recorded as a (source of revenue) principal expenditure in the Statement of Revenues, Expenditures and Changes in Fund Balances recorded as an (increase) reduction in long-term debentures payable in the Statement of Net Assets:

Bond proceeds	(635,700,000)	
Principal payments	539,365,000	
		(96,335,000)

Net change in deferred loss on refunding (including write off of unamortized balance of premiums and issuance costs associated with the refunded bonds), which is recorded as a reduction of long-term liabilities in the Statement of Net Assets: 74,082,173

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental
Funds to the Statement of Activities

Additional bond premiums recorded as an other financing source in the Statement of Revenues, Expenditures and Changes in Fund Balance, recorded as a liability of \$133,121,764 in the Statement of Net Assets, net of \$11,864,835 of amortization, recorded as a decrease to interest expense in the Statement of Net Assets:

Amortization of bond premium	11,864,835	
Premium of new bonds issued	(111,378,660)	
		(99,513,825)

Current year long-term note payable (tax-exempt line of credit) proceeds of \$2,025,376 reported as other financing sources in the Statement of Revenues, Expenditures and Changes in Fund Balances.

LOC proceeds	(2,025,376)	
Principal payments	122,588,068	
		120,562,692

Net decrease in accrued interest on long-term debt (exclusive of the swaps) recorded in the Statement of Net Assets 3,467,645

Bond issuance costs recorded as debt issuance costs in the Statement of Revenues, Expenditures and Changes in Fund Balances, recorded as an asset of \$8,904,321 in the Statement of Net Assets, net of amortization of \$899,144 recorded as an expense in the Statement of Activities:

Bond issuance costs reported in governmental funds as debt issuance costs	4,434,306	
Amortization of issuance cost	(899,144)	
		3,535,162

Change in Net Assets of Governmental Activities (Statement of Activities) \$ 6,111,769

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Net Assets-Proprietary Fund

As of June 30, 2011

	<u>State Infrastructure Bank</u>
Assets:	
Current Assets:	
Cash equivalents (Note 2):	
Unrestricted	\$ -
Restricted	-
Cash equivalents (Note 2): (Investment in state general fund investment pool)	
Unrestricted	-
Restricted	18,869,955
Receivables:	
Due from other funds	-
Due from other state agencies	1,480
Interest receivable	-
Notes and loans receivable (Note 5)	1,931,805
Total Current Assets	<u>20,803,240</u>
Total Assets	<u>\$ 20,803,240</u>
Liabilities:	
Current Liabilities:	
Accounts payable and contracts payable	\$ -
Due to other funds	-
Due to other state agencies	-
Due to other governments	210,874
Total Current Liabilities	<u>210,874</u>
Total Liabilities	<u>210,874</u>
Net Assets:	
Restricted for:	
Loans	20,592,366
Total Net Assets	<u>20,592,366</u>
Total Liabilities and Net Assets	<u>\$ 20,803,240</u>

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Activities-Proprietary Fund

For the Year Ended June 30, 2011

	State Infrastructure Bank
Operating Revenues (Expenses):	
Interest income	\$ -
Total Operating Revenues (Expenses)	-
Non-Operating Revenues (Expenses):	
Interest income	82,928
Expense	-
Total Non-Operating Revenues (Expenses)	82,928
Change in Net Assets/Operating Income	82,928
Net Assets, Beginning of Fiscal Year	20,509,438
Net Assets, End of Fiscal Year	\$ 20,592,366

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Cash Flows-Proprietary Fund

For the Year Ended June 30, 2011

	State Infrastructure Bank
Cash flows provided from operating activities:	\$ 2,517,202
Cash flows from financing activities:	
Loans issued	-
Loans repaid	4,359,303
Net increase in cash and cash equivalents	6,876,505
Cash and cash equivalents at June 30, 2010	11,993,450
Cash and cash equivalents at June 30, 2011	\$ 18,869,955
 Reconciliation of operating income to net cash provided from operating activities:	
Operating income	\$ 82,928.00
 Adjustment to reconcile operating income to net cash by operating activities:	
Decrease in interest receivable	249,177
Decrease in due from other funds	2,618,016
Increase from due from other agency	289
Decrease in accounts payable	-
Decrease in due to other funds	(435,062)
Increase in due to local governments	1,854
Cash flows provided by operating activities:	\$ 2,517,202

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis) - General and Major Special Revenue Funds

For the Year Ended June 30, 2011

STATE ROAD FUND(S) (SHARE 10040, 10140, 20100, 78800, 78900, 82000)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 349,069,000	\$ 349,069,000	\$ 310,654,795	\$ (38,414,205)
Other state funds	361,850,000	367,367,673	383,050,348	15,682,675
State general fund	-	-	-	-
Transfers outside the agency	(6,938,000)	(6,938,000)	(6,938,000)	-
Interest revenue	200,000	200,000	95,649	(104,351)
Bond proceeds	-	-	-	-
Total Revenues:	704,181,000	709,698,673	\$ 686,862,792	\$ (22,835,881)
Prior Year Funds Rebudgeted	-	191,868,584		
	\$ 704,181,000	\$ 901,567,257		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 26,241,200	\$ 26,241,200	\$ 22,668,795	\$ 3,572,405
Contractual services	290,691,700	484,017,050	246,866,073	237,150,977
Other	147,664,200	148,308,257	125,420,401	22,887,856
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	464,597,100	658,566,507	394,955,269	263,611,238
Transportation and Highway Ops:				
Personal services/employee benefits	99,778,100	99,778,100	87,247,692	12,530,408
Contractual services	26,743,300	30,160,150	20,506,173	9,653,977
Other	66,314,700	66,314,700	61,606,123	4,708,577
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	192,836,100	196,252,950	169,359,988	26,892,962
Program Support				
Personal services/employee benefits	25,303,300	25,303,300	22,965,847	2,337,453
Contractual services	5,352,800	5,352,800	3,764,589	1,588,211
Other	16,091,700	16,091,700	14,139,248	1,952,452
Intra-agency transfers (in) out	-	-	9,596,764	(9,596,764)
Reversions	-	-	-	-
	46,747,800	46,747,800	50,466,448	(3,718,648)
Total Annual Budgeted Expenditures	\$ 704,181,000	\$ 901,567,257	\$ 614,781,705	\$ 286,785,552

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis) - General and Major Special Revenue Funds

For the Year Ended June 30, 2011

	ARRA PROJECT FUND (SHARE 89000)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ 113,318,572	\$ 113,318,572
Other state funds	-	-	711,411	711,411
State general fund	-	-	-	-
Transfers outside the agency	-	-	18,639	18,639
Interest revenue	-	-	-	-
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 114,048,622</u>	<u>\$ 114,048,622</u>
Prior Year Funds Rebudgeted	<u>308,899,979</u>	<u>308,899,979</u>		
	<u>\$ 308,899,979</u>	<u>\$ 308,899,979</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 280,344	\$ 280,344	\$ 16,322	\$ 264,022
Contractual services	294,546,518	294,546,518	109,222,264	185,324,254
Other	14,073,117	14,073,117	3,666,111	10,407,006
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>308,899,979</u>	<u>308,899,979</u>	<u>112,904,697</u>	<u>195,995,282</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 308,899,979</u>	<u>\$ 308,899,979</u>	<u>\$ 112,904,697</u>	<u>\$ 195,995,282</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis) - General and Major Special Revenue Funds

For the Year Ended June 30, 2011

	WIPP BOND PROJECT FUND (SHARE 43100)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 19,694,300	\$ 45,514,300	\$ 26,622,957	\$ (18,891,343)
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	34,760	34,760
Bond proceeds	-	-	-	-
Total Revenues:	<u>19,694,300</u>	<u>45,514,300</u>	<u>\$ 26,657,717</u>	<u>\$ (18,856,583)</u>
Prior Year Funds Rebudgeted	-	9,487,299		
	<u>\$ 19,694,300</u>	<u>\$ 55,001,599</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	950,700	36,257,999	7,879,722	28,378,277
Other	18,743,600	18,743,600	18,743,235	365
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>19,694,300</u>	<u>55,001,599</u>	<u>26,622,957</u>	<u>28,378,642</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 19,694,300</u>	<u>\$ 55,001,599</u>	<u>\$ 26,622,957</u>	<u>\$ 28,378,642</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

See Independent Auditors' Report and Notes to Financial Statements

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis) - General and Major Special Revenue Funds

For the Year Ended June 30, 2011

	2010A BOND PROJECT FUND (SHARE 10450)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	43	43
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	80,737	80,737
Bond proceeds	-	-	2,025,375	2,025,375
Total Revenues:	-	-	\$ 2,106,155	\$ 2,106,155
Prior Year Funds Rebudgeted	79,100,000	79,100,000		
	\$ 79,100,000	\$ 79,100,000		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	79,100,000	79,100,000	17,796,180	61,303,820
Other	-	-	2,654	(2,654)
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	79,100,000	79,100,000	17,798,834	61,301,166
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	(77,411,932)	77,411,932
Reversions	-	-	-	-
	-	-	(77,411,932)	77,411,932
Total Annual Budgeted Expenditures	\$ 79,100,000	\$ 79,100,000	\$ (59,613,098)	\$ 138,713,098

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

See Independent Auditors' Report and Notes to Financial Statements

NOTES TO FINANCIAL STATEMENTS

NATURE OF ORGANIZATION

A primary government is any state or general purpose local government consisting of all the organizations that make up its legal entity. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are, for financial reporting purposes, part of the primary government. The Department, therefore, is part of the primary government of the State of New Mexico and its financial data should be included in the financial data of the State.

The New Mexico Department of Transportation (Department), formerly known as the New Mexico State Highway and Transportation Department, within the State of New Mexico is responsible for planning, organizing and directing a comprehensive transportation network. The Department was created by the Constitution of New Mexico, Article V, Section 14; and Sections 67-3-1 through 67-3-70, New Mexico Statutes Annotated, 1978 Compilation. The Highway & Transportation Department Reorganization Bill (House Bill 210) created the Department as of July 1, 1987. Under this reorganization act, portions of the Transportation Department were merged into the Department to create the Department's Aviation and Transportation Divisions. On April 4, 2003, the Governor signed a bill changing the Department's name to the New Mexico Department of Transportation.

The governing body of the Department is a six person State Highway Commission. Commissioners are appointed by the Governor, with the advice and consent of the Senate, and each serves for staggered six-year terms.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements for the Department have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB has issued Statement No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*, and Statement No. 38, *Certain Financial Statement Note Disclosures*. These Statements established the financial reporting requirements for state and local governments throughout the United States. The Department is responsible for the fair presentation of the accompanying financial statements in conformity with accounting principles generally accepted in the United States of America. The Department has prepared required supplementary information entitled, *Management's Discussion and Analysis*, which precedes the basic financial statements.

Financial Reporting Entity

The accompanying financial statements of the Department include all funds and activities over which the Department has oversight responsibility. The Department is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards. Even though the Governor appoints the Commission, the Commission has decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters. Effective July 1, 2003, GASB 39, *Determining Whether Certain Organizations are Component Units*, expands the criteria of component units. GASB 39 has no impact on the Department and the Department has no blended or discretely presented component units during the year ended June 30, 2011.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Financial Reporting Entity - continued

The Department, the New Mexico Finance Authority (NMFA) and the Federal Highway Administration (FHWA) established a State Infrastructure Bank (SIB) on September 30, 1997. The SIB is a revolving loan program accounted for as a business-type operation - enterprise fund and is administered by the Department to finance highway projects. The initial capitalization for the SIB came from the Highway Department's allotment of federal funds. The Department matched the federal funds based on the required matching percentage from state funds.

Government-wide and Fund Financial Statements

The government-wide financial statements (the Statement of Net Assets and the Statement of Activities) report information of all of the activities, except for fiduciary and component units, of the Department. The effect of material interfund activity has been removed from these government-wide statements. Governmental activities, primarily the construction and maintenance of the State's road system, which normally is supported by taxes and intergovernmental revenues, are reported separately from the business-type activities of the SIB, which to a significant extent acts as a business, loaning funds to other entities and charging interest on the loans. Operating income for the SIB is interest income earned on the funds loaned to other entities. All other income, including interest earned on funds on hand, is non-operating income to the SIB.

Basis of Presentation

The Statement of Activities demonstrates the degree to which the direct expenses of a function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific department function of building and maintaining the State's road system (public works). Program revenues include charges to customers who purchase, use or directly benefit from goods or services provided by a department. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements for public works. Taxes and other items not properly included among program revenues are reported instead as general revenues. Resources that are dedicated internally are reported as general revenues rather than as program revenues. The Department does not allocate general government expenses to other functions except for depreciation (in direct) (Note 10).

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, it is generally the Department's policy to use restricted resources first, then unrestricted resources as they are needed.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Basis of Presentation - continued

Governmental funds are reported as major funds in the accompanying financial statements if they meet **both** of the following criteria:

Ten percent criterion- An individual governmental fund reports at least ten percent of *any* of the following: a) total governmental fund assets, b) total governmental fund liabilities, c) total governmental fund revenues, or d) total governmental fund expenditures.

Five percent criterion- An individual governmental fund reports at least five percent of the total for both governmental and enterprise funds of any of the items for which it met the ten percent criterion.

The Department's major governmental funds are the following:

State Road Fund(s) (Funds #10040, 10140, 20100, 78800, 78900 and 82000). The State Road Fund(s) were created by Section 67-3-65, NMSA 1978. The State Road Fund(s) combine to create the operating fund of the Department and is used to account for substantially all of the Department's financial activities. Section 67-3-59 NMSA establishes that this is a non-reverting fund. This is a general fund. Individual fund data for each fund comprising the State Road Fund(s) are provided in the form of combining statements in this report. See pages 190 through 193.

The governmental fund types used by the Department were evaluated based on the provisions of GASB Statement No. 54. The HIF Bond Fund (#20200) and the WIPP Bond Project Fund (#43100) are now presented separately. The HIF Bond Fund (#20200) is a non-major fund and is presented in the Supplemental Information as a component of the Combining Balance Sheet and the Combining Statements of Revenue, Expenditure and Changes in Fund Balance. The WIPP Bond Project Fund (#43100) is presented as a separate major fund. A reclassification of \$15,413,083.34 was made to record the beginning fund balance of Fund 20200 and decrease the beginning fund balance of the State Road Fund(s) for the separate presentation of Fund 20200 and a reclassification of (\$2,745,727.19) was made to record the beginning fund balance of Fund 43100 and increase the beginning fund balance of the State Road Fund(s) for the separate presentation of Fund 43100. These changes had no impact on governmental activities as reported on the prior year Statement of Activities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation

General Fund Appropriations Fund (Fund #10070). The General Fund Appropriations Fund was created to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the transfer of funds from the State General Fund. This fund reverts to the State General Fund upon completion of the appropriation project or upon expiration of the appropriation period. This is a capital projects fund. Management has decided to continue to present in the body of the financial statements as a major fund, whether or not the criteria is met in order to be consistent with prior years.

ARRA Project Fund (Fund #89000). The ARRA Project Fund was created under the American Recovery and Reinvestment Act of 2009, a federal economic stimulus program. This fund tracks the expenditure and reimbursement of projects which qualify under the terms of the Act. This is a non-reverting fund. This is a special revenue fund.

WIPP Bond Project Fund (Fund #43100). The Waste Isolation Pilot Plant (WIPP) Bond Project Fund was created under US congress Public Laws Waste Isolation Pilot Plant Withdrawal Act Public Law 102-579 of 1992 and National Defense Act Public Law 104-201 of 1997. The funds provided under these acts become state funds under the purposes specified under the acts. These funds are required to be used for road projects related to the Waste Isolation Pilot Plant in Carlsbad, New Mexico. This is a non-reverting fund. The governmental fund types used by the Department were evaluated based on the provisions of GASB Statement No. 54. The WIPP Bond Project Fund (#43100) is now presented separately as a major fund; therefore, a reclassification of (\$2,745,727.19) was made to record the beginning fund balance of Fund 43100 and increase the beginning fund balance of the State Road Fund(s) for the separate presentation of Fund 43100. These changes had no impact on governmental activities as reported on the prior year Statement of Activities.

2010A Bond Project Fund (Fund #10450). The 2010A Bond Project Fund was created by the engagement of \$200,000,000 Line of Credit June 2008. The Line of Credit was engaged in with an adjustable rate and to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has determined to be necessary or desirable as part of the GRIP transportation projects. The fund does not receive state general fund appropriations that are subject to reversion. In September 2010, the Department refunded the Line of Credit with the NMFA State Transportation Revenue and Refunding Revenue Bonds Series 2010A.

2010A/LOC Bond Debt Service Fund (Fund #11140). The fund was created in fiscal year 2010 to separate out the costs of the debt from the expenditures for the projects for which the debt was incurred.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Government-Wide Financial Statements. 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 the 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.

Business Type - Proprietary Fund - State Infrastructure Bank (SIB) Financial Statements. The financial statements of the proprietary fund are reported using the economic resources measurement focus and the accrual basis of accounting, similar to the government-wide statements described above.

A proprietary fund has the option under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, to elect to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, unless FASB conflicts with GASB. The SIB has elected to not apply FASB pronouncements issued after the applicable date.

Governmental Fund Financial Statements. The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Department considers revenues to be available if they are collected within 60 days after year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Modifications to the accrual basis of accounting include:

Employees' vested compensated absences are recorded as an expenditure when utilized. The amount of accumulated compensated absences unpaid at June 30, 2011, has been reported only in the government-wide financial statements.

Interest and principal payments on general long-term obligations is recognized as expenditures when paid.

Executory purchase orders and contracts are recorded as a restriction of fund balance in the Capital Project Funds and Special Revenue Funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

The financial activities of the Department are recorded in individual funds, each of which is deemed to be a separate accounting entity. The Department uses fund accounting to report on its financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. The measurement focus is on the flow of expendable financial resources, rather than on net income determination. All governmental funds are accounted for using the modified accrual basis of accounting. The funds' revenues are recognized in the period in which they become susceptible to accrual (i.e., when they are both measurable and available to pay liabilities in the current period). "Available" is defined as collectible within the current period or soon enough thereafter, within 60 days after year-end, to be used to pay liabilities of the current period. Intergovernmental revenues, including Federal allotments and grants, are recorded in accordance with their legal or contractual requirements if collected in the current period or if collectability is assured subsequent to year-end. Grant revenues are collected in advance of the period intended to finance expenditures. If the eligibility requirements are not met, they are recorded as deferred revenues.

The following are the governmental fund types used:

General Funds - The General Funds (Funds #10040, 10140, 20100, 78800, 78900 and 82000) are used to account for the proceeds of specific revenue sources that are not otherwise required to be reported in a special revenue fund. The State Road Fund(s) are the operating and general funds of the Department and are used to account for substantially all of the Department's financial activities. Resources are generated primarily from user and fuel taxes and federal grants. Expenditures are incurred to build and improve the transportation system within the State of New Mexico. These funds do not receive state general fund appropriations that are subject to reversion.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes. Resources are generated primarily from user and fuel taxes and federal grants. Expenditures are incurred to build and improve the transportation system within the State of New Mexico. These funds do not receive state general fund appropriations that are subject to reversion.

HIF Bond Fund (Fund #20200). The Highway Infrastructure (HIF) Fund was created under Laws 1998, chapters 84 and 85. This fund is used to account for acquisition for right of ways, planning, design, engineering, construction or improvement of state highway projects. This is a non-reverting fund. The governmental fund types used by the Department were evaluated based on the provisions of GASB Statement No. 54. The HIF Bond Fund (#20200) is now presented separately in the non-major funds in the Supplemental Information; therefore, a reclassification of \$15,413,083.34 was made to record the beginning fund balance of Fund 20200 and decrease the beginning fund balance of the State Road Fund(s) for the separate presentation of Fund 20200. These changes had no impact on governmental activities as reported on the prior year Statement of Activities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

Local Government Road Fund (Fund #20300). The Local Government Road Fund was created by Section 67-3-28.2, NMSA 1978. This fund is used to account for monies received for (1) cooperative agreements program for construction and improvement of public highways and streets, and public school parking lots; (2) a municipal arterial program for construction for reconstruction of highways and streets not on the state highway systems; (3) a school bus route program for maintaining, repairing, improving and paving school bus routes, and public school parking lots; and (4) a county arterial program for construction, reconstruction, improvement and maintenance of county roads. Funding is received from state excise taxes. The fund does not receive state general fund appropriations that are subject to reversion.

Federal Planning and Development Fund (Fund #10030). This fund is authorized by the Commission to account for the planning and administration of federal grant monies and state matching funds for mass transportation and railroad improvements. The Highway Safety Act of 1966, as amended, 23 U.S.C. 401 Et. Seq. and 23 U.S.C. 410, authorizes the establishment of this fund. The fund does not receive state general fund appropriations that are subject to reversion.

State Aviation Fund (Fund #20500). The State Aviation Fund was created by Section 64-1-15, NMSA 1978. This fund is used to account for planning, construction and maintenance of a system of airports, navigation aids and related facilities serving New Mexico. Financing is provided from all unrefunded taxes collected on the sale of motor fuel sold for use in aircraft. This is a non-reverting fund.

Traffic Safety Fund(s). Previously three funds were combined for presentation as the Traffic Safety Fund(s). These were the Traffic Safety Fund (#20800), the Federal Traffic Safety Fund (#10010) and the Ignition Interlock Fund (#82600). The following three funds are now also combined into the Traffic Safety Fund(s); the Driver Improvement Program Fund (#10020), Motorcycle Training Fund (#20600) and the DWI Prevention and Education Fund (#20700). Individual fund data for each fund comprising the Traffic Safety Fund(s) are provided in the form of combining statements in this report. See pages 194 through 197.

The Federal Traffic Safety Fund (#10010). The Federal Traffic Safety Fund is the fund through which federal funds are received for various traffic safety programs. This is a non-reverting fund.

Driver Improvement Program Fund (Fund #10020). The Driver Improvement Program Fund was created by Executive Order 87-20. This fund is used to account for the operation of a driver improvement program. Financing is provided from fees collected for drivers' manuals and admissions to driver training courses. This is a non-reverting fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

Motorcycle Training Fund (Fund #20600). The Motorcycle Training Fund was created by Section 66-10-10, NMSA 1978. This fund is used to account for the operation of a motorcycle safety training program. Financing is provided from motorcycle registration fees and student training fees. All money in the motorcycle training fund in excess of amounts budgeted revert to the State Road Fund.

DWI Prevention and Education Fund (Fund #20700). The DWI Prevention and Education Fund was created by Section 66-5-35, NMSA 1978. This fund is used to account for the operation of a DWI (Driving While Intoxicated) prevention and education program for elementary and secondary school students. Financing is provided from limited license and permit fees. This is a non-reverting fund.

The Traffic Safety Fund (#20800). The Traffic Safety Fund was created by Section 66-7-512, NMSA 1978. The fund is used for the state match for the federal traffic safety fund programs. This is a non-reverting fund.

The Ignition Interlock Fund (#82600). The Ignition Interlock Fund was created by Section 66-8-102.3, NMSA 1978 for the administration of the Ignition Interlock program. This is a non-reverting fund.

1993 Bond Project Fund (Fund #39400). The bond project fund was created due to the issuance of the December 1993 \$50,000,000 State of New Mexico Highway debentures. The funds from the sale of all of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations held by the State Treasurer with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

1999A CHAT Bond Project Fund (Fund #43000). The bond project fund was created due to the issuance of the October 1998 \$105,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1998A and the \$100,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1999 issued in November 1999. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Also, proceeds can be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

2000A CHAT Bond Project Fund (Fund #34500). The bond project fund was created due to the issuance of the May 2000 \$201,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2000A. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

2001A CHAT Bond Project Fund (Fund #00600). The bond project fund was created due to the issuance of the March 2001 \$198,800,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2001A. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

2002A CHAT Bond Project Fund (Fund #36800). The bond project fund was created due to the issuance of the January 2002 \$95,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2002A. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

2002C HIF Bond Project Fund (Fund #36100). The bond project fund was created due to the issuance of the May 2002 \$67,750,000 New Mexico State Highway Commission Infrastructure Fund Revenue Highway Bonds Series 2002C. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

2002D CHAT Bond Project Fund (Fund #11500). The bond project fund was created due to the issuance of the December 2002 \$16,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2002D. The funds from the sale of the debentures were required to be deposited in a special account with the State Treasurer. Proceeds can also be invested in U.S. Treasury obligations and repurchase agreements with maturities of no more than one year until needed. The funds are to be used to finance state highway projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversion.

2004A GRIP Bond Project Fund (Fund #20400). The bond project fund was created when \$700,000,000 New Mexico State Transportation Senior Lien Revenue Bonds Series 2004A were issued through the New Mexico Finance Authority in May 2004. The funds from the sale of the debentures were required to be deposited in a special account with NMFA. Unspent proceeds are on deposit with the NMFA and recorded as restricted cash. The funds are used to finance transportation projects, pay expenses incurred to issue the debentures and payments of rebate, penalty, interest and other obligations relating to the debentures or the proceeds. The fund does not receive state general fund appropriations that are subject to reversions.

2006A GRIP Bond Project Fund (Fund #10210). The bond project fund was created due to the issuance of the September 2006 \$150,000,000 Revenue Bond Series 2006A. The 2006A Bonds were issued to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has deemed necessary or desirable as part of the GRIP transportation projects. The fund does not receive state general fund appropriations that are subject to reversion.

2006B GRIP Bond Project Fund (Fund #10230). The bond project fund was created due to the issuance of the September 2006 \$40,085,000 of State Transportation, Series 2006B Refunding Revenue Bonds. The series 2006B Bonds were issued to provide funds to refund and restructure certain outstanding bonds of the State Transportation Commission.

2006C GRIP Bond Project Fund (Fund #10250). The bond project fund was created due to the issuance of the September 2006 \$220,000,000 of State Transportation, Series 2006C Revenue Bonds. The series 2006C Bonds were issued as adjustable rate securities and were issued to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has determined to be necessary or desirable as part of the GRIP transportation projects. The fund does not receive state general fund appropriations that are subject to reversion.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Special Revenue Funds – continued

2006D GRIP Bond Project Fund (Fund #10270). The bond project fund was created due to the issuance of the September 2006 \$50,400,000 of State Transportation, Series 2006D Revenue Bonds. The series 2006D Bonds were issued to provide funds for an escrow account required to be maintained by the Department pursuant to a Joint Use Agreement between the Department and the BNSF Contingent Liability Fund. The fund does not receive state general fund appropriations that are subject to reversion.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. Debt service requirements are met through the monthly transfer of vehicle and gasoline tax revenues from the State Road Fund. The Department may transfer interest earned on the other bond issues to their respective debt service funds. These funds do not receive state general fund appropriations that are subject to reversion.

1998A WIPP Bond Debt Service Fund (Fund #97200). The fund was created when the \$100,000,000 New Mexico State Highway Commission Subordinate Lien Tax Revenue Highway Bond Series 1998B were issued in October 1998.

1998A CHAT Bond Debt Service Fund (Fund #54800). The fund was created when the \$105,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1998A were issued in October 1998.

1999 CHAT Bond Debt Service Fund (Fund #43400). The fund was created when the \$100,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 1999 were issued in November 1999.

2000 CHAT Bond Debt Service Fund (Fund #43200). The fund was created when the \$201,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2000A were issued in May 2001.

2001A CHAT Bond Debt Service Fund (Fund #00700). The fund was created when the \$198,800,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2001A were issued in March 2001.

2002A CHAT Bond Debt Service Fund (Fund #54700). The fund was created when the \$95,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2002A were issued in January 2002.

2002B WIPP Bond Debt Service Fund (Fund #75000). The fund was created when the \$79,920,000 New Mexico State Highway Commission Lien Tax Revenue Bonds Series 2002B were issued in January 2002.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Debt Service Funds - continued

2002C HIF Bond Debt Service Fund (Fund #36300). The fund was created when the \$67,750,000 New Mexico State Highway Commission Infrastructure Fund Revenue Bonds Series 2002C were issued in May 2002.

2002D CHAT Bond Debt Service Fund (Fund #18700). The fund was created when the \$16,000,000 New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Bonds Series 2002D were issued in December 2002.

2004A GRIP Bond Debt Service Fund (Fund #10080). The fund was created when the \$700,000,000 New Mexico State Transportation Subordinate Lien Refunding Revenue Bond Series 2004A were issued through the New Mexico Finance Authority in 2004.

2004B GRIP Bond Debt Service Fund (Fund #10090). The fund was created when the \$237,950,000 and \$200,000,000 New Mexico State Transportation Subordinate Lien Refunding Revenue Bonds Series 2004B and Series 2004C were issued through the New Mexico Finance Authority in May 2004. The 2004C Revenue Bond was refunded in 2008 by the 2008A and 2008C Refunding Revenue Bonds.

2006A GRIP Bond Debt Service Fund (Fund #10220). The fund was created when the \$150,000,000 New Mexico State Highway Commission Revenue Bonds Series 2006A were issued in September 2006.

2006B GRIP Bond Debt Service Fund (Fund #10240). The fund was created when the \$40,085,000 New Mexico State Highway Commission Revenue Bonds Series 2006B were issued in September 2006.

2006D GRIP Bond Debt Service Fund (Fund #10280). The fund was created when the \$50,400,000 New Mexico State Highway Commission Revenue Bonds Series 2006D were issued in September 2006. This series was refunded by the 2008D Refunding Revenue Bonds.

2008A GRIP Bond Debt Service Fund (Fund #10410). The fund was created when the \$115,200,000 New Mexico State Transportation Commission Revenue Bonds Series 2008A were issued in April 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

2008B GRIP Bond Debt Service Fund (Fund #10420). The fund was created when the \$220,000,000 New Mexico State Transportation Commission Revenue Bonds Series 2008B were issued in April 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Debt Service Funds - continued

2008C GRIP Bond Debt Service Fund (Fund #10430). The fund was created when the \$84,800,000 New Mexico State Transportation Commission Revenue Bonds Series 2008C were issued in May 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

2008D GRIP Bond Debt Service Fund (Fund #10440). The fund was created when the \$50,400,000 New Mexico State Transportation Commission Revenue Bonds Series 2008D were issued in May 2008 to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation.

2009A Bond Debt Service Fund (Fund #11130). The fund was created when the \$112,345,000 NMFA's State Transportation Senior Lien Refunding Revenue Bonds, Series 2009A were issued in November 2009 to refund portions of series 1998A, 1998B, 2001A, 2002A and 2002C.

2010B Bond Debt Service Fund (Fund #20450). The fund was created when the \$461,075,000 NMFA State Transportation Senior Lien Refunding Revenue Bonds Series 2010B were issued in October 2010 to refund portions of series 2002A, 2002C, 2002D and 2004A GRIP.

Capital Project Funds - Capital Project Funds are used to account for the purchase or construction of facilities used in the operation of the Department or other long term Department projects specifically appropriated by the state. Expenditures are incurred to build and improve the transportation system within the State of New Mexico.

Capital Projects Fund (Fund #10050). The Capital Projects Fund is used to account for the purchase or construction of facilities used in the operation of the Department. It is a non-major fund. This fund reverts to the State Road Fund upon completion of the appropriation project or appropriation period.

Severance Tax Bond Appropriations Fund (Fund #10060). The Severance Tax Bond Appropriations Fund was created to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the sale of Severance Tax Bonds and is distributed through the Board of Finance of the Department of Finance and Administration. This fund reverts upon completion of the appropriation project or upon expiration of the appropriation period. Appropriations are received on a reimbursement basis as expenditures occur; therefore only budgetary reversions are made when applicable. This is a capital projects fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation - continued

Capital Project Funds - continued

STB Capital Outlay Fund (Fund #89200). During fiscal 2011, the New Mexico Department of Finance and Administration decided to establish another fund to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the sale of Severance Tax Bonds and is distributed through the Board of Finance of the Department of Finance and Administration. This fund reverts upon completion of the appropriation project or upon expiration of the appropriation period. Appropriations are received on a reimbursement basis as expenditures occur; therefore only budgetary reversions are made when applicable. This is a capital projects fund. The existing Fund 10060 will be phased out.

GF Capital Outlay Fund (Fund #93100). During fiscal 2011, the New Mexico Department of Finance and Administration decided to establish another fund to separately account for the construction of infrastructure on behalf of other governments or other long term Departmental projects in annual legislative appropriations. This is funded through the transfer of funds from the State General Fund. This fund reverts to the State General Fund upon completion of the appropriation project or upon expiration of the appropriation period. This is a capital projects fund. The existing Fund 10070 will be phased out.

Budgets and Budgetary Accounting

Per the General Appropriation Act, Laws of 2010, Chapter 6, Section 3, item M, "For the purpose of administering the General Appropriation Act of 2010 and approving operating budgets, the state of New Mexico shall follow the modified accrual basis of accounting for governmental funds in accordance with the manual of model accounting practices issued by the department of finance and administration." The budget is adopted on the modified accrual basis of accounting except for accounts payable accrued at the end of the fiscal year that do not get paid by the statutory deadline per Section 6-10-4 NMSA 1978. Those accounts payable that do not get paid timely must be paid out of the next year's budget. Encumbrances related to single year appropriations lapse at year end. Appropriation periods are sometimes for periods in excess of twelve months (multiple-year appropriations). When multiple-year appropriation periods lapse, the authority for the budget also lapses, and encumbrances can no longer be charged to that budget.

The legal level of budgetary control is at the appropriation unit level at the entity-wide level, except for multiyear funds.

Interfund and Interagency Transactions

Transfers which, because of budgetary or legal restrictions, must be expended by funds other than the fund initially receiving the revenue, are recorded as operating transfers in (out) under the other financing sources (uses) category (Note 11) in the governmental fund financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Restricted Cash and Cash Equivalents

The funds deposited in the debt service funds are restricted to pay future principal and interest payments due under the \$50,000,000 Series 1993 Highway Bonds, the \$105,000,000 Senior Subordinate Lien Tax Revenue Highway Bonds, Series 1998A (CHAT Bonds), the \$100,000,000 Subordinate Lien Tax Revenue Highway Bonds, Series 1998B (WIPP Bonds), the \$100,000,000 Senior Subordinate Lien Tax Revenue Highway Bonds, Series 1999 (CHAT Bonds), the \$201,000,000 Senior Subordinate Lien Tax Revenue Highway Bonds, Series 2000A (CHAT Bonds), the \$198,800,000 Senior Subordinate Lien Tax Revenue Highway Bonds, Series 2001A (CHAT Bonds), the \$95,000,000 Senior Subordinate Lien Tax Revenue Highway Bonds, Series 2002A (CHAT Bonds), the \$67,750,000 Highway Infrastructure Fund Revenue Highway Bonds, Series 2002C (HIF Bonds), and the \$16,000,000 Senior Subordinate Tax Revenue Highway Bonds, Series 2002D (CHAT Bonds), the \$700,000,000 Senior Subordinate Lien Tax Revenue Highway Bonds, Series 2004A (GRIP Bonds), the \$237,950,000 Subordinate Lien Tax Revenue Highway Bonds, Series 2004B (GRIP Bonds), the \$150,000,000 Senior Subordinate Lien Tax Revenue Highway Bonds, Series 2006A (GRIP Bonds), the \$40,085,000 Subordinate Lien Tax Revenue Highway Bonds, Series 2006B (GRIP Bonds), the \$115,200,000 Subordinate Lien Tax Refunding Bonds, Series 2008A (GRIP Bonds), the \$220,000,000 Subordinate Lien Tax Refunding Bonds, Series 2008B (GRIP Bonds), the \$84,800,000 Subordinate Lien Tax Refunding Bonds, Series 2008C (GRIP Bonds), the \$50,400,000 Subordinate Lien Tax Refunding Bonds, Series 2008D (GRIP Bonds), the \$112,345,000 NMFA State Transportation Senior Lien Refunding Revenue Bonds, Series 2009A, the \$174,625,000 Subordinate and Senior Lien Series 2010A (GRIP Bonds) and the \$461,075,000 Senior Lien Refunding Revenue Series 2010B (GRIP Bonds). The remaining balance of the proceeds from the sale of the debentures, bonds and the NMFA loan are also classified as restricted cash because of the limited use of these funds. Proceeds of the various bond issues are also invested through the State Treasurer's Office in securities repurchase agreements with financial institutions and a money market mutual fund that invests in U.S. Treasury securities. Cash received from the Department of Energy (for the WIPP Project fund) in advance of incurring the eligible expenditures is also reflected as restricted cash because the cash can only be used on specified road projects. Cash held in the State Infrastructure Bank is restricted for use in funding loans (Note 2).

Cash and cash equivalents, for the purpose of the cash flows, has interest in the State General Fund Investment Pool of the State Treasurer's Office.

Taxes Receivable

Taxes receivable represent the amounts due from the New Mexico Taxation and Revenue Department for the Department's June 30 fiscal year user and fuel taxes that are received by the Department after year-end. Accordingly, no allowance for uncollectible amounts is necessary. The revenue related to taxes is recorded when the underlying transaction occurs.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Accounts Receivable

Accounts receivable consists of amounts due from various entities: individuals and other state and local agencies located within the State of New Mexico for the sale of maps, brochures and other materials; and for other services performed by the Department. It is the policy of the Department to actively pursue collections of all valid accounts receivable and to comply with Article IV, Section 32 of the New Mexico Constitution that mandates that no amounts owed to the State can be exchanged, transferred, remitted, released or postponed. As a result of this policy, the Department does not write off any receivable balances and, instead, provides an allowance for uncollectible accounts. The Department has specific procedures in place for the treatment and collection of invoices past 30, 60, 90, and 120 days and, any receivables older than 120 days are moved to the allowance account at year end. A detail listing of all uncollectible accounts is maintained and uncollectible accounts are referred to the Department's legal department for possible legal collection actions. The balance of receivables deemed uncollectible through the end of FY11 was \$4,090,807 and a net total of \$1,722,609 was moved to the uncollectible account during the current fiscal year. A total of \$4,884 was recovered from the uncollectible account during the current fiscal year. (Note 3)

Severance Tax Bonds Proceeds Receivable

The State of New Mexico Legislature has authorized the State Board of Finance to issue and sell revenue bonds that are to be retired using future taxes levied against the extractive industries in the state. The proceeds from bonds sold are appropriated to the Department to be used for specific programs. Expenditures incurred by the Department for such programs are reimbursable from the State Board of Finance. The severance tax bonds proceeds receivable represents expenditures incurred by the Department, but not yet reimbursed by the Board of Finance (Note 4).

Notes and Loans Receivable

Notes receivable represent:

Funds advanced to various state and local agencies to promote van-pooling activities within the state. The Federal Highway Administration (FHWA) provides matching funds (90%) for the purchase of vehicles by various not-for-profit van pooling organizations.

The funds advanced to such organizations are payable to the Department and are designated for future vehicle purchases.

Notes issued to individuals displaced by purchases of right of way properties. The funds loaned to such individuals are provided in part by FHWA funds per FHWA guidelines.

Loans receivable represent:

Loans to other governmental entities made by the State Infrastructure Bank. Loans are stated at their principal amount. Interest on loans is accrued based on the daily principal balance outstanding, except when a loan has been past due for 90 days. All loans are to governmental entities and secured by certain pledged revenues. The loans are being repaid in accordance with their loan agreements. Management's evaluation of the loan portfolio has determined that no allowance for uncollectible loans is required at June 30, 2011. There are no loans past due for more than 90 days as of the end of the fiscal year which require placement on non-accrual status (Note 5).

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Due From the U.S. Department of Transportation

Due from the U.S. Department of Transportation represents amounts billed and unbilled in accordance with the various grant agreements. The "billed" portion represents contract expenditures incurred and billed by the Department. The "unbilled" portion represents expenditures included in accounts payable that will be billed when paid by the Department. The "excess project costs" represents costs actually incurred on a project in excess of approved amounts. The Department provides for an allowance for uncollectible accounts in excess of project costs classification. The allowance is based on an analysis of amounts that are reasonably assured of collection (Note 6).

Due From/To Other Funds

Due from/to other funds represent amounts due from and to other funds within the Department (Note 7) and are included in the governmental fund financial statements. Inter-fund transactions are eliminated in the GAAP-basis governmental-wide financial statements.

Due to State Treasurer's Office

The amount of negative cash balances are reported in the Due to State Treasurer's Office by fund.

Due to State General Fund (Reversions)

Reversions to the State General Fund by the Department are based on the definitions of both reverting and non-reverting funds. Reversions are calculated by applying the percentage of reverting fund (to total budget for the category) to the amount unexpended for the category at fiscal year-end.

Inventory

Inventory is valued at cost using the first-in, first-out method. Special Revenue Fund inventory consists of materials used in the Department's operations.

The inventory costs are recorded as expenditures when consumed rather than when purchased. Reported inventories are equally offset in the unspendable fund balance, which indicates that it does not constitute "available spendable resources" (Note 9) even though they are a component of current assets.

Prepaid Expense - Warranty

The warranty represents the no-fault portion of 3 categories of costs that will meet performance criteria: The pavement, which originally cost \$36,100,000, is being amortized over 20 years. At the end of fiscal year 2011 the unamortized value was \$23,465,000. The structures, which originally cost \$15,916,345 is being amortized over 11 1/2 years. At the end of fiscal year 2011 the unamortized value was \$6,228,135. The remaining amount, which originally cost \$13,564,126, is fully amortized and has no net book value after fiscal year ending June 30, 2006 when it became fully amortized.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Property Held for Resale

Property held for resale represents excess land acquired through condemnation and is recorded at its estimated fair value. The Department's management estimated the fair value based upon original cost plus inflation using the Consumer Price Index (CPI). Reported property held for resale is equally offset by the fund balance reserve, which indicates that they do not constitute "available spendable resources" even though they are a component of assets.

Capital Assets

Capital assets, which include property, plant, equipment, software in the equipment category, and infrastructure assets (which is normally immovable and of value only to the state, such as roads, streets, tunnels and similar infrastructure items), are reported in the governmental activities columns in the government-wide financial statements. The Department has no internally developed software that requires capitalization. As a result of House Bill 1074, effective date June 17, 2005, and Section 12-6-10 NMSA 1978 the State's capitalization policy threshold was changed from \$1,000 to \$5,000, requiring agencies to capitalize acquisitions greater than \$5,000. Assets purchased prior to June 17, 2005 were not removed and will continue to be depreciated. Purchased and constructed capital assets are valued at historical or estimated historical cost. The Department has not capitalized any construction period interest expense. Donated capital assets are recorded at their estimated fair value at the date of donation.

The Department records as capital assets the specific roads, tunnels and other infrastructure it owns or over which it has primary responsibility for maintenance. According to GASB, if the Department has the primary responsibility for the asset's maintenance, then the capital asset would be recorded on its books.

An estimated historical cost of the entire infrastructure on the Department's government-wide financial statements was determined as of June 2001. The Department calculated the replacement cost as of June 30, 2001 for its entire infrastructure and then deflated the cost by use of a construction price level index maintained by the Federal Highway Administration. Accumulated depreciation at June 30, 2001 was calculated based on the estimated historical cost of the infrastructure, estimated use of the assets and using a 25 to 30-year life of the infrastructure. Current year activity is shown in Note 10 to the financial statements.

The Department follows the depreciation method to record infrastructure assets. This method requires the Department to allocate the cost of infrastructure assets over their useful lives as depreciation expense. Another allowable methodology is to use the modified approach to record infrastructure. Under this process, the Department does not record depreciation expense nor are amounts capitalized in connection with improvements to these assets, unless the improvements expand the capacity or efficiency of an asset. If this method was used, it would require the Department to: 1) commit to maintaining and preserving the assets at or above a condition level established by the Department, 2) maintain an inventory of the assets and perform periodic assessments to ensure that the condition level is being maintained, and 3) make annual estimates of the amounts that must be expended to maintain and preserve assets at the predetermined condition levels. The Department elected to use the depreciation method as it determined it could not meet the condition to maintain the infrastructure at a predetermined condition level due to an anticipated lack of future funding for maintenance. All major infrastructure has been recorded.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Capital Assets - continued

The Department records its other capital assets (buildings and machinery and equipment) at historical cost and depreciates the assets over their estimated useful lives. Capital assets acquired in the current year in the governmental funds are recorded as expenditures in the governmental fund financial statements. Depreciation expense is recorded in the government-wide financial statements.

Capital assets of the Department are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and right-of-way land. Generally, estimated useful lives are as follows:

Machinery and Equipment	7 - 14 years
Buildings and Other Improvements	40 years
Infrastructure	25 - 30 years

Deferred Revenue

Deferred revenue occurs when the Department receives funds before the corresponding expense or expenditure has been incurred, or all of the eligibility requirements have been met. The Department has received funds in advance of work done from the Department of Energy (DOE) for road projects and other costs relating to the Waste Isolation Pilot Plant (WIPP). Revenue is recognized when eligible expenditures are incurred for these projects and programs and all eligibility requirements are met.

Compensated Absences

The Department accounts for the accumulated vacation and sick leave on the accrual basis in accordance with GASB 16. Accrued vacation up to 240 hours is recorded in the Statement of Net Assets at 100% of the employee's hourly wage. In addition, accrued sick leave over 600 up to 720 hours less the amount classified as current is recorded in the Statement of Net Assets at 50% of the employee's hourly wage. Compensatory time is accrued at a rate of one and one-half hours for each hour of employment for which overtime compensation is required for those employees covered by the Fair Labor Standards Act (FLSA). Employees exempt from coverage by FLSA earn one hour of compensatory time for each overtime hour. The accrual for compensated absences is calculated at pay rates in effect at June 30, 2011, and includes direct and incremental salary related payments, such as the employees' share of social security taxes.

Long-Term Obligations

Premiums, Discounts and Issuance Costs - In the government-wide financial statements, long-term debt and other long-term obligations are presented in the column for governmental and business-type activities. The same is presented in the proprietary fund financial statements. Bond and note premiums and discounts, as well as issuance costs, are deferred and amortized straight line over the life of the debt. Bonds and notes payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges in other assets and also amortized straight line over the term of the related debt.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Long-Term Obligations - continued

In the governmental fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources, while discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as other expenditures.

Arbitrage Rebate Liability - Any arbitrage rebate is recorded as a liability when it is determined to be owed to the Internal Revenue Service.

Net Assets

The government-wide financial statements utilize a net asset presentation. Net assets are categorized as investment in capital assets (net of related debt), restricted and unrestricted.

Investments in Capital Assets - is intended to reflect the portion of net assets which is associated with non-liquid capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

Restricted Assets - are liquid assets (generated from revenues and not bond proceeds), which have third-party (statutory or granting agency) limitation on their use. When there is an option, the Department spends restricted resources first.

Unrestricted Assets - are all other net assets that do not meet the definition of "restricted assets" or "investments in capital assets".

Encumbrances

With the General Appropriations Act of 2010, Chapter 6, Section 3M, establishing the modified accrual basis of accounting for governmental funds as the budgetary basis of accounting for the state of New Mexico, encumbrances related to single year appropriations lapse at fiscal year end. Appropriation periods for periods in excess of twelve months (multiple-year appropriations) lapse at the end of the appropriation period, the budget also lapses, and encumbrances can no longer be charged to that budget. Outstanding encumbrance balances for the Department's Severance Tax Bonds and Special Appropriations are shown in separate supplementary schedules. Significant unexpended encumbrance balances at June 30, 2011 for other multiple year appropriation periods are as follows:

ARRA Project Fund	89000		\$ 24,027,358
			<u> </u>
2010A Bond Project Fund	10450		\$ 34,030,497
			<u> </u>

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Nonspendable Fund Balance

The nonspendable category of fund balance consists of the net financial resources that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. Nonspendable categories of fund balances are summarized below:

Inventory - This category was created to represent the portion of fund balance that are noncash assets available for expenditures in future periods.

Property Held for Resale - This category was created to represent the portion of fund balance that are long-term noncash assets available for sale.

Prepaid Expenses - This category was created to represent disbursements made that cannot be reported as expenditures in the current period for GAAP purposes.

Restricted Fund Balance

The restricted category of fund balance consists of the net financial resources that are restricted by either (a) external imposition by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposition by law through constitutional provisions or enabling legislation.

Committed Fund Balance

The committed category of fund balance consists of the net financial resources that are constrained to be used for a specific purpose as established by the highest level of decision-making authority. This fund balance also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying these contractual requirements. The Department's highest level of decision-making authority is the Legislative and Executive branches of the State of New Mexico.

Assigned Fund Balance

The assigned category of fund balance consists of the net financial resources that are constrained to be used for a specific purpose by the Department's intent but the constraint imposed does not satisfy the criteria to be classified as restricted or committed.

Unassigned Fund Balance

The unassigned category of fund balance consists of the net financial resources that are the least constrained. In the general fund, these are amounts that have not been restricted, committed or assigned to specific purposes. In other funds, they are negative fund balances that represent shortfalls which are covered by fund balances not restricted, committed or assigned to other specific purposes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Pledged Revenue

The Department has pledged gasoline excise taxes, motor vehicle registration fees, special fuel excise taxes, vehicle transactions fees, driver's license fees, oversize/overweight permit fees, trip (mileage) taxes, weight distance taxes, leased vehicle gross receipts taxes, tire recycling fees and FHWA revenues, to repay \$1.8 billion in State Transportation Revenue and Refunding Bonds issued between 2002 and 2010. Proceeds from the bonds provided funding for various transportation projects authorized by the State Legislature and that the Department has determined to be necessary or desirable, as well as to provide funds to refund and restructure certain outstanding bonds. The bonds are payable through 2027. Annual principal and interest payments on the bonds are expected to require less than 39% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$2.4 billion. Principal and interest paid for the current year and total customer net revenues were \$191,668,068 and \$76,494,879 respectively.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Eliminations

Total columns in the governmental fund financial statements are captioned "Total (Governmental Funds)" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position, results of operation or changes in financial position of the Department as a whole in conformity with generally accepted accounting principles. Eliminations of intra-fund transfers have not been made in the aggregation in the governmental fund financial statements. Due from/to other funds and intra-fund transfers have been eliminated in the government-wide financial statements.

2. CASH AND CASH EQUIVALENTS

The Department has two types of cash equivalents--those that are deposited with the State Treasurer's Office and those that are held with trustees that are managed by NMFA.

Cash equivalents on deposit with State Treasurer's Office:

Cash funds, other than petty cash, which are deposited by the Department into its accounts with the State Treasurer, are pooled and invested by the State Treasurer. The State Treasurer issues separate financial statements, which disclose the collateral pledged to secure these deposits, the categories of risk involved, and the market value of purchased investments. In general, state statutes require that all deposits held by the State Treasurer be collateralized at a minimum level of 50 percent. Money of the Department may be deposited with the State Treasurer for a short-term investment pursuant to Section 6-10-10.1, NMSA 1978 Compilation, or may be invested in direct and general obligations or of obligations fully and unconditionally guaranteed by the United States, obligations issued by agencies of the United States, obligations of the State of New Mexico, or any political subdivision of the State and other investments allowed by state law. Petty cash funds are deposited with various financial institutions and are fully insured. Some of the cash held by the trustee for the NMFA loan proceeds is also invested in a money market mutual fund that invests in short-term U.S. Treasury securities.

Credit Risk. The LGIP, a government investment pool, is rated AAAM by Standard & Poor's. Therefore, the LGIP reports AAAM for credit risk. Public funds are not required to disclose custodial credit risk for external investment pools. Therefore, the LGIP is exempt from this requirement.

Concentration of Credit Risk. GASB Statement No. 40 defines concentration of credit risk as investments of more than 5% in any one issuer. External investment pools, such as the LGIP, are excluded from the requirement of disclosing concentration of credit risk.

Interest rate risk. According to GASB Statement No.40, an acceptable method for reporting interest rate risk is weighted average maturity ("WAM"). The State Treasurer's Office uses this method for reporting purposes for the LGIP. The WAM of the LGIP is identified on the monthly LGIP investment report found on the State Treasurer's Office website at www.stonm.org. As of June 30, 2011, the LGIP WAM is 36 days.

The reconciled balances at June 30, 2011, are as follows:

	Fund Number	Amount (+)	Amount (-)
Cash:			
<i>Unrestricted</i>	20100	\$ 2,600	
Balance Sheet - Governmental Funds Cash, Unrestricted and Statement of Net Assets Cash, Unrestricted		\$ 2,600	
<i>Restricted:</i>			
Balance Sheet - Governmental Funds Cash, Restricted and Statement of Net Assets Cash, Restricted		\$ -	

2. CASH AND CASH EQUIVALENTS (continued)

	Fund Number	Amount (+)	Amount (-)
Cash Equivalents:			
<i>Unrestricted:</i>		\$ -	

**Balance Sheet - Governmental Funds Cash Equivalents,
Unrestricted and Statement of Net Assets Cash
Equivalents, Unrestricted**

\$ -

Cash Equivalents:

Restricted:

2001A CHAT Bond Project Fund	600	\$ 4,716,775	\$ -
2001A CHAT Bond Debt Service Fund	700	233,709	-
Traffic Safety Fund(s)	10010, 10020, 20600, 20700, 20800, 82600	8,583,229	-
Federal Planning and Development	10030	-	2,770,287
State Road Fund(s)	10040, 10140, 20100, 78800, 78900, 82000	88,310,038	12,666,050
Capital Projects Fund	10050	9,220,697	-
STB Appropriations Fund	10060	-	3,818,251
General Fund Appropriations	10070	2,956,363	-
2006A GRIP Bond Project Fund	10210	-	935,745
2006C GRIP Bond Project Fund	10250	47,777	-
2010A Bond Project Fund	10450	3	-
2002D CHAT Bond Project Fund	11500	636,867	-
2002D CHAT Bond Debt Service Fund	18700	12,805	-
HIF Bond Fund	20200	9,114,358	-
Local Government Road Fund	20300	17,029,478	-
2004A GRIP Bond Project Fund	20400	647,647	-
State Aviation Fund	20500	11,575,360	-
2002C HIF Bond Project Fund	36100	1,303,647	-
2002C HIF Bond Debt Service Fund	36300	62,210	-
1993 Bond Project Fund	39400	1,594,160	-
1999A CHAT Bond Project Fund	43000	2,117,134	-
WIPP Bond Project Fund	43100	7,347,222	-
2000 CHAT Bond Debt Service Fund	43200	204,022	-
1999 CHAT Bond Debt Service Fund	43400	266,129	-
2002A CHAT Bond Debt Service Fund	54700	83,547	-
1998A CHAT Bond Debt Service Fund	54800	141,544	-
2002B WIPP Bond Debt Service Fund	75000	110,884	-
ARRA Project Fund	89000	-	7,732,062

2. CASH AND CASH EQUIVALENTS (continued)

	Fund Number	Amount (+)	Amount (-)
STB Capital Outlay Fund	89200	-	3,118,282
GF Capital Outlay	93100	502,940	-
1998A WIPP Bond Debt Service Fund	97200	14,505	-
Balance Sheet - Governmental Funds Cash Equivalents, Restricted		166,833,050	
State Infrastructure Bank:			
Restricted Cash Equivalents	89300	18,869,955	
Statement of Net Assets Cash Equivalents, Restricted		\$ 185,703,005	
Balance Sheet-Governmental Funds and Statement of Net Assets included in Due to Other Agencies (See Note 12)			\$ 31,040,677

State law requires that repurchase agreements be secured by collateral with a market value greater than 102% of the value of the agreement. The securities are held by a third party in the Department's name. The fair value of the repurchase agreement approximates the cost at June 30, 2011.

Cash equivalents managed by New Mexico Finance Authority

Money market funds are managed by New Mexico Finance Authority (fiscal agent) and held by State Treasurer authorized bank accounts at Bank of Albuquerque and Bank of New York as trustees and paying agents for Department. The sources of funds are bond proceeds and other debt service requirements. These funds are invested in short-term money market accounts that invest in U.S. Treasury obligations and repurchase agreements collateralized by U.S. Treasury obligations in accordance with state law. The trustees are also permitted to purchase U.S. Treasury obligations.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of failure of the counterparty, the Department will not be able to recover the value of its collateral securities that are in the possession of an outside party. All are fully collateralized and the collateral is held in the Department's name.

Credit Risk. The Authority's investments shall be in accordance with State Law, 6-10-10 and 6-10-10.1 NMSA 1978, including but not limited to the following: Treasury Bills, Notes, Bonds, Strips and U.S. Government.

Concentration of Credit Risk. Concentration of credit risk is defined as investments of more than 5% in any one issuer. The Department is not susceptible to concentration of credit risk.

2. CASH AND CASH EQUIVALENTS (continued)

Interest Rate Risk. Interest rate risk is the risk that interest rate fluctuations may adversely affect an investment's fair value. The prices of securities fluctuate with market interest rates and the value of securities held in a collateral portfolio will decline if market interest rates rise. In this event, the financial institution is required to provide additional collateral necessary to comply with New Mexico State Statute. Therefore, funds are not susceptible to interest rate risk as they are all fully collateralized.

	Fund Number	Amount
Cash Equivalents:		
<i>Managed by NMFA:</i>		
2001A CHAT Bond Debt Service Fund	700	\$ 1,651,454
State Road Fund(s)	10040, 10140, 20100, 78800, 78900, 82000	76,098
2004A GRIP Bond Debt Service Fund	10080	509,129
2004B GRIP Bond Debt Service Fund	10090	46,120,175
2006A GRIP Bond Project Fund	10210	15,302,968
2006A GRIP Bond Debt Service Fund	10220	33,425
2006B GRIP Bond Project Fund	10230	49,661
2006B GRIP Bond Debt Service Fund	10240	657,793
2006C GRIP Bond Project Fund	10250	11,236,809
2006D GRIP Bond Project Fund	10270	50,005,413
2008A GRIP Bond Debt Service Fund	10410	1,889,821
2008B GRIP Bond Debt Service Fund	10420	1,721,955
2008C GRIP Bond Debt Service Fund	10430	197,052
2008D GRIP Bond Debt Service Fund	10440	1,912,022
2010A Bond Project Fund	10450	69,162,887
2009A Bond Debt Service Fund	11130	45,063
2010A/LOC Bond Debt Service Fund	11140	43,752
2002D CHAT Bond Debt Service Fund	18700	19,860
2004A GRIP Bond Project Fund	20400	6,792,270
2010B GRIP Bond Debt Service Fund	20450	203,972
2002C HIF Bond Debt Service Fund	36300	36
2000 CHAT Bond Debt Service Fund	43200	1,184,404
1999 CHAT Bond Debt Service Fund	43400	750,114
2002A CHAT Bond Debt Service Fund	54700	690,407
1998A CHAT Bond Debt Service Fund	54800	86,177
2002B WIPP Bond Debt Service Fund	75000	702,615
1998A WIPP Bond Debt Service Fund	97200	199,245

**Balance Sheet - Governmental Funds and Statement of
Net Assets Cash Equivalents, Managed by NMFA**

\$ 211,244,577

3. ACCOUNTS RECEIVABLE

The aging of accounts receivable as of June 30, 2011 is as follows:

<u>Number of Days Outstanding</u>	
0 - 30	\$ 1,232,254
31 - 60	17,871,516
61 - 120	3,165
Beyond 120	4,978,649
	<u>24,085,584</u>
Allowance for uncollectible accounts	<u>(4,090,807)</u>
	<u><u>\$ 19,994,777</u></u>

4. SEVERANCE TAX BOND PROCEEDS RECEIVABLE

Severance tax bonds proceeds receivable as of June 30, 2011, appropriated to the Department, were held by the State Board of Finance to reimburse expenditures incurred by the Department. The activity of this account is as follows:

Balance, beginning of year	\$ 185,923,122
Sale and reauthorization of severance tax bonds	(6,598,500)
Funding from the State Board of Finance	(99,119,500)
Reversion to the State Board of Finance	<u>(2,138,088)</u>
Balance, end of year	<u><u>\$ 78,067,034</u></u>

The funding for the year ended June 30, 2011 was received under the Laws of 2000, Chapter 23; Laws of 2002, Chapter 110; Laws of 2003, Chapter 110 and 429; Laws of 2004, Chapter 126; Laws of 2005, Chapter 347; Laws of 2006, Chapter 347 and 111; Laws of 2007, Chapter 42; Laws of 2008 Chapter 9 and 92; and Laws of 2010, Chapter 7, for projects completed.

The State of New Mexico Legislature has authorized the State Board of Finance to issue and sell revenue bonds that are to be retired using future taxes levied against the extractive industries in the state. The proceeds from bonds sold are appropriated to the Department to be used for specific programs and are recorded as revenues by the Department. Expenditures incurred by the Department for such programs are reimbursable from the State Board of Finance. The severance tax bonds proceeds receivable represents the amounts due and available from the State Board of Finance as of year-end.

Receivable at year end (Note 8)	<u><u>\$ 13,055,553</u></u>
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5. NOTES AND LOANS RECEIVABLE

Notes receivable as of June 30, 2011 consist of the following:

A note receivable from a private entity, non-interest bearing, in accordance with federal statutes, collateralized by various property.	\$ 10,588
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Loans receivable funded by the SIB consist of the following:

Albuquerque Metropolitan Arroyo Flood Control Authority (AMAFCA), including interest at 1.5%, due during the 2011 federal fiscal year, secured by federal highway revenue.	\$ 1,931,805
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6. DUE FROM U.S. DEPARTMENT OF TRANSPORTATION

Due from U.S. Department of Transportation (USDOT) consists of the following at June 30, 2011:

Agency

Federal Highway Administration	\$ 52,502,540
Less allowance for uncollectible amounts	-
Total Federal Highway Administration	52,502,540
Other USDOT Agencies	8,344,684
Total USDOT	\$ 60,847,224

Subsequent to June 30, 2008, portions of the Federal Highway Administration unbilled portion of \$46,788,820 was billed and the amounts were collected by the Department. Management determined that the balance relating to payroll expenditures outstanding at year end and during 2009 was not collectible and, therefore, an allowance was established in June 30, 2008 and June 30, 2009. During the 2010 fiscal year, the Department obtained permission to bill prior years payroll on a case by case basis. Consequently, management has determined that an additional allowance will not be necessary, since it is currently determined to be reasonably collectible.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

7. DUE FROM AND DUE TO OTHER FUNDS

These amounts represent interfund receivables and payables arising from the interfund transactions within the Department. Due from/to other funds occur for the following reasons:

- 1) The State Road Fund pays expenditures on behalf of other funds.
- 2) Grant and other funds are recorded in the State Road Fund and then transferred to the appropriate funds.

Interfund receivables and payables as of June 30, 2011 consist of the following:

	Fund Number	Due From Other Funds	Due to Other Funds	Net (Sub-totals only)
Special Revenue Funds:				
Traffic Safety Fund(s)	10010, 10020, 20600, 20700, 20800, 82600	\$ 4,342	\$ 39,380	
Federal Planning and Development	10030	212,216	-	
2006A GRIP Bond Project Fund	10210	30,395	-	
State Road Fund(s)	10040, 10140, 20100, 78800, 78900, 82000	5,153,508	3,336,530	
ARRA Project Fund	89000	11,757	235,767	
Total Special Revenue Funds		5,412,218	3,611,677	1,800,541
Debt Service Funds:				
2006B GRIP Bond Debt Service Fund	10240	-	653,221	
2008AGRIP Bond Debt Service Fund	10410	-	4,458	
2008B GRIP Bond Debt Service Fund	10420	-	347,700	
2008C GRIP Bond Debt Service Fund	10430	4,458	-	
2008D GRIP Bond Debt Service Fund	10440	653,221	1,716,197	
Total Debt Service Funds		657,679	2,721,576	(2,063,897)
Capital Projects Funds:				
Capital Projects Fund	10050	355,317	-	
STB Appropriations Fund	10060	-	110,867	
Gen. Fund Appropriations Fund	10070	18,906	-	
Total Capital Projects Funds		374,223	110,867	263,356
Enterprise Funds:				
Total Enterprise Funds		-	-	-
Total Interfund Receivables and Payables		\$ 6,444,120	\$ 6,444,120	\$ -

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

7. DUE FROM AND DUE TO OTHER FUNDS - continued

	Fund Number	Due From Other Funds	Due to Other Funds	Net (Sub-totals only)
Summary				
Total Special Revenue Funds - net				\$ 1,800,541
Total Debt Service Funds - net				(2,063,897)
Total Capital Projects Funds – net				263,356
Total Governmental – net				-
Total Enterprise Funds – net				-
Total All Funds				\$ -

8. DUE FROM OTHER AGENCIES

Fund Description	Fund Number	Sub-total	Total	Due From
State Road Fund	20100	\$ 257,928		Public Regulation Commission
State Road Fund	20100	3,732		DFA
Total reauthorizations due			261,660	
2001A CHAT Bond Project Fund	00600	426		State Treasurer's Office
2001A CHAT Bond Debt Service Fund	00700	21		State Treasurer's Office
2002D CHAT Bond Project Fund	11500	69		State Treasurer's Office
2002D CHAT Bond Debt Service Fund	18700	1		State Treasurer's Office
State Road Fund	20100	8,804		State Treasurer's Office
HIF Bond Fund	20200	780		State Treasurer's Office
Local Government Road Fund	20300	1,556		State Treasurer's Office
State Aviation Fund	20500	1,044		State Treasurer's Office
Motorcycle Training Fund	20600	13		State Treasurer's Office
Traffic Safety Fund	20800	122		State Treasurer's Office
2002C HIF Bond Project Fund	36100	116		State Treasurer's Office
2002C HIF Bond Debt Service Fund	36300	6		State Treasurer's Office
1993 Bond Project Fund	39400	141		State Treasurer's Office
1999A CHAT Bond Project Fund	43000	188		State Treasurer's Office
WIPP Bond Project Fund	43100	877		State Treasurer's Office
2000 CHAT Bond Debt Service Fund	43200	18		State Treasurer's Office

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

8. DUE FROM OTHER AGENCIES - continued

Fund Description	Fund Number	Sub-total	Total	Due From
1999 CHAT Bond Debt Service Fund	43400	24		State Treasurer's Office
2002A CHAT Bond Debt Service Fund	54700	7		State Treasurer's Office
1998A CHAT Bond Debt Service Fund	54800	13		State Treasurer's Office
2002B WIPP Bond Debt Service Fund	75000	10		State Treasurer's Office
1998A WIPP Bond Debt Service Fund	97200	1		State Treasurer's Office
Total accrued interest due			14,237	
STB Appropriations Fund	10060	7,892,445		DFA Board of Finance
STB Capital Outlay Fund	89200	5,163,108		DFA Board of Finance
Total reimbursement due			13,055,553	
Total due from other agencies--government funds only			13,331,450	
SIB Interest accrued from Local Gov't Investment Pool			1,480	
Total due from other agencies--government wide only			<u>\$ 13,332,930</u>	

9. INVENTORY

Inventory as of June 30, 2011 consists of the following:

Highway maintenance materials stockpiled	\$ 7,273,588
Repair Parts and expendable supplies	5,669,808
Fuel, oil and lubricants	974,163
	<u>\$ 13,917,559</u>

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

10. CAPITAL ASSETS

A summary of changes in capital assets for fiscal year ended June 30, 2011 follows:

	Beginning Balance	Adjustments &		
	June 30, 2010	Additions	Transfers	Retirements
Non-depreciable assets:				
Construction in Progress	\$ 65,953,737	\$ 466,995,518	\$ -	\$ -
Rail System Infrastructure -				
Right of Way	77,252,100	-	-	-
Land	5,205,375	-	(2,141)	-
Right of Way	396,825,700	-	-	-
Total non-depreciable assets	545,236,912	466,995,518	(2,141)	-
Depreciable assets:				
Infrastructure	14,922,471,814	-	-	(469,564,846)
Automotive and Major Road Fund Equipment	192,107,225	7,626,061	599,474	(1,287,547)
Rail System Infrastructure	358,546,233	-	-	-
Buildings	44,051,133	120,308	1,795,303	-
Equipment and furniture	29,174,992	1,398,169	(144,284)	(369,257)
Library	102,614	-	-	-
Total depreciable assets	15,546,454,011	9,144,538	2,250,493	(471,221,650)
Total Assets	16,091,690,923	476,140,056	2,248,352	(471,221,650)
Less Accumulated Depreciation:				
Infrastructure	(8,750,338,900)	(568,454,944)	-	469,564,846
Automotive and Major Road Fund Equipment	(135,354,824)	(9,981,418)	(107,510)	1,105,813
Rail System Infrastructure	(32,229,415)	(14,539,763)	-	-
Buildings	(25,611,539)	(771,141)	(52,985)	-
Equipment and furniture	(22,508,441)	(1,690,883)	37,950	282,495
Library	(102,614)	-	-	-
Total Accumulated Depreciation	(8,966,145,733)	(595,438,149)	(122,545)	470,953,154
Net Total	\$ 7,125,545,190	\$ (119,298,093)	\$ 2,125,807	\$ (268,496)

There were no software costs to capitalize as of year-end. Depreciation and amortization was allocated to the following functions:

Depreciation:

Programs and infrastructure	\$ 568,454,944
Transportation and highway operations	14,539,763
Program support	12,443,442
	<u>595,438,149</u>

Amortization

	4,088,174
Total depreciation and amortization	<u>\$ 599,526,323</u>

10. CAPITAL ASSETS (continued)

CIP Reclassifications	Ending Balance June 30, 2011
\$ (394,633,491)	\$ 138,315,764
-	77,252,100
-	5,203,234
7,979,909	404,805,609
(386,653,582)	625,576,707
381,705,731	14,834,612,699
-	199,045,213
4,947,851	363,494,084
-	45,966,744
-	30,059,620
-	102,614
386,653,582	15,473,280,974
-	16,098,857,681
-	(8,849,228,998)
-	(144,337,939)
-	(46,769,178)
-	(26,435,665)
-	(23,878,879)
-	(102,614)
-	(9,090,753,273)
\$ -	\$ 7,008,104,408

11. OPERATING TRANSFERS

Transfers within the Agency:

	State Road Fund(s) (Multi)	General Fund Appropriations (SHARE 10070)	2010A Bond Project Fund (SHARE 10450)	2010A/LOC Bond Debt Service Fund (SHARE 11140)	HIF Bond Fund (SHARE 20200)	2004A GRIP Bond Project Fund (SHARE 20400)
(1)	\$ (255,243)	\$ -	\$ -	\$ -	\$ -	\$ -
(2)	-	-	-	-	(296,180)	-
(3)	-	-	-	-	-	-
(4)	-	-	-	-	-	-
(5)	-	-	-	-	-	-
(6)	-	-	-	-	-	(10)
(7)	-	-	-	-	-	-
(8)	(1,498,215)	-	-	-	-	-
(9)	-	-	77,411,932	(77,411,932)	-	-
(10)	(7,843,306)	-	-	-	-	-
(11)	-	-	-	-	-	-
(12)	-	(502,940)	-	-	-	-
	<u>\$ (9,596,764)</u>	<u>\$ (502,940)</u>	<u>\$ 77,411,932</u>	<u>\$ (77,411,932)</u>	<u>\$ (296,180)</u>	<u>\$ (10)</u>

- (1) The transfer from the State Road Fund to the non GRIP debt service funds are for the debt repayments
- (2) The transfer from the Highway Infrastructure Fund to the non GRIP debt service funds are for the debt repayments
- (3) Transfers to correct allocation of costs
- (4) Transfer of 2004 B interest earnings to offset interest costs in 2008A and 2008C
- (5) Transfer of BNSF interest earnings
- (6) Transfer to move funds from closed COI accounts
- (7) Transfers to allocated balances in shared trustee accounts
- (8) Transfer from road fund to funds to payoff existing amounts owed to NMFA for interest costs paid by them in prior year
- (9) Receipt of proceeds in excess of debt refunded in 2010A refunding from debt service fund to project fund
- (10) Transfer of cash needed for 2004 A's share (fd 10080) of cash contributed to 2010B refunding from road fund to fund
- (11) Transfer of cash from all funds contributing cash to 2010B Refunding Bonds
- (12) Transfer from deposited in old General Appropriations that were paid out of the new General Appropriations fund

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

11. OPERATING TRANSFERS - continued

	2006A GRIP	2006B GRIP	2006C GRIP	2006D GRIP	GF Capital	2002A CHAT
	Bond Project	Bond Project	Bond Project	Bond Project	Outlay	Bond Debt
	Fund	Fund	Fund	Fund		Service Fund
	(SHARE 10210)	SHARE (10230)	(SHARE 10250)	(SHARE 10270)	(SHARE 93100)	(SHARE 54700)
(1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 193,818
(2)	-	-	-	-	-	-
(3)	-	-	-	-	-	-
(4)	-	-	-	-	-	-
(5)	-	-	-	(69,981)	-	-
(6)	(79)	-	(10)	(6)	-	-
(7)	(2,200,882)	(2,364,716)	4,565,598	-	-	-
(8)	-	-	-	-	-	-
(9)	-	-	-	-	-	-
(10)	-	-	-	-	-	-
(11)	-	-	-	-	-	(209,200)
(12)	-	-	-	-	502,940	-
	<u>\$ (2,200,961)</u>	<u>\$ (2,364,716)</u>	<u>\$ 4,565,588</u>	<u>\$ (69,987)</u>	<u>\$ 502,940</u>	<u>\$ (15,382)</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

11. OPERATING TRANSFERS - continued

	2002C HIF Bond Debt Service Fund (SHARE 36300)	2002D CHAT Bond Debt Service Fund (SHARE 18700)	2004A GRIP Bond Debt Service Fund (SHARE 10080)	2004B GRIP Bond Debt Service Fund (SHARE 10090)	2006A GRIP Bond Debt Service Fund (SHARE 10220)	2006B GRIP Bond Debt Service Fund (SHARE 10240)
(1)	\$ -	\$ 61,425	\$ -	\$ -	\$ -	\$ -
(2)	296,180	-	-	-	-	-
(3)	-	-	-	-	-	-
(4)	-	-	-	(2,228,766)	-	-
(5)	-	-	-	-	-	-
(6)	-	-	-	-	(1,437,073)	-
(7)	-	-	-	-	-	-
(8)	-	-	-	-	-	1,246,707
(9)	-	-	-	-	-	-
(10)	-	-	7,843,306	-	-	-
(11)	(92,050)	(21,800)	(7,843,306)	-	-	-
(12)	-	-	-	-	-	-
	<u>\$ 204,130</u>	<u>\$ 39,625</u>	<u>\$ -</u>	<u>\$ (2,228,766)</u>	<u>\$ (1,437,073)</u>	<u>\$ 1,246,707</u>

- (1) The transfer from the State Road Fund to the non GRIP debt service funds are for the debt repayments
- (2) The transfer from the Highway Infrastructure Fund to the non GRIP debt service funds are for the debt repayments
- (3) Transfers to correct allocation of costs
- (4) Transfer of 2004 B interest earnings to offset interest costs in 2008A and 2008C
- (5) Transfer of BNSF interest earnings
- (6) Transfer to move funds from closed COI accounts
- (7) Transfers to allocated balances in shared trustee accounts
- (8) Transfer from road fund to funds to payoff existing amounts owed to NMFA for interest costs paid by them in prior year
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- (10) Transfer of cash needed for 2004 A's share (fd 10080) of cash contributed to 2010B refunding from road fund to fund
- (11) Transfer of cash from all funds contributing cash to 2010B Refunding Bonds
- (12) Transfer from deposited in old General Appropriations that were paid out of the new General Appropriations fund

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

11. OPERATING TRANSFERS - continued

	2008A GRIP	2008B GRIP	2008C GRIP	2008D GRIP	2010B	Total
	Bond Debt	Bond Debt	Bond Debt	Bond Debt	Bond	All Pages
	Service Fund	Service Fund	Service Fund	Service Fund	Debt Service	Netting Funds
	(SHARE 10410)	(SHARE 10420)	(SHARE 10430)	(SHARE 10440)	(SHARE 20450)	Only
(1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(2)	-	-	-	-	-	-
(3)	101,731	(101,731)	-	-	-	-
(4)	1,283,769	-	944,997	-	-	-
(5)	-	-	-	69,981	-	-
(6)	1,437,163	-	10	5	-	-
(7)	47,159	(47,159)	-	-	-	-
(8)	-	52,951	104,401	94,156	-	-
(9)	-	-	-	-	-	-
(10)	-	-	-	-	-	-
(11)	-	-	-	-	8,166,356	-
(12)	-	-	-	-	-	-
	\$ 2,869,822	\$ (95,939)	\$ 1,049,408	\$ 164,142	\$ 8,166,356	\$ -

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

11. OPERATING TRANSFERS - continued

Transfers outside of Agency:

	State Road Fund(s) (Multi)	General Fund Appropriations (SHARE 10070)	ARRA Project Fund (SHARE 89000)	2010A Bond Project Fund (SHARE 10450)	2010A/LOC Bond Debt Service Fund (SHARE 11140)	Ignition Interlock (SHARE 82600)
(13)	\$ -	\$ -	\$ -	\$ 2,025,375	\$ -	\$ -
(14)	-	-	-	-	174,625,000	-
(15)	-	-	-	-	26,745,858	-
(16)	-	-	-	-	-	-
(17)	-	-	-	-	-	-
(18)	-	-	-	-	-	-
(19)	-	-	-	-	-	-
(20)	-	-	-	-	-	-
(21)	(6,938,000)	-	-	-	-	-
(22)	-	-	18,639	-	-	-
(23)	-	(165,104)	-	-	-	-
(24)	-	-	-	-	-	550,000
(25)	-	(1,112,887)	-	-	-	-
	\$ (6,938,000)	\$ (1,277,991)	\$ 18,639	\$ 2,025,375	\$ 201,370,858	\$ 550,000

- (13) Receipt of proceeds from Tax Exempt Line of Credit
- (14) Receipt of proceeds from 2010A Refunding Bonds
- (15) Receipt of premium on 2010A Refunding Bonds
- (16) Receipt principal amount of 2010B Refunding Bonds
- (17) Receipt of premium on 2010B Refunding Bonds
- (18) Receipt of cash for Costs of Issuance for 2010B Refunding Bonds
- (19) Transfer proceeds of 2010B Refunding to 2010B Escrow account
- (20) Capital assets purchased by capital assets fund and not reimbursed by Road fund
- (21) Transfers made to Department of Public Safety (less reversions)
- (22) Transfers in from Energy, Minerals, and Natural Resources Department
- (23) Transfers in(out) from other agencies due to appropriations reauthorized
- (24) Annual Transfer in from Department of Finance
- (25) Reversions that have been sent to DFA or a schedule to be reverted in FY 12

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

11. OPERATING TRANSFERS - continued

	STB Appropriations Fund (SHARE 10060)	STB Capital Outlay (SHARE 89200)	2010B Bond Debt Service (SHARE 20450)	Total all Inter-agency Transfers
(13)	\$ -	\$ -	\$ -	\$ 2,025,375
(14)	-	-	-	174,625,000
(15)	-	-	-	26,745,858
(16)	-	-	461,075,000	461,075,000
(17)	-	-	84,632,802	84,632,802
(18)	-	-	917,566	917,566
(19)	-	-	(543,315,911)	(543,315,911)
(20)	-	-	(8,166,356)	(8,166,356)
(21)	-	-	-	(6,938,000)
(22)	-	-	-	18,639
(23)	-	-	-	(165,104)
(24)	99,131,574	5,163,108	-	104,844,682
(25)	(2,000)	-	-	(1,114,887)
	<u>\$ 99,129,574</u>	<u>\$ 5,163,108</u>	<u>\$ (4,856,899)</u>	<u>\$ 295,184,664</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

12. DUE TO OTHER AGENCIES

Fund Description	Fund Number	Due To	Total
Traffic Safety Fund(s)	10010, 10020, 20600, 20700, 20800, 82600	Administrative Office of the Courts	\$ 67,795
Federal Planning and Development	10030	Due to State Treasurer's Office	2,770,287
STB Appropriations Fund	10060	Due to State Treasurer's Office	3,818,251
General Fund Appropriations	10070	New Mexico Environment Dept	25,000
2006A GRIP Bond Project Fund	10210	Due to State Treasurer's Office	935,745
State Road Fund(s)	10040, 10140, 20100, 78800, 78900, 82000	Due to State Treasurer's Office	12,666,050
ARRA Project Fund	89000	Due to State Treasurer's Office	7,732,062
STB Capital Outlay Fund	89200	Due to State Treasurer's Office	3,118,282
Total due to other agencies			<u>\$ 31,133,472</u>
		Due to State Treasurer's Office	\$ 31,040,677
		New Mexico Environment Dept	25,000
		Administrative Office of the Courts	67,795
			<u>\$ 31,133,472</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

13. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended June 30, 2011:

Governmental Activities	Balance at June 30, 2010	Increase	Decrease	Ending Balance June 30, 2011	Amounts due within one year
2002A CHAT Bonds	\$ 9,690,000	\$ -	\$ (9,690,000)	\$ -	\$ -
2002C HIF Bonds	13,200,000	-	(7,270,000)	5,930,000	-
2002D CHAT Bonds	3,210,000	-	(1,635,000)	1,575,000	-
2004A GRIP Bonds	700,000,000	-	(451,690,000)	248,310,000	-
2004B GRIP Bonds	129,195,000	-	(36,275,000)	92,920,000	29,060,000
2006A GRIP Bonds	150,000,000	-	-	150,000,000	240,000
2006B GRIP Bonds	30,000,000	-	(2,100,000)	27,900,000	1,225,000
2008A GRIP Bonds	115,200,000	-	-	115,200,000	-
2008B GRIP Bonds	220,000,000	-	-	220,000,000	-
2008C GRIP Bonds	84,800,000	-	-	84,800,000	-
2008D GRIP Bonds	50,400,000	-	-	50,400,000	-
2009A Refunding Bonds	102,420,000	-	(30,705,000)	71,715,000	22,370,000
2010A Debt Service	-	174,625,000	-	174,625,000	6,045,000
2010B GRIP Bonds	-	461,075,000	-	461,075,000	9,640,000
Gross Debentures	1,608,115,000	635,700,000	(539,365,000)	1,704,450,000	68,580,000
Deferred amount on refunding	(26,217,316)	(62,685,108)	6,197,531	(82,704,893)	(6,197,531)
Net Debentures	1,581,897,684	573,014,892	(533,167,469)	1,621,745,107	62,382,469
Tax-exempt Line of Credit	120,562,692	2,025,376	(122,588,068)	-	-
Compensated absences payable	6,407,802	2,544,743	(3,301,286)	5,651,259	5,651,259
Total obligations	1,708,868,178	<u>\$ 577,585,011</u>	<u>\$ (659,056,823)</u>	1,627,396,366	<u>\$ 68,033,728</u>
Less current portion	(123,767,779)			(68,033,728)	
Net long-term obligations	<u>\$ 1,585,100,399</u>			<u>\$ 1,559,362,638</u>	

The State Road Fund (#20100) is used to liquidate other long-term liabilities, such as compensated absences and capital leases. The Department is authorized to issue bonds from time to time, payable from the proceeds of the collection of gasoline excise taxes, motor vehicle registration fees, and other fees that are required by law to be paid into the State Road Fund and not otherwise pledged solely to the payment of outstanding bonds and debentures. The total aggregate outstanding bonds issued are in accordance with the authorizing legislation for the bonds and other debt with the approval of the State Board of Finance, which includes Section 67-3-59.1 of the New Mexico Statutes Annotated (NMSA) (1978), as amended; and the Supplemental Public Securities Act constituting Sections 6-15-8 through 6-14-11 of the NMSA (1978), as amended.

13. LONG-TERM OBLIGATIONS - continued

Series 2002A CHAT

The Department issued \$95,000,000 of the New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Highway Bonds Series 2002A in January 2002. The gross proceeds including accrued interest to the Department were \$98,361,534, including \$3,913,043 of an original premium. The cost of issuance including underwriting fees was \$592,819. The Bonds are special limited obligations of the State Highway Commission, payable solely from and secured by a senior subordinate pledge of proceeds of the collection of gasoline excise taxes, special fuel excise taxes, vehicle transaction taxes or fees, drivers license fees, oversize/overweight permit fees, certain Public Commission fees, trip taxes, weight distance taxes, motor vehicle registration fees and, to the extent authorized, to be paid into the State Road Fund in the future, motor vehicle excise taxes, in each case that are required by law to be paid in the State Road Fund and interest on such amounts in the State Road Fund. The Series 2002A Bonds (CHAT Bonds) were issued to fund projects identified by the Department and the Legislature.

In October 2010, \$9,690,000 which was the remaining balance due, was refunded by the 2010B Senior Lien Refunding Revenue Bonds.

13. LONG-TERM OBLIGATIONS - continued

Series 2002C HIF

The Department issued \$67,750,000 of the New Mexico State Highway Infrastructure Fund Revenue Highway Bonds (additionally secured by a Senior Subordinate Lien on Certain State Road Fund Revenues), Series 2002C, in May 2002. The gross proceeds including accrued interest to the Department were \$69,809,036 including \$2,499,411 of an original issue premium. The cost of issuance including underwriter fees was \$440,375. The bonds are special limited obligations of the State Highway Commission, payable from and secured by a senior pledge of proceeds of the collection of leased vehicle gross receipts tax revenues and tire recycling fees, in each case that are required by law to be paid into the Highway Infrastructure Fund and interest on such amounts in the Highway Infrastructure Fund. The Bonds are additionally payable from and secured by a senior subordinate pledge of proceeds of the collection of gasoline excise taxes, special fuel excise taxes, vehicle transaction taxes or fees, drivers license fees, oversize/overweight permit fees, certain Public Regulation Commission fees, trip taxes, weight distance taxes, motor vehicle registration fees, and to the extent authorized to be paid into the State Road Fund in the future, motor vehicle excise taxes, in each case that are required by law to be paid into the State Road Fund and interest on such amounts in the State Road Fund. The Series 2002C Bonds (HIF Bonds) were issued to fund projects identified by the Department and the Legislature.

In October 2010, \$7,270,000 was refunded by the 2010B Senior Lien Refunding Revenue Bonds.

Principal of the Bonds is payable on June 15. Interest, with rates ranging from 4.35% to 5.250% per annum, is payable semi-annually on June 15 and December 15 through the year 2015.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$674,240, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2002C HIF:			
2012	\$ -	\$ 296,180	\$ 296,180
2013	5,040,000	296,180	5,336,180
2014	-	40,940	40,940
2015	890,000	40,940	930,940
2016	-	-	-
2017-2021	-	-	-
2022-2026	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 5,930,000</u>	<u>\$ 674,240</u>	<u>\$ 6,604,240</u>

13. LONG-TERM OBLIGATIONS - continued

Series 2002D CHAT

The Department issued \$16,000,000 of the New Mexico State Highway Commission Senior Subordinate Lien Tax Revenue Highway Bonds, Series 2002D, in December 2002. The gross proceeds to the Department were \$16,572,740 including \$699,498 of an original issue premium. The cost of issuance including underwriter fees was \$126,758. The Bonds are special limited obligations of the State Highway Commission, payable solely from and secured by a senior subordinate pledge of proceeds of the collection of gasoline excise taxes, special fuel excise taxes, vehicle transaction taxes or fees, drivers license fees, oversize/overweight permit fees, certain Public Regulation Commission fees, trip taxes, weight distance taxes, motor vehicle registration fees, and to the extent authorized to be paid into the State Road Fund in the future, motor vehicle excise taxes, in each case that are required by law to be paid into the State Road Fund and interest on such amounts in the State Road Fund. The Series 2002D Bonds (CHAT Bonds) were issued to fund projects identified by the Department and the Legislature.

In October 2010, \$1,635,000 was refunded by the 2010B Senior Lien Refunding Revenue Bonds.

Principal of the bonds is payable as follows on June 15. Interest 3.9% per annum, is payable semi-annually on June 15 and December 15 through the year 2013.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$122,850, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2002D CHAT:			
2012	\$ -	\$ 61,425	\$ 61,425
2013	1,575,000	61,425	1,636,425
2014	-	-	-
2015	-	-	-
2016	-	-	-
2017-2021	-	-	-
2022-2026	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 1,575,000</u>	<u>\$ 122,850</u>	<u>\$ 1,697,850</u>

13. LONG-TERM OBLIGATIONS - continued

Series 2004A GRIP

The Department issued \$700,000,000 through the New Mexico Finance Authority's (NMFA) State Transportation Revenue Bonds (Senior Lien), Series 2004A, in May 2004. The gross proceeds to the Department were \$738,787,815, including \$43,556,815 of an original issue premium. The cost of issuance including underwriter fees was \$6,368,367. The Bonds are special limited obligations of the Department, together with additional bonds hereafter issued, solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Series 2004A Bonds were issued to provide funds for certain transportation projects authorized by the State Legislature and that the Department has determined to be necessary or desirable.

The Department is responsible for the NMFA issuance costs and must annually pay the NMFA 25 basis points on the outstanding principal balance. Principal of the Bonds is payable as follows on June 15. Interest, with rates ranging from 3.8% to 5.25% per annum, is payable semi-annually on June 15 and December 15 through the year 2024.

In October 2010, \$451,690,000 was refunded by the 2010B Senior Lien Refunding Revenue Bonds.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$88,792,720, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2004A GRIP:			
2012	\$ -	\$ 12,686,840	\$ 12,686,840
2013	-	12,686,840	12,686,840
2014	19,360,000	12,686,840	32,046,840
2015	61,305,000	11,739,960	73,044,960
2016	65,045,000	8,522,073	73,567,073
2017-2021	2,400,000	25,344,005	27,744,005
2022-2026	100,200,000	5,126,162	105,326,162
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 248,310,000</u>	<u>\$ 88,792,720</u>	<u>\$ 337,102,720</u>

13. LONG-TERM OBLIGATIONS - continued

Series 2004B GRIP

The Department issued \$237,950,000 of bonds through the New Mexico Finance Authority's (NMFA) State Transportation Refunding Revenue Bonds (Subordinate Lien), Series 2004B, in May 2004. The gross proceeds to the Department were \$254,1297,187, including \$16,347,187 of an original issue premium. The cost of issuance including underwriter fees was \$2,196,442.

The Series 2004B Bonds are special limited obligations of the Department, together with additional bonds hereafter issued, solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund and restructure certain outstanding bonds of the NMFA and the Commission.

Principal of the Bonds is payable as follows on June 15. Interest, with rates ranging from 2.0% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2014.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$9,309,250, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2004B GRIP:			
2012	\$ 29,060,000	\$ 4,639,050	\$ 33,699,050
2013	34,120,000	3,186,800	37,306,800
2014	29,740,000	1,483,400	31,223,400
2015	-	-	-
2016	-	-	-
2017-2021	-	-	-
2022-2026	-	-	-
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 92,920,000</u>	<u>\$ 9,309,250</u>	<u>\$ 102,229,250</u>

13. LONG-TERM OBLIGATIONS - continued

Refundings

NMFA, on behalf of the Department, has issued multiple series of refunding bonds in prior years to advance refund certain older debt issues of the Department. The net proceeds of those issuances less any new amounts borrowed plus, at times, additional funds provided by the Department, were used to purchase U. S. Governmental securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the older debt issues. As a result, the advance refundings of the older debt are considered to be defeased and the liability for those bonds has been removed from long-term obligations. The bonds outstanding of \$986,135,000 were considered defeased as of June 30, 2010.

In addition to the refundings which have occurred in prior years, the following refundings have occurred within the current fiscal year:

2010A

On September 9, 2010, NMFA, on behalf of the Department, issued \$95,525,000 in series 2010A-1 Senior Lien Revenue and Refunding Revenue Bonds and \$79,100,000 in series 2010A-2 Subordinate Lien Revenue and Refunding Revenue Bonds to pay off the remaining principal balance of \$122,588,068 on the 2008 Tax Exempt Line of Credit held by the Bank of America. As a result, the Department has removed this liability from its accounts. Additional funds were provided by the issuance which have been segregated and are to be used for financing projects administered by the Department.

2010B

On October 5, 2010, NMFA, on behalf of the Department, issued \$461,075,000 in series 2010B Senior Lien State Transportation Revenue Bonds to advance refund \$9,690,000 of the series 2002A Senior Subordinate Lien Tax Revenue Highway Bonds, \$7,270,000 of series 2002C Highway Infrastructure Fund Revenue Bonds, \$1,635,000 of series 2002D Senior Subordinate Lien Tax Revenue Highway Bonds and \$451,690,000 of the series 2004A Senior Lien State Transportation Revenue Bonds. The net proceeds and additional funds of \$8,166,356 provided by the Department were used to purchase U.S. government securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service on the refunded portions of these bond series. As a result, those portions of the refunded series are considered defeased, and the Department has removed the liability from its accounts. The outstanding principal of the defeased bonds is \$460,595,000 at June 30, 2011. The difference between the present values of the service payments on the old and new debt (the economic gain) is \$22,438,132.

The cumulative deferred amount on the refundings of \$82,704,893, recorded as a reduction of the Department's long-term obligation, is the difference between the reacquisition price (funds required to refund the old debt including call provisions) and the net carrying amount of the old debt including unamortized old bond issuance costs. The deferred amount on the refunding is recorded to the government-wide financial statements and is required to be amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter.

13. LONG-TERM OBLIGATIONS - continued

Derivative Instruments

At the time of the 2004 GRIP bond issuance, NMFA, on behalf of the Department, entered into interest rate exchange agreements (“swaps”) with respect both to the adjustable rate bonds then issued and the adjustable rate bonds anticipated to be issued in 2006. All of the 2004 adjustable rate bonds were hedged at issuance with immediately-starting swaps and approximately one-half of the anticipated total 2006 issuance was hedged with forward-starting swaps that became effective in 2006.

In all of the swaps, NMFA, on behalf of the Department, receives a variable-interest rate payment based on an index, and makes a fixed-rate interest payment. This arrangement has the effect of converting the variable rate bonds to “synthetic fixed-rate” issues.

As in the case of the GRIP bonds, NMFA has entered into the swaps as an agent for the Department. These swap agreements remained in effect following the 2008 refunding and reissuance of the 2004 and 2006 adjustable rate bonds as Variable Rate Demand Notes (the 2008A through D series).

Objectives of the Swaps

The objective in entering into the swap agreements was to obtain a lower interest cost for the 2004 bonds than could have been obtained at the time had they been issued as fixed-rate bonds. With respect to the planned 2006, issuance, NMFA believed in 2004 that it would be desirable to “lock in” a synthetic fixed rate of 5% or less for a portion of the bonds anticipated to be issued in 2006.

Significant Terms

2004 Swaps:

<u>Counterparty</u>	<u>Royal Bank of Canada</u>	<u>Goldman Sachs</u>	<u>Deutsche Bank</u>
Notional Amount	\$100,000,000	\$50,000,000	\$50,000,000
Receipt Rate	68 % of 1 month LIBOR	68 % of 1 month LIBOR	68 % of 1 month LIBOR
Payment Rate (Syn- thetic Fixed Rate)	3.934%	3.934%	3.934%
Embedded Option(s)	None	None	None
Effective Date	May 20, 2004	May 20, 2004	May 20, 2004
Termination Date:	June 15, 2024	June 15, 2024	June 15, 2024

13. LONG-TERM OBLIGATIONS - continued

Significant Terms - continued

2006 Forward Starting Swaps:

<u>Counterparty</u>	<u>JP Morgan Chase Bank</u>	<u>UBS AG</u>
Notional Amount	\$110,000,000	\$110,000,000
Receipt Rate	SIFMA Municipal Swap Index	SIFMA Municipal Swap Index
Payment Rate	5.072%	5.072%
Embedded Option(s)	“Knockout” option – Counterparty may cancel if the index remains above 7% for more than 180 days	“Knockout” option – Counterparty may cancel if the index remains above 7% for more than 180 days
Option premium to NMFA	0.34%	0.34%
Net payment rate ("Synthetic Fixed Rate"), equals the payment rate less option premium	4.732%	4.732%
Effective Date	December 15, 2006	December 15, 2006
Termination Date:	December 15, 2026	December 15, 2026

No cash was paid or received at the initiation of any of the above swaps.

Fair Value

The estimated fair value of the swaps at June 30, 2011 was as follows:

<u>Counterparty</u>	<u>Notional Value</u>	<u>Fair Value *</u>
Goldman Sachs	\$ 50,000,000	\$ (8,073,300)
Deutsche	50,000,000	(8,073,300)
Royal Bank of Canada	100,000,000	(16,146,600)
JPMorgan Chase Bank	110,000,000	(24,546,550)
UBS AG	110,000,000	(24,546,550)
	<u>\$ 420,000,000</u>	<u>\$ (81,386,300)</u>

13. LONG-TERM OBLIGATIONS - continued

Fair Value - continued

*The Fair Value is the estimated amount that would have been received by or paid by the Department if the agreements had been terminated at June 30, 2011 under the terms of the agreement. This value is the net present value of the receipts and payments anticipated to be made pursuant to the agreements. The net present values are calculated based on discount rates indicated by actual swap transactions that occurred on or around June 30, 2011. Negative amounts indicate payments that would have been made by the Department to the counterparties.

Fiscal Year 2010 was the initial year for the implementation of GASB 53, which requires the Department to disclose its interest rate swap valuations in the audited financial statements. For the fiscal year ended June 30, 2010 the cumulative changes since inception have been recorded in the Department's accounting records. These swaps have been deemed a hedge, and as such, the total amount entered as a liability for the year ended June 30, 2011 was \$81,386,300 with an offsetting entry classified as a deferred cash outflow.

Associated Debt

Variable Rate Debt*	Par Value	2011 Debt Service			Net Variable Made (Received)	Total Net Interest Paid	Effective Interest Rate
		Principal	Fixed Interest				
Series 2008A and C	\$ 200,000,000	\$ -	\$ 7,868,000	\$ 415,118	\$ 8,283,118	4.142%	
Series 2008B	220,000,000	-	11,158,400	(791,704)	10,366,696	4.712%	

*The interest and swap payments for these bonds include the payments for the 2004 and 2006 Series bonds that that the 2008 series bonds replaced during the prior fiscal year.

The interest includes amounts paid within the fiscal year without regard to the costs associated with the swap collateral (Taxable) Line of Credit.

13. LONG-TERM OBLIGATIONS - continued

Risks

Credit Risk. Credit risk is the possibility that a counterparty will not fulfill its obligations.

The credit ratings of the counterparties, at June 30, 2011, were:

	<u>Moody's</u>	<u>S&P</u>	<u>Fitch</u>
Royal Bank of Canada	Aa1	AA-	AA
Goldman Sachs	A1	A+	A+
Deutsche Bank	Aa3	A+	AA-
JP Morgan Chase	Aa3	A+	AA-
UBS AG	Aa3	A+	A+

Presently, the Department has no exposure to loss with respect to the counterparties, as the termination values of the swaps are negative. That is, no amounts would be owed to the Department if any swaps were terminated at present. Each swap agreement contains provisions requiring the posting of collateral in the event that termination values exceed certain amounts. No termination value currently exceeded these limits, and, accordingly, no collateral was posted at June 30, 2011. The swap agreements permit the netting of amounts owed between the Department and a counterparty, mitigating, to some extent, the level of credit risk. The Department believes it has an adequate degree of diversification with regard to counterparties.

Swap Collateral Requirements – Taxable Line of Credit

Even though the negative balances at the end of the fiscal year were such that no collateral needed to be posted, earlier in the year the negatives were greater and collateral did need to be posted. For that purpose a short-term Taxable Line of Credit was established. There was no outstanding amount at the end of the year, though \$13,500,000 was borrowed and repaid within the year.

SHARE fund 10410 - 2008A GRIP Bond Debt Service Fund	\$	-
SHARE fund 10420 - 2008B GRIP Bond Debt Service Fund		-
SHARE fund 10430 - 2008C GRIP Bond Debt Service Fund		-
Total Short-term Notes Payable (Taxable Line of Credit)	<u>\$</u>	<u>-</u>

Interest Rate Risk.

The knock-out option in the 2006 swaps leaves the Department open to interest rate risk. If the SIFMA municipal swap index averages above 7% for 180 consecutive days, then, as provided by the terms of the knockout option, swap agreements could be cancelled by the counterparties and the Department would have outstanding unhedged variable rate debt in a 7% interest rate environment.

13. LONG-TERM OBLIGATIONS - continued

Basis Risk.

Basis risk is the possibility that the variable rate paid on the bonds may not be adequately offset by the variable index payment received under the swap agreement. The Department has little or no such risk with respect to the 2006 bonds as the 2006 swaps pay a variable rate equal to the SIFMA Municipal Swap index which has very closely approximated, historically, the rates paid on variable rate municipal debt. The Department has basis risk, however, with respect to the 2004 swaps. The variable rate the Department receives with respect to the 2004 swaps is 68% of one-month LIBOR. While this rate has closely tracked the SIFMA Municipal Swap Index for a long period of time, there has recently been some divergence between the two indices. There is no guarantee that the two indices will remain as closely correlated in the future as they were in the past. There is a possibility, therefore, of a mismatch between actual variable rate bond debt service payments and the variable rate receipts under the 2004 swap agreements, resulting in a failure to achieve the synthetic fixed rate expected when the swaps initiated.

One event that would cause a divergence between the indices would be a significant change in U.S. income tax rates. This might result in 68% of LIBOR no longer approximating the tax-exempt rate set by the market for the Department's variable rate debt.

Termination Risk

The unplanned termination of one or more of the swaps exposes the Department to the possibility that the synthetic fixed rate expected to be obtained on the variable rate debt will not, in fact, be achieved. The swap agreements contain the standard ISDA provisions for termination, including events such as bankruptcy, ratings downgrades, and failure to post collateral when required. In addition, the Department, but not the counterparties, can terminate the swaps at any time with 30-day notice.

Bonds Issued by NMFA

The following bonds were issued by the New Mexico Finance Authority (Authority) in an agency capacity on behalf of the Department of Transportation during the fiscal year:

13. LONG-TERM OBLIGATIONS - continued

Series 2006A GRIP

On September 19, 2006, the Authority issued \$150,000,000 of State Transportation, Series 2006A Revenue Bonds. The Series 2006A Bonds were issued to provide funds for certain transportation projects authorized by the Legislature that the New Mexico Department of Transportation has determined to be necessary or desirable as part of GRIP transportation projects. Due to certain facts and circumstances specific to this bond issue, the liability associated with this debt is reflected by the New Mexico Department of Transportation and not the books of the Authority. The Authority serves in an agency capacity with respect to this bond issue.

Principal of the Bonds is payable as follows on December 15. Interest, with rates ranging from 3.6% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2027.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$98,714,711, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2006A GRIP:			
2012	\$ 240,000	\$ 7,472,607	\$ 7,712,607
2013	195,000	7,464,298	7,659,298
2014	255,000	7,454,412	7,709,412
2015	3,715,000	7,355,163	11,070,163
2016	3,535,000	7,173,912	10,708,912
2017-2021	17,935,000	33,246,694	51,181,694
2022-2026	55,875,000	26,841,375	82,716,375
2027	68,250,000	1,706,250	69,956,250
Total	<u>\$ 150,000,000</u>	<u>\$ 98,714,711</u>	<u>\$ 248,714,711</u>

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2006B GRIP

On September 19, 2006, the Authority issued \$39,005,000 of State Transportation, Series 2006B Refunding Revenue Bonds. The Series 2006B Bonds were issued to provide funds to refund and restructure certain outstanding bonds of the State Transportation Commission. Due to certain facts and circumstances specific to this bond issue, the liability associated with this debt is reflected by the New Mexico Department of Transportation and not the books of the Authority. The Authority serves in an agency capacity with respect to this bond issue.

Principal of the Bonds is payable as follows on December 15. Interest, with rates ranging from 3.5% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2027.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$12,244,959, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2006B GRIP:			
2012	\$ 1,225,000	\$ 1,283,585	\$ 2,508,585
2013	1,270,000	1,237,288	2,507,288
2014	1,320,000	1,188,261	2,508,261
2015	1,375,000	1,135,288	2,510,288
2016	1,435,000	1,073,743	2,508,743
2017-2021	8,260,000	4,287,794	12,547,794
2022-2026	10,565,000	1,977,750	12,542,750
2027	2,450,000	61,250	2,511,250
Total	<u>\$ 27,900,000</u>	<u>\$ 12,244,959</u>	<u>\$ 40,144,959</u>

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008A GRIP

The Department issued \$115,200,000 NMFA Adjustable Rate State Transportation Refunding Revenue Bonds (Subordinate Lien) Series 2008A April of 2008. There was no original issue premium. The cost of issuance was \$457,260.

The Bonds are payable, together with additional bonds hereafter issued, solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Series 2008A bonds are being issued by the New Mexico Finance Authority (NMFA) at the direction of the New Mexico State Transportation Commission to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2024.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$57,456,857, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2008A GRIP:			
2012	\$ -	\$ 4,531,968	\$ 4,531,968
2013	-	4,531,968	4,531,968
2014	-	4,531,968	4,531,968
2015	-	4,531,968	4,531,968
2016	-	4,531,968	4,531,968
2017-2021	-	22,659,840	22,659,840
2022-2026	115,200,000	12,137,177	127,337,177
Total	\$ 115,200,000	\$ 57,456,857	\$ 172,656,857

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008B GRIP

The Department issued \$220,000,000 NMFA Adjustable Rate State Transportation Refunding Revenue Bonds (Subordinate Lien) Series 2008B in the amount of \$220,000,000 in April of 2008. There was no original issue premium. The cost of issuance was \$873,240.

The Bonds are payable, together with additional bonds hereafter issued, solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Series 2008B bonds are being issued by the New Mexico Finance Authority (NMFA) at the direction of the New Mexico State Transportation Commission to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2027.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$150,330,908, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2008B GRIP:			
2012	\$ -	\$ 10,410,400	\$ 10,410,400
2013	-	10,410,400	10,410,400
2014	-	10,410,400	10,410,400
2015	-	10,410,400	10,410,400
2016	-	10,410,400	10,410,400
2017-2021	-	52,052,000	52,052,000
2022-2026	207,600,000	45,933,524	253,533,524
2027	12,400,000	293,384	12,693,384
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 220,000,000</u>	<u>\$ 150,330,908</u>	<u>\$ 370,330,908</u>

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008C GRIP

The Department issued \$84,800,000 NMFA Adjustable Rate State Transportation Refunding Revenue Bonds (Subordinate Lien) Series 2008C in May of 2008. There was no original issue premium./ The cost of issuance was \$448,194.

The Bonds are payable, together with additional bonds hereafter issued, solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Series 2008C bonds are being issued by the New Mexico Finance Authority (NMFA) at the direction of the New Mexico State Transportation Commission to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2024.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$42,294,631, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2008C GRIP:			
2012	\$ -	\$ 3,336,032	\$ 3,336,032
2013	-	3,336,032	3,336,032
2014	-	3,336,032	3,336,032
2015	-	3,336,032	3,336,032
2016	-	3,336,032	3,336,032
2017-2021	-	16,680,160	16,680,160
2022-2026	84,800,000	8,934,311	93,734,311
	<u>84,800,000</u>	<u>8,934,311</u>	<u>93,734,311</u>
Total	<u>\$ 84,800,000</u>	<u>\$ 42,294,631</u>	<u>\$ 127,094,631</u>

13. LONG-TERM OBLIGATIONS - continued

Bonds Issued by NMFA - continued

Series 2008D GRIP

The Department issued \$50,400,000 NMFA Adjustable Rate State Transportation Refunding Revenue Bonds (Subordinate Lien) Series 2008D in May of 2008. There was no original issue premium. The cost of issuance was \$264,930.

The Bonds are payable, wholly and solely from moneys derived from sources other than general taxation revenues. The Bonds were issued thru the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds for an escrow as required by BNSF Railway Company in the Joint Use Agreement with the New Mexico Department of Transportation to cover costs of additional uninsured liabilities on the part of BNSF which would not exist but for the commuter rail service and related activities.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2027.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$15,624,000, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2008D GRIP:			
2012	\$ -	\$ 1,008,000	\$ 1,008,000
2013	-	1,008,000	1,008,000
2014	-	1,008,000	1,008,000
2015	-	1,008,000	1,008,000
2016	-	1,008,000	1,008,000
2017-2021	-	5,040,000	5,040,000
2022-2026	-	5,040,000	5,040,000
2027	50,400,000	504,000	50,904,000
	<u>50,400,000</u>	<u>504,000</u>	<u>50,904,000</u>
Total	<u>\$ 50,400,000</u>	<u>\$ 15,624,000</u>	<u>\$ 66,024,000</u>

13. LONG-TERM OBLIGATIONS - continued

Series 2009A Refunding

The Department issued \$112,345,000 NMFA State Transportation Refunding Revenue Bonds (Senior Lien) Series 2009A in November 2009. The gross proceeds to the Department were \$120,756,035, including \$8,411,035 of an original issue premium. The cost of issuance, including the underwriter's discount, was \$918,173.

The Series 2009A Bonds, together with additional bonds hereafter issued, are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The bonds were issued through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds to refund certain outstanding bonds of the NMFA which were issued for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest is payable semi-annually on June 15 and December 15 through the year 2017.

The Department's future estimated scheduled annual requirement to amortize the Bonds, including interest payments of \$7,685,100, based on interest rates from 2.0% to 5.0%, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2009A Refunding:			
2012	\$ 22,370,000	\$ 3,072,400	\$ 25,442,400
2013	23,190,000	2,253,900	25,443,900
2014	11,075,000	1,094,400	12,169,400
2015	4,820,000	651,400	5,471,400
2016	5,195,000	410,400	5,605,400
2017-2021	5,065,000	202,600	5,267,600
2022-2026	-	-	-
2027	-	-	-
Total	<u>\$ 71,715,000</u>	<u>\$ 7,685,100</u>	<u>\$ 79,400,100</u>

13. LONG-TERM OBLIGATIONS - continued

2010A Revenue and Refundings

The Department issued \$174,625,000 NMFA State Transportation Revenue and Refunding Revenue Bonds (Subordinate and Senior Lien) Series 2010A in September 2010. The gross proceeds to the Department were \$200,494,152 including an original issuance premium of \$26,745,858. The cost of issuance, including the underwriters' discount, was \$1,320,666.

The Bonds are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Bonds were engaged in through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on December 15. Interest, with rates ranging from 1.5% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2024.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$46,315,638, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2010A Refunding			
2012	\$ 6,045,000	\$ 8,004,938	\$ 14,049,938
2013	23,120,000	7,382,700	30,502,700
2014	38,225,000	5,915,475	44,140,475
2015	12,015,000	4,764,650	16,779,650
2016	12,595,000	4,202,600	16,797,600
2017-2021	49,705,000	13,434,325	63,139,325
2022-2026	32,920,000	2,610,950	35,530,950
	<u> </u>	<u> </u>	<u> </u>
Total	<u>\$ 174,625,000</u>	<u>\$ 46,315,638</u>	<u>\$ 220,940,638</u>

13. LONG-TERM OBLIGATIONS - continued

2010B Revenue and Refundings

The Department issued \$461,075,000 NMFA State Transportation Refunding Revenue Bonds (Senior Lien) Series 2010B in October 2010. The gross proceeds to the Department were \$543,315,911 including an original issuance premium of \$84,632,805. The cost of issuance, including the underwriters' discount, was \$3,096,740.

The Bonds are payable solely from and secured by federal funds not otherwise obligated that are paid into the State Road Fund, proceeds of the collection of taxes and fees that are required to be paid into the State Road Fund and not otherwise pledged exclusively to the payment of outstanding bonds and debentures, and taxes and fees required by law to be paid into the Highway Infrastructure Fund. The Bonds were engaged in through the NMFA at the direction of the State Transportation Commission of the State of New Mexico to provide funds for the purpose of financing projects administered by the New Mexico Department of Transportation. Those projects are part of the GRIP plan to upgrade and improve highways throughout the State and to develop a broad based, intermodal transportation plan that includes light rail, commuter rail, park and ride, airport improvements, bike paths and hiking trails.

Principal of the Bonds is payable as follows on June 15. Interest, with rates ranging from 3.0% to 5.0% per annum, is payable semi-annually on June 15 and December 15 through the year 2024.

The Department's future scheduled annual requirements to amortize the Bonds, including interest payments of \$186,190,400, are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Series 2010B Refunding			
2012	\$ 9,640,000	\$ 22,356,700	\$ 31,996,700
2013	-	22,067,500	22,067,500
2014	6,635,000	22,067,500	28,702,500
2015	-	21,832,100	21,832,100
2016	395,000	21,832,100	22,227,100
2017-2021	407,425,000	71,789,500	479,214,500
2022-2026	36,980,000	4,245,000	41,225,000
	<u>461,075,000</u>	<u>186,190,400</u>	<u>647,265,400</u>
Total	<u>\$ 461,075,000</u>	<u>\$ 186,190,400</u>	<u>\$ 647,265,400</u>

13. LONG-TERM OBLIGATIONS - continued

Total future principal and interest obligation repayments are as follows:

<u>Year Ended June 30,</u>	<u>Total</u>
2012	\$ 147,740,125
2013	164,433,331
2014	177,827,628
2015	150,925,901
2016	150,701,228
2017-2021	735,526,918
2022-2026	756,986,249
2027	136,064,884
Total	<u><u>\$ 2,420,206,264</u></u>

Long-Term Debt Interest Expense

The total amount of interest expense included in direct expenses in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds is \$76,494,879 for the year-ended June 30, 2011.

Capital Leases

There are no future minimum lease obligations to report as of June 30, 2011.

Compensated Absences

An obligation amounting to \$5,651,259 at June 30, 2011 has been recorded to the government-wide financial statements representing the Department's commitment for accrued vacation, sick leave and other compensated absences.

14. NEGATIVE FUND BALANCES

The Department had negative fund balances at the end of the fiscal year as follows:

Fund 89000: ARRA Project Fund \$3,356,766

This amount represents current year revenue deferred to the following fiscal year due to receipt greater than 60 days past the year end cutoff for recognizing earned revenue.

Fund 43100: WIPP Bond Project Fund \$2,710,967

This amount represents revenue deferred to the following fiscal year due to DOE grant monies received in advance and not recognized as revenue until actually expended.

Fund 10030: Federal Planning and Development Fund \$992,801

This amount represents unreimbursed expenditures awaiting administrative processing requirements.

Fund 10060: Severance Tax Bond Appropriations Fund \$2,910,327

This amount represents unreimbursed expenditures awaiting administrative processing requirements.

15. REVERSIONS

Reversions are calculated based on an original appropriation amount less total expenditures until the appropriation is expired or closed by the capital projects division.

Current year reversions due to the State General Fund as of June 30, 2011 were as follows:

2011 reversions	<u>\$ 1,114,887</u>
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16. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

Plan Description

Substantially all of the Department'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 benefits, disability benefits, survivor benefits and cost-of-living adjustments to plan members and beneficiaries. PERA issues a separate, publicly available financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, NM 87504-2123. The report is also available on PERA's website at www.pera.state.nm.us.

16. PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION - continued

Funding Policy

Plan members are required to contribute 8.92% of their gross salary. The Department is required to contribute 15.09% of the gross covered salary. The contribution requirements of plan members and the Department are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The Department's contributions to PERA for the years ending June 30, 2011, 2010 and 2009 were \$13,459,033, \$14,156,554, and \$16,400,581, respectively, equal to the amount of the required contribution for each year.

17. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN

Plan Description

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

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

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

Funding Policy

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

17. POST-EMPLOYMENT BENEFITS - STATE RETIREE HEALTH CARE PLAN - continued

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. During the fiscal year ended June 30, 2010, statute required each participating employer to contribute 1.666% of each participating employee's annual salary; each participating employee is required to contribute .8333% of their salary. In the fiscal years ending June 30, 2012 and June 30, 2013 the contribution rates for employees and employers will rise as follows:

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

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
FY12	1.834%	0.917%
FY13	2.000%	1.000%

Also, employers joining the program after January 1, 1998 are also required to make a surplus-amount contribution to the RHCA based on one of two formulas at agreed-upon intervals.

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

The Department's contributions to the RHCA for the years ended June 30, 2011, 2010, 2009 were \$1,472,272, \$1,197,245, and \$1,245,299, respectively, which equal the required contributions for each year.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

18. CONTRACTS

The State Legislature and the State Highway Commission have approved certain agreements between the Department and various counties, municipalities and other agencies to construct or improve public highways, school grounds, parking areas, and for the purpose of litter control. The Department's funding responsibility varies from zero to 100%. None of these cooperative and joint powers agreements have created legally separate organizations that need to be included as component units or joint ventures in the Department's financial statements.

Contract Number	Contractor	Description	Expended in 2011
C04922A	Cambridge Systematics	Provide technical support to the Safety Planning Unit, with the implementation of the engineering related safety improvement strategies documented in the New Mexico Comprehensive Transportation Safety Plan (NMCTSP)	\$ 58,952
C05058	Balciair, Kevin R	Rest area improvements I-40	2,675
C05061	Pinnacle West Investments	Real property valuation	8,025
C05064	Godfrey Appraisal Services	Real property valuation	8,560
C05070	Engelage Mai, Travis D	Real property valuation	73,013
C05072	Commercial Appraisal Inc	Real property valuation	12,605
C05101	HDR Engineering Inc	NM-4 corridor study	376,125
C05115	Precision Compliance Inc	FTA drug & alcohol testing reg	31,167
C05116	Precision Compliance Inc	Technical assistance & training	64,145
C05126	Vector Engineering LLC	On-call engineering services	326,085
C05132	Aero-Metric Inc	Photogrammetry mapping svc	23,602
C05153	Barbee, Charles	Claims board	5,569
C05154	Onstott, Lee W	Claims board	12,045
C05155	CKS LLC	Claims board	7,233
C05156	Charles Lange	Claims board	12,989
C05172A	Diexsys LLC	Develop New Mexico Specific Crash Analysis Methodology to provide decision support analysis for solving roadway safety problems at system and project levels.	29,877
C05173	University of New Mexico	Flexible pavement database	423,033
C05177	University of New Mexico	Testing of sub-grade information	149,587
C05193A	Leppa Inc	Serve as a member of the Department's Claims Board to hear claims submitted on highway construction projects and make recommendations to the Department.	8,011
C05194	Adelante Development Center	Rest area maintenance D-5	26,037
C05201A	IT PAS LLC	Review/Facilitate IT contract	900
C05206	Bohannon Huston Inc	Construction augmentation	329,859
C05207	PB Americas Inc	Construction augmentation	2,437,687
C05208	HDR Engineering Inc	Construction augmentation	1,541,513

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

18. CONTRACTS - continued

Contract Number	Contractor	Description	Expended in 2011
C05209	AMEC Earth & Environmental Inc	Construction augmentation	1,206,913
C05210	Wilson & Co Engineering	Construction augmentation	1,288,875
C05216	Gannett Fleming West Inc	SW intelligent transportation systems planning	368,340
C05219	University of New Mexico	Plan/Coordination CDWI conference	362,500
C05224	Marketing Solutions LLC	Management media contracts	2,063,784
C05244	University of New Mexico	Bridge procedures & design	7,640
C05247	University of New Mexico	FHWA-536(HWY finance report)	24,965
C05249	New Mexico Institute of Mining & Tech	Snow barrier effectiveness	43,060
C05250	Regents of NM State University	To investigate the feasibility and limitations of UHPC for Prestressed Concrete Bridge Applications in New Mexico.	39,874
C05252	Regents of NM State University	Dust storm detection	39,874
C05253	University of New Mexico	Exam Short and Long Term Properties of Self Consolidating Concrete (SCC)	79,007
C05258	Wilson & Company Inc	Study to evaluate the proposed roadway urban improvements for 1st and 2nd streets within the city of Portales and include a rehabilitation section from MP 421.6 to the junction of Avenue K.	551,934
C05261	Intera Inc	Hazardous material assessments and investigations which document site conditions with regard to contamination that may impact the acquisition and completion of proposed highway projects statewide.	121,140
C05263	Vector Engineering LLC	Interchange study for US550/NM165/125 interchange, complete environmental documentation, develop a preliminary design including preliminary rights of way documentation and a potential for preliminary R/W mapping.	378,490
C05271	Gannett Fleming West Inc	Road Grade Separation Alignment and Corridor Studies for I-25/University Interchange and I-25/Engler.	478,546
C05273	Las Vegas Primary Care Inc	Post-offer physical exams	535
C05278	Wilson & Company Inc	Statewide engineering on-call services and engineering resource augmentation services for any number of the activities listed under scope of services upon the request of the Department.	111,695
C05279	Louis Berger Group Inc, The	Statewide engineering on-call services and engineering resource augmentation services for any number of the activities listed under scope of services upon the request of the Department.	127,957
C05280	URS Corporation	Statewide engineering on-call services and engineering resource augmentation services for any number of the activities listed under scope of services upon the request of the Department.	19,841
C05281	D Pennington & Associates LLC	Engineering services for NM 41 Jct. I-40 to Jct. US 285 in Santa Fe County.	211,078

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

18. CONTRACTS - continued

Contract Number	Contractor	Description	Expended in 2011
C05282	Molzen-Corbin & Associates PA	Statewide engineering on-call services and engineering resource augmentation services.	81,847
C05290	Radian Engineering LLC	Engineering Services to conduct an Alignment Study for the Cambry Bridge on NM 549 in Luna County.	60,973
C05292A	Occupational Hlth Centers of the SW PA	Provide medical history and physical exams. Titmus Vision Exams which includes depth perception. Audiogram in OSHA approved booth. Hepatitis B Series of 3 injections. A Hep B Titer if personnel have had the series and want to see if it is still good. Provide Physical Abilities Testing.	1,204
C05299/A	University of New Mexico	Study of DWI offenders	16,666
C05308	CH2M Hill Inc	Dona Ana County Road A-017/Strauss Road Alignment Study and Final Design.	644,738
C05309	New Mexico Institute of Mining & Tech	Watercourse aggradation/degrad	71,412
C05310	Engelage Mai, Travis D	Appraisal review & feasibility	31,422
C05314	University of New Mexico	Aviation newsletter	36,864
C05315	University of New Mexico	DWII/DV prosecution practicum	160,575
C05316	Cambridge Systematics	NM state rail plan	141,746
C05317	Wilson & Company Inc	Junction of NM 68 and FL 5349 (Oñate Main Street) to junction of US 84/285 and FL 5349 (Oñate Main Street) Corridor Study.	202,982
C05318	University of New Mexico	Box culvert research	26,957
C05319	Basham & Basham PC	Legal services	22
C05320	Esparza Advertising	Advertising - billboards	3,750
C05321	SBCC Group Inc	Bond analysis	22,000
C05322	University of New Mexico	Drilled shaft design methods	34,547
C05323	Kardas, Abeyta & Weiner P.C.	Annual financial stmt audit	29,690
C05325	Regents of NM State University	Bridge load rating	39,528
C05327	Molzen-Corbin & Associates PA	Construction observation svcs	16,216
C05329	Louis Berger Group Inc, The	Provide Engineering services for the study of I-25/South Raton Interchange, to include phases 1-A, 1-B, & 1-C evaluation of alternatives and environmental documentation.	158,295
C05332	Regents of NM State University	Bridge inspection & load rate	454,683
C05334	Regents of NM State University	Pavement distress surveys	16,889
C05336	CH2M Hill Inc	Statewide hazardous material assessments and investigations for the NMDOT Environmental Geology Bureau (EGB).	31,863

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

18. CONTRACTS - continued

Contract Number	Contractor	Description	Expended in 2011
C05338	Animas Environmental Svc	Statewide hazardous material assessments and investigations for the NMDOT Environmental Geology Bureau (EGB).	52,166
C05339	University of New Mexico	SW Traffic data collection	72,813
C05346	Gonzales, J Philip	Fed grants financial mgmt serv	44,722
C05347	Molzen-Corbin & Associates PA	NM 185 Valley Drive Roadway Engineering Design (Phase IC, ID, and Phase II). Project is for road improvements to Valley Drive, between West Picacho Ave. and the city limits, in Las Cruces, pavement rehabilitation of the driving lanes and shoulderrs, the addition of sidewalks, curb and gutter, signal replacement at Hoagland Road, a possible intersection alignment improvements at Tashiro Drive and Hoagland Drive.	277,413
C05349	National Highway Institute	Conduct on-site instruction from the courses listed in their current catalog to all NMLTAP clients. Will provide training materials as agreed by both parties.	26,500
C05350	Northern New Mexico College	Develop and teach courses for the clients of NMLTAP. NNMC will provide training materials as agreed upon by both parties.	43,473
C05351	Heiden, William F	Develop and teach The Basics of a Good Gravel Road, Pavement Maintenance, Roadway Drainage, Slope Staking, Basic Highway Surveying, Soil Stabilization, and Field Training. Will provide all training materials as agreed upon by both parties.	14,936
C05352	HDR Engineering Inc	Statewide Highway Safety Improvement Program Support.	74,079
C05354	BM Consulting Service	Financial grant management	166,824
C05355	Pricehall Research Inc	Technical grant writing svcs	67,808
C05357	New Mexico Institute of Mining & Tech	Contract mgmt research	57,519
C05358	University of New Mexico	NMDOT bridge load rating	29,648
C05361	Montgomery & Andrews PA	On-call legal services	22,895
C05362	Narvaez Law Firm PA	On-call legal services	14,093
C05363	Sheehan & Sheehan PA	On-call legal services	10,140
C05364	Sutin Thayer & Browne	On-call legal services	15,560
C05365	Brownstein Hyatt Farber Schreck LLP	On-call legal services	23,804
C05367	University of New Mexico	Prevention research	34,519
C05368	Bohannon Huston Inc	Bridge/Structural Design Support and other Bridge related tasked on a statewide basis.	87,293
C05369	Larkin Group NM Inc	Drainage analysis of drainage problems.	18,124

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

18. CONTRACTS - continued

Contract Number	Contractor	Description	Expended in 2011
C05371	Louis Berger Group Inc, The	Bridge/Structural Design Support and other Bridge related tasked on a statewide basis.	56,183
C05373	Parametrix Inc	Environmental and cultural resource support	156,278
C05374	Surveying Control Inc	Develop and prepare final engineering/construction drawings.	42,173
C05375	SWCA Environmental Consultants	On-call Archaeological Data Recovery Services - Statewide.	115,743
C05376	Statistical Research Inc	Archaeological Data Recovery Servcies US 491 MP 15.3 to MP 46.	18,319
C05377	Kleinfelder West Inc	Statewide On-call Geotechnical Engineering Services.	36,430
C05378	Molzen-Corbin & Associates PA	Airport maps exhibits	7,037
C05379	PB Americas Inc	Statewide On-Call Drainage Services	14,122
C05380	Research & Polling	Public opinion survey	49,314
C05381	Schiffmacher, Jennifer E	Develop DBE program manual	1,920
C05382	University of New Mexico	Summer transportation program	31,570
C05383	Roberts, Barri G	Update ignition interlock rule	5,008
C05384A	CM Enterprises	Assist with ignition interlock	45,439
C05387	PB Americas Inc	Engineering On-Call Services and Augmentation Services Statewide.	14,170
C05388	Wilson & Company Inc	Conceptual design work for Safe Routes to School (SRTS) Phase 2 services.	370
C05389	Bohannon Huston Inc	Engineering On-Call Services and Augmentation Services Statewide.	6,420
C05390	Gannett Fleming West Inc	Engineering On-Call Services and Augmentation Services Statewide.	122,256
C05391	Marron and Associates Inc	Environmental Engineering Services (US 70 Wildlife Vehicular Crash Reduction Study).	38,983
C05392	MA Strategies LLC	Traffic records support program	49,968
C05393	Moss-Adams LLP	Financial and compliance audit	218,581
C05394	Kardas, Abeyta & Weiner PC	FY10 financial statement audit	52,687
C05395	NM Motorcycle Safety Program	Motorcycle safety	49,949
C05396	University of New Mexico	Fatigue endurance limits	29,951
C05397	Gutierrez Medical Group PA	Post offer physical exams	2,630
C05399	Greer Stafford/SJCF Inc	A&E patrol yard building in TA	39,792
C05400	University of New Mexico	Mechanistic empirical pavement	31,688
C05401	Kardas, Abeyta & Weiner PC	Accounting support services	135,516
C05402	Central NM Community College	Statewide mechanics training	46,093

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

18. CONTRACTS - continued

Contract Number	Contractor	Description	Expended in 2011
C05403	Vaughn Wedeen Creative Inc	Pedestrian safety	18,754
C05404	HDR Engineering Inc	Bridge / Structural Design Services Statewide.	54,646
C05406	University of New Mexico	Judicial education	19,575
C05407	University of New Mexico	Traffic records databases	214,717
C05408	University of New Mexico	Monitoring & oversight drive-ed	423,125
C05409	University of New Mexico	Traffic safety reporting	53,386
C05410	Safer New Mexico Now	Child restraint devices	232,449
C05411	University of New Mexico	Improve safety and walkability	13,538
C05412	Department of Cultural Affairs	Archaeological investigations for the New Mexico 128 improvement project	495,326
C05413	University of New Mexico	Testing of sub grade	11,520
C05416	NM Motorcycle Safety Program	Motorcycle safety training	84,234
C05417	Regents of New Mexico State University	Bridge inspections	115,500
C05418	Balciar, Kevin R	Architectural services	2,679
C05421	Vector Engineering LLC	Engineering Services - I-40 Rio Puerco area interchange study	16,273
C05424	New Mexico Highlands University	Software engineering training	7,514
C05425	Wilson & Company Inc	US 70 (North Main) from Chestnut Avenue to Solano Drive Alignment Study and Engineering Design Services	35,913
C05428	PB Americas Inc	NM 528 Rio Rancho Blvd Improvements from Southern Blvd to Northern Blvd.	251,909
C05429	Tinnin Law Firm	Legal services	5,891
C05432	Olcott, Robert B	Economist contract	5,862
C05434	Quintana, Henrietta A	Post audit & scanning services	7,400
C05437	University of New Mexico	Driver & vehicle data	636
SS0030A	Rocky Mountain Consulting LLC	Program management services	463,691
SS0031A	Deloitte Consulting LLP	WYDOT customized code	815,093
EX01100021	MC Dade-Woodcock Inc	1100021 CN 1100021	2,056,647
EX01100080	AUI Inc	BR-DKB-025-3(66)165 CN 1100080	3,916,753
EX01100181	Jar Construction	1100181 CN 1100181	1,125,882
EX01100300	James Hamilton Construction Company	1100300 CN 1100300	3,077,335
EX01100400	Apache Construction	1100400 CN 1100400	155,580
EX02100021	Fahrner Asphalt Sealers LLC	2100021 CN 2100021	764,431
EX02100410	H O Construction Inc	2100410 CN 2100410	165,728
EX02100450	K Barnett & Sons Inc	2100450 CN 2100450	8,102,024
EX02100470	Nationwide Construction Group	2100470 CN 2100470	264,384

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

18. CONTRACTS - continued

Contract Number	Contractor	Description	Expended in 2011
EX02384	Northern Mountain Constructors	BR-1436(6)06 CN 2384	2,685,396
EX03100010	Salls Brothers Constructions Inc	3100010 CN 3100010	97,299
EX03100070	A S Horner Inc	ST-025-3(212)195 CN 3100070	138,067
EX03100080	Albuquerque Asphalt Inc	HSIP-9505(1) CN 3100080	307,856
EX03100200	Fisher Sand & Gravel NM Inc	3100200 CN 3100200	889,736
EX03303	David Montoya Construction Inc	TPE-TPM-6403(1) CN 3303	1,310,703
EX03419	APC Southern Construction Co	IM-040-2(76)91 CN 3419	3,147,327
EX03673	El Terrero Construction LLC	BR-0120(23)64 CN 3673	849,148
EX03804	La Calerita Construction LLC	BR-O-0419(1)20 CN 3804	1,943,985
EX03827	James Hamilton Construction Company	HPP-TPA-TPE-TPO-62-1(7)33	6,958,217
EX03862	Villalobos Construction Co Inc	IM-025-3(53)148 CN 3862	799,203
EX03927	Mountain States Constructors Inc	TPA-TPM-1239(8)16 CN 3927	309,839
EX03972	James Hamilton Construction Company	IM-040-4(58)213 CN 3972	3,236,937
EX04044	La Calerita Construction LLC	IM-025-3(65)174 CN 4044	912,540
EX04046	Sterling Brothers Construction	HPP-NH-TPO-064-3(3)54 CN 4046	2,947,074
EX05100040	Star Paving Company	5100040 CN 5100040	470,401
EX05100071	FNF Construction Inc	5100071 CN 5100071	1,215,592
EX05100270	El Terrero Construction LLC	5100270 CN 5100270	2,057,818
EX05100310	Mountain States Constructors Inc	5100310 CN 5100310	568,832
EX05100420	Reiman Corp SW	5100420 CN 5100420	371,941
EX06100140	A S Horner Inc	6100140 CN 6100140	701,424
EX06100280	FNF Construction Inc	6100280 CN 6100280	1,835,415
EX06100290	C & E Concrete Inc	6100290 CN 6100290	256,023
EX06100291	C & E Concrete Inc	6100291 CN 6100291	460,457
EX06100300	A S Horner Inc	6100300 CN 6100300	429,023
EX06100340	Kiewit New Mexico CO	6100340 CN 6100340	1,720,252
EX06100430	FNF Construction Inc	6100430 CN 6100430	1,317,266
EX07235	Qualcon Inc	TPE-0518(1) CN 7235	669,919
EX0990120	Espanola Mercantile Co	Project No. 990120 CN 990120	396,325
EX0A300023	Valley Fence Company	A300023 CN A300023	637,116
EX0A300360	Mountain States Constructors Inc	A300360 CN A300360	2,854,629
EX0A300361	Fisher Sand & Gravel NM Inc	A300361 CN A300361	709,199
EX0A300390	Kiewit New Mexico CO	A300390 CN A300390	1,096,381
EX0A300640	AUI Inc	A300640 CN A300640	60,112

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

18. CONTRACTS - continued

Contract Number	Contractor	Description	Expended in 2011
EX0A300670	MWI Inc	A300670 CN A300670	261,955
EX0BR026	La Calerita Construction LLC	BR02600 CN BR026	784,392
EX0BR308	A S Horner Inc	BR-0314(4)14 CN BR308	2,137,803
EX0D1069	La Calerita Construction LLC	TPZ-1174(10)06 CN D1069	759,118
EX0D1310	A S Horner Inc	IM-025-1(89)42 CN D1310	1,005,024
EX0D2019	Constructors Inc	TPA-TPM-TPO-026-1(36)55 D2019	2,356,833
EX0D2511	James Hamilton Construction Company	TPM-0234(5) CN D2511	23,979
EX0D3020	A S Horner Inc	BR-040-3(189)140 CN D3020	31,548
EX0ES03966	El Terrero Construction LLC	ES03966 CN ES03966	809,537
EX0ES11180	Mountain States Constructors Inc	ES11180 CN ES11180	856,665
EX0ES11400	James Hamilton Construction Company	ES11400 CN ES11400	1,726,545
EX0ES11420	Mountain States Constructors Inc	ES11420 CN ES11420	124,521
EX0ES21300	Hasse Contracting Company Inc	ES21300 CN ES21300	216,418
EX0ES21310B	James Hamilton Construction Company	ES21310 CN ES21310B	1,100,249
EX0ES21420	K Barnett & Sons Inc	ES21420 CN ES21420	2,042,063
EX0ES31130B	FNF Construction Inc	ES31130 CN ES31130B	1,761,439
EX0ES31140	Fisher Sand & Gravel NM Inc	ES31140 CN ES31140	1,368,065
EX0ES31150	Kiewit New Mexico CO	ES31150 CN ES31150	1,383,533
EX0ES31160	FNF Construction Inc	ES31160 CN ES31160	54,327
EX0ES31210	FNF Construction Inc	ES31210 CN ES31210	1,771,300
EX0ES41370	James Hamilton Construction Company	ES41370 CN ES41370	2,065,067
EX0ES51260	Fisher Sand & Gravel NM Inc	ES51260 CN ES51260	3,283,780
EX0ES51270	James Hamilton Construction Company	ES51270 CN ES51270	1,376,586
EX0ES61260	Fisher Sand & Gravel NM Inc	ES61260 CN ES61260	1,176,091
EX0ES61330	A S Horner Inc	ES61330 CHN ES61330	1,229,130
EX0ES61350	FNF Construction Inc	ES61350 CN ES61350	1,060,368
EX0ESA3320	Mc Dade-Woodcock Inc	ESA3320 CN ESA3320	692,012
EX0ESA3330	Armour Pavement Inc	ESA3330 CN ESA3330	706,248
EX0ESA3331B	David Montoya Construction Inc	ESA3331 CN ESA3331B	192,395
EX0ESG2622R	El Terrero Construction LLC	AC-GRIP-(TPM)-380-1(36)85	936,835
EX0ESG5B56	Skanska USA Civil West Rocky Mountain Dist Inc	ESG5B56 CN ESG5B56	6,594,975

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

18. CONTRACTS - continued

Contract Number	Contractor	Description	Expended in 2011
EX0G1036C-1	FNF Construction Inc	AC-GRIP-(IM)-040-1(133)53	213,797
EX0G18A3	Jar Construction	AC-GRIP-(IM-NH)-010-2(112)157	4,546,538
EX0G1915	Fisher Sand & Gravel Co Inc	AC-GRIP-(Nh)-084-1(95)181	52,982
EX0G1965	Northern Mountain Constructors	AC-GRIP-HSIP-(NH)-084-1(107)18	532,397
EX0G2785	James Hamilton Construction Company	AC-GRIP-064(201)141 CN G2785	7,056,418
EX0G2B13	Mountain States Constructors Inc	G2B1300 CN G2B13	10,263,203
EX0G3111-1	James Hamilton Construction Company	AC-GRIP-(TPM)-026-1(12)25	256,347
EX0G3131	Fisher Sand & Gravel Co Inc	AC-GRIP-BR-(TPM)-026-1(11)	256,089
EX0G3A12	FNF Construction Inc	AC-GRIP-BR(NH)054-2(38)107	4,008,505
EX0G3A52	James Hamilton Construction Company	AC-GRIP-054-2(6)163 CN G3a52	606,925
EX0G3AD2	FNF New Mexico LLC	G3AD200 CN G3AD2	2,039,925
EX0G4024A	Kirkland Construction RLLP	G402400 CN G4024A	13,421,884
EX0G5B75	Skanska USA Civil West Rocky Mountain Dist Inc	GRSS-IRES-491-1(13)67 CN G5b75	7,422,891
EX0L2110	Hasse Contracting Company Inc	TPE-1226(21) CN L2110	160,078
EX0LC00030	RT Electric Inc	LC00030 CN LC00030	155,921
EX0M500127	H O Construction Inc	M500127 CN M500127	159,427

19. RISK MANAGEMENT

The Department, as a state agency defined in the New Mexico Tort Claims Act, is insured through the Risk Management Division of the state of New Mexico. The Department pays annual premiums to the Risk Management Division for coverage provided in the following areas:

1. Liability and civil rights protection for claims made by others against the state of New Mexico.
2. Coverage to protect the state of New Mexico's property and assets.
3. Fringe benefit coverage's for state of New Mexico employees.

During the 2008-2009 fiscal year, the Department paid Risk Management \$6,642,639 in insurance premiums. During the 2009-2010 fiscal year, the Department paid Risk Management \$4,318,445. During the 2010-2011 fiscal year, the Department paid Risk Management \$4,013,600. The Department's exposure is limited to \$1,000 per any first-party incurred property loss, with the exception of theft, which has a \$5,000 deductible.

After conferring with legal counsel concerning pending litigation and claims, the Department believes that the outcome of pending litigation should not have a materially adverse effect on the financial position or operations of the Department. In addition, for the years ended June 30, 2009, 2010 and 2011, the Department had no claims for which the Risk Management Division has returned as "not covered" that would become the responsibility of the Department

20. FEDERAL HIGHWAY ADMINISTRATION (FHWA) AUTHORIZATIONS

The FHWA annually allocates funds to the State of New Mexico, which are available for various federally-sponsored projects. The authorizations expire within two to five years from date of authorization.

In order to obtain funding commitments from FHWA for such allotments, projects must be submitted to and be approved by the FHWA. As of June 30, 2011, the amount of authorizations granted to the State of New Mexico that had not been converted to commitments because FHWA did not award sufficient obligation authority to the Department was \$157,258,877.

21. LITIGATION

The Department is subject to various legal proceedings, claims and liabilities, including right-of-way condemnation proceedings, contractor claims and employee claims, which arise in the ordinary course of the Department's operations. There are various contractor lawsuits and claims against the Department for various reasons. The Department contests these claims and if a likelihood of a loss is probable and can be reasonably estimated, the Department accrues the loss in the accompanying financial statements. In the opinion of the Department's management and legal counsel, the ultimate resolution of the above matters will not have a material adverse impact on the financial position or results of operations of the Department.

22. OPERATING LEASE COMMITMENT

The Department leases certain equipment and premises under numerous operating leases. Leases are subject to future appropriations and as such are cancelable by the Department at the end of a fiscal year. Rental expense for the year ended June 30, 2011 was \$1,025,980.

The future minimum lease payments under operating leases as of June 30, 2011 are as follows:

Years ending June 30:	<u>Lease Amounts</u>
2012	\$ 685,539
2013	303,559
2014	180,520
2015	35,700
2016 and thereafter	<u>157,470</u>
	<u><u>\$ 1,362,788</u></u>

23. COMMITMENTS AND CONTINGENCIES

Grant Revenue

The Department participates in numerous federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Department has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectibility of any related receivable at June 30, 2011 may be impaired. In the opinion of the Department, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

24. GAAP TO BUDGET RECONCILIATION

Revenue:

Fund Number	GAAP Revenues	Budget Adjustments			Budget Revenues
		Accruals	Transfers in (out)	Other**	
00600	\$ 8,782	\$ -	\$ -	\$ -	\$ 8,782
00700	1,173	-	-	-	1,173
10010	11,224,060	-	-	-	11,224,060
10020	348,911	-	-	-	348,911
10030	17,744,382	-	-	-	17,744,382
10040	881	-	-	-	881
10050	-	-	-	-	-
10060	(227,464)	-	-	99,131,574	98,904,110
10070	(134,687)	-	-	(165,104)	(299,791)
10080	7,761	-	-	-	7,761
10090	2,260,082	-	-	-	2,260,082
10140	-	-	-	-	-
10210	29,438	-	-	-	29,438
10220	2,768	-	-	-	2,768
10230	81	-	-	-	81
10240	4,859	-	-	-	4,859
10250	19,092	-	-	-	19,092
10270	65,599	-	-	-	65,599
10410	163,665	-	-	-	163,665
10420	1,202,385	-	-	-	1,202,385
10430	119,173	-	-	-	119,173
10440	2,482	-	-	-	2,482
10450	80,780	-	-	2,025,375	2,106,155
11130	21,516	-	-	-	21,516
11140	1,504	-	-	201,370,858	201,372,362
11500	1,425	-	-	-	1,425
18700	49	-	-	-	49
20100	693,799,911	-	-	(6,938,000)	686,861,911
20200	7,479,427	-	-	-	7,479,427
20300	21,343,209	-	-	-	21,343,209
20400	17,391	-	-	-	17,391
20450	3,868	-	-	(4,856,899)	(4,853,031)
20500	6,241,778	-	-	-	6,241,778
20600	135,469	-	-	-	135,469
20700	485,888	-	-	-	485,888
20800	1,466,350	-	-	-	1,466,350
34500	-	-	-	-	-

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

24. GAAP TO BUDGET RECONCILIATION (continued)

Revenues (continued):

Fund Number	GAAP Revenues	Budget Adjustments			Budget Revenues
		Accruals	Transfers in (out)	Other**	
36100	2,383	-	-	-	2,383
36300	194	-	-	-	194
36800	-	-	-	-	-
39400	2,914	-	-	-	2,914
43000	3,870	-	-	-	3,870
43100	26,657,717	-	-	-	26,657,717
43200	908	-	-	-	908
43400	825	-	-	-	825
54700	492	-	-	-	492
54800	298	-	-	-	298
75000	520	-	-	-	520
78800	-	-	-	-	-
78900	-	-	-	-	-
82000	-	-	-	-	-
82600	1,478,775	-	-	550,000	2,028,775
89000	114,029,983	-	-	18,639	114,048,622
89200	-	-	-	5,163,108	5,163,108
89300	82,928	-	-	-	82,928
93100	-	-	-	-	-
97200	116	-	-	-	116
	\$ 906,183,911	\$ -	\$ -	\$ 296,299,551	\$ 1,202,483,462

** Other column is used to account for Transfers Outside the Agency that are not included in GAAP Revenues but are included in Budget Revenues.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

24. GAAP TO BUDGET RECONCILIATION (continued)

Expenditures:

Fund Number	GAAP		Budget Adjustments			Budget Expenditures
	Expenditures	Accruals	Transfers in (out)	Other**	Expenditures	
00600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
00700	-	-	-	-	-	-
10010	8,779,216	1,624,973	-	-	-	10,404,189
10020	326,811	-	-	-	-	326,811
10030	17,062,735	(8,116)	-	-	-	17,054,619
10040	(2,505,766)	-	-	-	-	(2,505,766)
10050	-	-	-	-	-	-
10060	98,839,173	-	-	-	2,000	98,841,173
10070	8,759,972	2,922,761	502,940	1,112,887	-	13,298,560
10080	1,374,014	-	-	-	-	1,374,014
10090	-	-	2,228,766	-	-	2,228,766
10140	-	-	-	-	-	-
10210	5,883,911	820,677	2,200,961	-	-	8,905,549
10220	-	-	1,437,073	-	-	1,437,073
10230	-	-	2,364,716	-	-	2,364,716
10240	-	-	(1,246,707)	-	-	(1,246,707)
10250	-	-	(4,565,588)	-	-	(4,565,588)
10270	1,284	-	69,987	-	-	71,271
10410	955,870	264,712	(2,869,822)	-	-	(1,649,240)
10420	-	312,248	95,939	-	-	408,187
10430	624,597	269,149	(1,049,408)	-	-	(155,662)
10440	-	159,966	(164,142)	-	-	(4,176)
10450	17,798,834	-	(77,411,932)	-	-	(59,613,098)
11130	-	25,000	-	-	-	25,000
11140	123,916,534	-	77,411,932	-	-	201,328,466
11500	-	-	-	-	-	-
18700	61,425	-	(39,625)	-	-	21,800
20100	610,879,737	-	9,596,764	(3,189,030)	-	617,287,471
20200	12,361,161	-	296,180	-	-	12,657,341
20300	20,208,781	-	-	-	-	20,208,781
20400	4,196,124	77,878	10	-	-	4,274,012
20450	3,108,912	-	(8,166,356)	-	-	(5,057,444)
20500	1,481,115	2,569	-	-	-	1,483,684
20600	139,211	-	-	-	-	139,211
20700	254,719	-	-	-	-	254,719
20800	2,562,467	(112,002)	-	-	-	2,450,465
34500	-	-	-	-	-	-

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes to Financial Statements

24. GAAP TO BUDGET RECONCILIATION (continued)

Expenditures (continued):

Fund Number	GAAP Expenditures	Accruals	Budget Adjustments Transfers in (out)	Other**	Budget Expenditures
36100	-	-	-	-	-
36300	296,180	-	(204,130)	-	92,050
36800	-	-	-	-	-
39400	-	-	-	-	-
43000	-	-	-	-	-
43100	26,622,957	-	-	-	26,622,957
43200	-	-	-	-	-
43400	-	-	-	-	-
54700	-	-	15,382	-	15,382
54800	-	-	-	-	-
75000	-	-	-	-	-
78800	-	-	-	-	-
78900	-	-	-	-	-
82000	-	-	-	-	-
82600	551,407	(21,299)	-	-	530,108
89000	111,840,316	1,064,381	-	-	112,904,697
89200	5,163,108	(2,044,826)	-	-	3,118,282
89300	-	-	-	-	-
93100	78,681	-	(502,940)	-	(424,259)
97200	-	-	-	-	-
	<u>\$ 1,081,623,486</u>	<u>\$ 5,358,071</u>	<u>\$ -</u>	<u>\$ (2,074,143)</u>	<u>\$ 1,084,907,414</u>

** Other column is used to account for amortization expense (Fund 20100) included in GAAP Expenditures but that are not included in Budget Expenditures, and for reversions (Fund 10060 and 10070) that are not included in GAAP Expenditures but are included in Budget Expenditures.

25. BUDGETED VS. ACTUAL EXPENDITURES

The Department had expenditures that exceeded the final budget expenditures as follows:

Program Support, Other, in the amount of	<u>\$ 129,416,155</u>
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Program Support, Other

The other costs in 2010A/LOC Bond Debt Service Fund (Fund #11140) which exceed the budgeted amounts are the payoff of the principal due on the Line of Credit which was funded by the refunding bond (the NMFA State Transportation Revenue and Refunding Bond Series 2010A) as well as the issuance costs on the new debt. The proceeds of the bond, as well as the premium, are shown in Budget and Actual Schedule on the line "Bond Proceeds".

Transfers, which are shown in the expenditure portion of the Budget and Actual presentation, are the intra-agency transfers only and these net to zero across the entire agency. Any one fund presentation will show a variance over or under budget since in general transfers are not budgeted. See Note 11 for the Transfers Schedule Footnote.

Debt expenditures, which are reported in the Other category for budget purposes, and which include principal, interest and fees related to debt, were budgeted to be \$162,923,400 (not including the principal payments in the 2010A current refunding, the issuance costs of either refunding, or the Cash Transferred to Escrow in the 2010B Advance Refunding). The actual expenditures, measured in the same way, were \$153,442,577.

Expenditures related to debt which was incurred during or after 2004 are budgeted and expensed primarily in the fund which generates the revenue for the payments, specifically State Road Fund (#20100), HIF Bond Fund (#20200) and WIPP Bond Project Fund (#43100). This is for several reasons, not the least of which, it is needed in order to capture the costs for billing entities when the debt costs are reimbursable. If actual debt costs, paid out of the debt trustee accounts, exceed the cash transferred from the primary fund, the debt service fund which records the trustee cash that was used in addition to the cash transferred, then records the debt expenditures.

Expenditures related to debt which was incurred before 2004 are also budgeted in the fund which generates the revenue for payments, but presented as an expenditure for GAAP purposes in the debt service fund. The recording of the cash transferred to the debt service funds is a transfer out in the sending fund and as a transfer in for the debt service funds. These transfer amounts are not formally budgeted.

27. SUBSEQUENT EVENTS

Updated Fair Value of Swaps

The estimated fair value of the swaps at November 23, 2011 was as follows:

<u>Counterparty</u>	<u>Notional Value</u>	<u>Fair Value</u>	<u>Collateral Posted</u>
Goldman Sachs	\$ 50,000,000	\$ (14,170,336)	\$ -
Deutsche	50,000,000	(14,170,336)	-
Royal Bank of Canada	100,000,000	(28,340,673)	8,460,000
JPMorgan Chase Bank	110,000,000	(38,859,716)	11,160,000
UBS AG	110,000,000	(38,859,716)	9,420,000
Total	<u>\$ 420,000,000</u>	<u>\$ (134,400,777)</u>	<u>\$ 29,040,000</u>

The date of the Collateral Posting Report is October 31, 2011.

Taxable Line of Credit

In September 2011, the Department fully drew its \$20,000,000 taxable line of credit to finance a portion of the collateral posted against the negative fair value of the swaps. This LOC is considered short term and matures on February 16, 2012.

28. CHANGE IN ACCOUNTING METHOD

Due to findings in prior years, management met with the Department of Finance and Administration to discuss solutions to budget and technical problems. Under their advisement, we have changed from reporting all debt service expenditures in the debt service funds to recording the expenditures for the newer issuances (issued in 2004 or later) in the road fund for the amount of cash the road fund transfers to the debt service fund for payment of costs. When costs exceed the cash transferred the extra cost is then reported in the debt service fund. If the cash transferred is greater than cost, the road fund expenditure is decreased by the excess. The debt service expenditures for the older issuances continue to be reported in the debt service funds.

29. INSURANCE COVERAGE

The Department obtains coverage through Risk Management Division of the State of New Mexico General Services Department. This coverage includes liability and civil rights, property, vehicle, employer bond, workers' compensation, group insurance and state unemployment. These coverages are designed to satisfy the requirements of the State Tort Claims Act. All employees of the Department are covered by blanket fidelity bond up to \$5,000,000 with a \$1,000 deductible per occurrence by the State of New Mexico for the period July 1, 2010, through June 30, 2011.

SUPPLEMENTARY INFORMATION

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	DEPARTMENT OF TRANSPORTATION			
	agency wide including enterprise fund excluding multi-year funds			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 400,540,600	\$ 443,513,661	\$ 479,799,792	\$ 36,286,131
Other state funds	398,831,600	404,599,273	420,962,529	16,363,256
State general fund	-	-	-	-
Transfers outside the agency	(6,938,000)	(6,938,000)	(555,455,287)	(548,517,287)
Interest revenue	477,000	477,000	4,304,966	3,827,966
Bond proceeds	-	-	749,104,035	749,104,035
Total Revenues:	792,911,200	841,651,934	\$ 1,098,716,035	\$ 257,064,101
Prior Year Funds Rebudgeted	443,809,377	670,691,188		
	\$ 1,236,720,577	\$ 1,512,343,122		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 28,295,444	\$ 28,375,444	\$ 24,076,857	\$ 4,298,587
Contractual services	723,678,116	952,386,958	393,107,279	559,279,679
Other	224,457,117	252,007,121	191,082,462	60,924,659
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	976,430,677	1,232,769,523	608,266,598	624,502,925
Transportation and Highway Ops:				
Personal services/employee benefits	99,778,100	99,778,100	87,247,692	12,530,408
Contractual services	26,743,300	30,160,150	20,506,173	9,653,977
Other	86,944,700	102,811,549	81,814,904	20,996,645
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	213,466,100	232,749,799	189,568,769	43,181,030
Program Support				
Personal services/employee benefits	25,379,300	25,379,300	22,965,847	2,413,453
Contractual services	5,352,800	5,352,800	3,764,589	1,588,211
Other	16,091,700	16,091,700	145,507,855	(129,416,155)
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	46,823,800	46,823,800	172,238,291	(125,414,491)
Total Annual Budgeted				
Expenditures	\$ 1,236,720,577	\$ 1,512,343,122	\$ 970,073,658	\$ 542,269,464

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

STATE ROAD FUND(S) (SHARE 10040, 10140, 20100, 78800, 78900, 82000)				
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 349,069,000	\$ 349,069,000	\$ 310,654,795	\$ (38,414,205)
Other state funds	361,850,000	367,367,673	383,050,348	15,682,675
State general fund	-	-	-	-
Transfers outside the agency	(6,938,000)	(6,938,000)	(6,938,000)	-
Interest revenue	200,000	200,000	95,649	(104,351)
Bond proceeds	-	-	-	-
Total Revenues:	704,181,000	709,698,673	\$ 686,862,792	\$ (22,835,881)
Prior Year Funds Rebudgeted	-	191,868,584		
	\$ 704,181,000	\$ 901,567,257		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 26,241,200	\$ 26,241,200	\$ 22,668,795	\$ 3,572,405
Contractual services	290,691,700	484,017,050	246,866,073	237,150,977
Other	147,664,200	148,308,257	125,420,401	22,887,856
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	464,597,100	658,566,507	394,955,269	263,611,238
Transportation and Highway Ops:				
Personal services/employee benefits	99,778,100	99,778,100	87,247,692	12,530,408
Contractual services	26,743,300	30,160,150	20,506,173	9,653,977
Other	66,314,700	66,314,700	61,606,123	4,708,577
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	192,836,100	196,252,950	169,359,988	26,892,962
Program Support				
Personal services/employee benefits	25,303,300	25,303,300	22,965,847	2,337,453
Contractual services	5,352,800	5,352,800	3,764,589	1,588,211
Other	16,091,700	16,091,700	14,139,248	1,952,452
Intra-agency transfers (in) out	-	-	9,596,764	(9,596,764)
Reversions	-	-	-	-
	46,747,800	46,747,800	50,466,448	(3,718,648)
Total Annual Budgeted Expenditures	\$ 704,181,000	\$ 901,567,257	\$ 614,781,705	\$ 286,785,552

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	DEPARTMENTAL SERVICES-INVENTORIES FUND (SHARE 10040)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	881	881
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	-	-
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 881</u>	<u>\$ 881</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	(2,505,766)	2,505,766
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>(2,505,766)</u>	<u>2,505,766</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted				
Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,505,766)</u>	<u>\$ 2,505,766</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	1998A BOND FUND US 70 FUND (SHARE 10140)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	-	-
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	STATE ROAD FUND (SHARE 20100)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 349,069,000	\$ 349,069,000	\$ 310,654,795	\$ (38,414,205)
Other state funds	361,850,000	367,367,673	383,049,467	15,681,794
State general fund	-	-	-	-
Transfers outside the agency	(6,938,000)	(6,938,000)	(6,938,000)	-
Interest revenue	200,000	200,000	95,649	(104,351)
Bond proceeds	-	-	-	-
Total Revenues:	<u>704,181,000</u>	<u>709,698,673</u>	<u>\$ 686,861,911</u>	<u>\$ (22,836,762)</u>
Prior Year Funds Rebudgeted	-	191,868,584		
	<u>\$ 704,181,000</u>	<u>\$ 901,567,257</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 26,241,200	\$ 26,241,200	\$ 22,668,795	\$ 3,572,405
Contractual services	290,691,700	484,017,050	246,866,073	237,150,977
Other	147,664,200	148,308,257	127,926,167	20,382,090
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>464,597,100</u>	<u>658,566,507</u>	<u>397,461,035</u>	<u>261,105,472</u>
Transportation and Highway Ops:				
Personal services/employee benefits	99,778,100	99,778,100	87,247,692	12,530,408
Contractual services	26,743,300	30,160,150	20,506,173	9,653,977
Other	66,314,700	66,314,700	61,606,123	4,708,577
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>192,836,100</u>	<u>196,252,950</u>	<u>169,359,988</u>	<u>26,892,962</u>
Program Support				
Personal services/employee benefits	25,303,300	25,303,300	22,965,847	2,337,453
Contractual services	5,352,800	5,352,800	3,764,589	1,588,211
Other	16,091,700	16,091,700	14,139,248	1,952,452
Intra-agency transfers (in) out	-	-	9,596,764	(9,596,764)
Reversions	-	-	-	-
	<u>46,747,800</u>	<u>46,747,800</u>	<u>50,466,448</u>	<u>(3,718,648)</u>
Total Annual Budgeted Expenditures	<u>\$ 704,181,000</u>	<u>\$ 901,567,257</u>	<u>\$ 617,287,471</u>	<u>\$ 284,279,786</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	ROAD FUND PAYROLL FUND (SHARE 78800)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	-	-
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted				
Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	NMDOT FUND (SHARE 78900)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	-	-
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted				
Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	RUBBERIZED ASPHALT FUND (SHARE 82000)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	-	-
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	NON MAJOR GOVERNMENTAL FUNDS			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 31,777,300	\$ 48,930,361	\$ 29,203,468	\$ (19,726,893)
Other state funds	36,981,600	37,231,600	37,200,727	(30,873)
State general fund	-	-	-	-
Transfers outside the agency	-	-	(548,535,926)	(548,535,926)
Interest revenue	277,000	277,000	4,092,316	3,815,316
Bond proceeds	-	-	545,707,802	545,707,802
Total Revenues:	<u>69,035,900</u>	<u>86,438,961</u>	<u>\$ 67,668,387</u>	<u>\$ (18,770,574)</u>
Prior Year Funds Rebudgeted	<u>55,809,398</u>	<u>81,335,326</u>		
	<u>\$ 124,845,298</u>	<u>\$ 167,774,287</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 1,773,900	\$ 1,853,900	\$ 1,391,740	\$ 462,160
Contractual services	58,389,198	58,465,391	11,343,040	47,122,351
Other	43,976,200	70,882,147	43,250,061	27,632,086
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>104,139,298</u>	<u>131,201,438</u>	<u>55,984,841</u>	<u>75,216,597</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	20,630,000	36,496,849	20,208,781	16,288,068
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>20,630,000</u>	<u>36,496,849</u>	<u>20,208,781</u>	<u>16,288,068</u>
Program Support				
Personal services/employee benefits	76,000	76,000	-	76,000
Contractual services	-	-	-	-
Other	-	-	7,452,073	(7,452,073)
Intra-agency transfers (in) out	-	-	(9,596,764)	9,596,764
Reversions	-	-	-	-
	<u>76,000</u>	<u>76,000</u>	<u>(2,144,691)</u>	<u>2,220,691</u>
Total Annual Budgeted Expenditures	<u>\$ 124,845,298</u>	<u>\$ 167,774,287</u>	<u>\$ 74,048,931</u>	<u>\$ 93,725,356</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	TRAFFIC SAFETY FUND(S) (SHARE 10010, 10020, 20600, 20700, 20800, 82600)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 15,742,400	\$ 21,421,739	\$ 11,224,060	\$ (10,197,679)
Other state funds	3,615,000	3,865,000	2,432,976	(1,432,024)
State general fund	-	-	-	-
Transfers outside the agency	-	-	2,028,775	2,028,775
Interest revenue	35,000	35,000	3,642	(31,358)
Bond proceeds	-	-	-	-
Total Revenues:	<u>19,392,400</u>	<u>25,321,739</u>	<u>\$ 15,689,453</u>	<u>\$ (9,632,286)</u>
Prior Year Funds Rebudgeted	732,400	1,933,182		
	<u>\$ 20,124,800</u>	<u>\$ 27,254,921</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 924,000	\$ 924,000	\$ 627,656	\$ 296,344
Contractual services	942,000	942,000	475,983	466,017
Other	18,182,800	25,312,921	13,001,864	12,311,057
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>20,048,800</u>	<u>27,178,921</u>	<u>14,105,503</u>	<u>13,073,418</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	76,000	76,000	-	76,000
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>76,000</u>	<u>76,000</u>	<u>-</u>	<u>76,000</u>
Total Annual Budgeted				
Expenditures	<u>\$ 20,124,800</u>	<u>\$ 27,254,921</u>	<u>\$ 14,105,503</u>	<u>\$ 13,149,418</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	FEDERAL TRAFFIC SAFETY FUND (SHARE 10010)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ 15,742,400	\$ 21,421,739	\$ 11,224,060	\$ (10,197,679)
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	-	-
Bond proceeds	-	-	-	-
Total Revenues:	<u>15,742,400</u>	<u>21,421,739</u>	<u>\$ 11,224,060</u>	<u>\$ (10,197,679)</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ 15,742,400</u>	<u>\$ 21,421,739</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 785,100	\$ 785,100	\$ 493,343	\$ 291,757
Contractual services	-	-	-	-
Other	14,881,300	20,560,639	9,910,846	10,649,793
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>15,666,400</u>	<u>21,345,739</u>	<u>10,404,189</u>	<u>10,941,550</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	76,000	76,000	-	76,000
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>76,000</u>	<u>76,000</u>	<u>-</u>	<u>76,000</u>
Total Annual Budgeted Expenditures	<u>\$ 15,742,400</u>	<u>\$ 21,421,739</u>	<u>\$ 10,404,189</u>	<u>\$ 11,017,550</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	DRIVER IMPROVEMENT FUND (SHARE 10020)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	210,000	210,000	348,911	138,911
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	-	-
Bond proceeds	-	-	-	-
Total Revenues:	<u>210,000</u>	<u>210,000</u>	<u>\$ 348,911</u>	<u>\$ 138,911</u>
Prior Year Funds Rebudgeted	<u>140,000</u>	<u>150,807</u>		
	<u>\$ 350,000</u>	<u>\$ 360,807</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	350,000	360,807	326,811	33,996
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>350,000</u>	<u>360,807</u>	<u>326,811</u>	<u>33,996</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted				
Expenditures	<u>\$ 350,000</u>	<u>\$ 360,807</u>	<u>\$ 326,811</u>	<u>\$ 33,996</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	MOTORCYCLE TRAINING FUND (SHARE 20600)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	130,000	130,000	135,078	5,078
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	5,000	5,000	391	(4,609)
Bond proceeds	-	-	-	-
Total Revenues:	<u>135,000</u>	<u>135,000</u>	<u>\$ 135,469</u>	<u>\$ 469</u>
Prior Year Funds Rebudgeted	<u>122,400</u>	<u>122,400</u>		
	<u>\$ 257,400</u>	<u>\$ 257,400</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	257,400	257,400	139,211	118,189
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>257,400</u>	<u>257,400</u>	<u>139,211</u>	<u>118,189</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted				
Expenditures	<u>\$ 257,400</u>	<u>\$ 257,400</u>	<u>\$ 139,211</u>	<u>\$ 118,189</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	DWI PREVENTION AND EDUCATION FUND (SHARE 20700)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	525,000	525,000	485,888	(39,112)
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	-	-
Bond proceeds	-	-	-	-
Total Revenues:	<u>525,000</u>	<u>525,000</u>	<u>\$ 485,888</u>	<u>\$ (39,112)</u>
Prior Year Funds Rebudgeted	<u>250,000</u>	<u>268,225</u>		
	<u>\$ 775,000</u>	<u>\$ 793,225</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 80,900	\$ 80,900	\$ 80,188	\$ 712
Contractual services	-	-	-	-
Other	694,100	712,325	174,531	537,794
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>775,000</u>	<u>793,225</u>	<u>254,719</u>	<u>538,506</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted				
Expenditures	<u>\$ 775,000</u>	<u>\$ 793,225</u>	<u>\$ 254,719</u>	<u>\$ 538,506</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	TRAFFIC SAFETY FUND (SHARE 20800)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	1,750,000	1,750,000	1,463,099	(286,901)
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	30,000	30,000	3,251	(26,749)
Bond proceeds	-	-	-	-
Total Revenues:	<u>1,780,000</u>	<u>1,780,000</u>	<u>\$ 1,466,350</u>	<u>\$ (313,650)</u>
Prior Year Funds Rebudgeted	220,000	1,391,750		
	<u>\$ 2,000,000</u>	<u>\$ 3,171,750</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	2,000,000	3,171,750	2,450,465	721,285
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>2,000,000</u>	<u>3,171,750</u>	<u>2,450,465</u>	<u>721,285</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted				
Expenditures	<u>\$ 2,000,000</u>	<u>\$ 3,171,750</u>	<u>\$ 2,450,465</u>	<u>\$ 721,285</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	IGNITION INTERLOCK FUND (SHARE 82600)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	1,000,000	1,250,000	-	(1,250,000)
State general fund	-	-	-	-
Transfers outside the agency	-	-	2,028,775	2,028,775
Interest revenue	-	-	-	-
Bond proceeds	-	-	-	-
Total Revenues:	<u>1,000,000</u>	<u>1,250,000</u>	<u>\$ 2,028,775</u>	<u>\$ 778,775</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ 1,000,000</u>	<u>\$ 1,250,000</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 58,000	\$ 58,000	\$ 54,125	\$ 3,875
Contractual services	942,000	942,000	475,983	466,017
Other	-	250,000	-	250,000
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>1,000,000</u>	<u>1,250,000</u>	<u>530,108</u>	<u>719,892</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted				
Expenditures	<u>\$ 1,000,000</u>	<u>\$ 1,250,000</u>	<u>\$ 530,108</u>	<u>\$ 719,892</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	FEDERAL PLANNING AND DEVELOPMENT FUND (SHARE 10030)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ 16,034,900	\$ 27,508,622	\$ 17,744,382	\$ (9,764,240)
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	-	-
Bond proceeds	-	-	-	-
Total Revenues:	<u>16,034,900</u>	<u>27,508,622</u>	<u>\$ 17,744,382</u>	<u>\$ (9,764,240)</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ 16,034,900</u>	<u>\$ 27,508,622</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 456,500	\$ 536,500	\$ 447,049	\$ 89,451
Contractual services	-	-	-	-
Other	15,578,400	26,972,122	16,607,570	10,364,552
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>16,034,900</u>	<u>27,508,622</u>	<u>17,054,619</u>	<u>10,454,003</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted				
Expenditures	<u>\$ 16,034,900</u>	<u>\$ 27,508,622</u>	<u>\$ 17,054,619</u>	<u>\$ 10,454,003</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	HIF BOND FUND (SHARE 20200)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	6,134,600	6,134,600	7,463,271	1,328,671
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	16,156	16,156
Bond proceeds	-	-	-	-
Total Revenues:	<u>6,134,600</u>	<u>6,134,600</u>	<u>\$ 7,479,427</u>	<u>\$ 1,344,827</u>
Prior Year Funds Rebudgeted	-	7,800,000		
	<u>\$ 6,134,600</u>	<u>\$ 13,934,600</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	1,000,000	1,000,000	-	1,000,000
Other	5,134,600	12,934,600	12,361,161	573,439
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>6,134,600</u>	<u>13,934,600</u>	<u>12,361,161</u>	<u>1,573,439</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	296,180	(296,180)
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>296,180</u>	<u>(296,180)</u>
Total Annual Budgeted Expenditures	<u>\$ 6,134,600</u>	<u>\$ 13,934,600</u>	<u>\$ 12,657,341</u>	<u>\$ 1,277,259</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	LOCAL GOVERNMENT ROAD FUND (SHARE 20300)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	20,600,000	20,600,000	21,310,514	710,514
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	30,000	30,000	32,695	2,695
Bond proceeds	-	-	-	-
Total Revenues:	<u>20,630,000</u>	<u>20,630,000</u>	<u>\$ 21,343,209</u>	<u>\$ 713,209</u>
Prior Year Funds Rebudgeted	-	15,866,849		
	<u>\$ 20,630,000</u>	<u>\$ 36,496,849</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	20,630,000	36,496,849	20,208,781	16,288,068
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>20,630,000</u>	<u>36,496,849</u>	<u>20,208,781</u>	<u>16,288,068</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 20,630,000</u>	<u>\$ 36,496,849</u>	<u>\$ 20,208,781</u>	<u>\$ 16,288,068</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	STATE AVIATION FUND (SHARE 20500)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ 235,026	\$ 235,026
Other state funds	5,281,000	5,281,000	5,990,303	709,303
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	16,449	16,449
Bond proceeds	-	-	-	-
Total Revenues:	<u>5,281,000</u>	<u>5,281,000</u>	<u>\$ 6,241,778</u>	<u>\$ 960,778</u>
Prior Year Funds Rebudgeted	1,354,800	2,013,097		
	<u>\$ 6,635,800</u>	<u>\$ 7,294,097</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ 393,400	\$ 393,400	\$ 317,035	\$ 76,365
Contractual services	1,162,000	1,238,193	314,784	923,409
Other	5,080,400	5,662,504	851,865	4,810,639
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>6,635,800</u>	<u>7,294,097</u>	<u>1,483,684</u>	<u>5,810,413</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted				
Expenditures	<u>\$ 6,635,800</u>	<u>\$ 7,294,097</u>	<u>\$ 1,483,684</u>	<u>\$ 5,810,413</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	1993 BOND PROJECT FUND (SHARE 39400)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	2,914	2,914
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 2,914</u>	<u>\$ 2,914</u>
Prior Year Funds Rebudgeted	<u>-</u>	<u>-</u>		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted				
Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	1999A CHAT BOND PROJECT FUND (SHARE 43000)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	3,870	3,870
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 3,870</u>	<u>\$ 3,870</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2000A CHAT BOND PROJECT FUND (SHARE 34500)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	-	-
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted				
Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2001A CHAT BOND PROJECT FUND (SHARE 00600)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	8,782	8,782
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 8,782</u>	<u>\$ 8,782</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2002A CHAT BOND PROJECT FUND (SHARE 36800)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	-	-
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2002C HIF BOND PROJECT FUND (SHARE 36100)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	2,383	2,383
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 2,383</u>	<u>\$ 2,383</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2002D CHAT BOND PROJECT FUND (SHARE 11500)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	1,425	1,425
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 1,425</u>	<u>\$ 1,425</u>
Prior Year Funds Rebudgeted	<u>-</u>	<u>-</u>		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2004A GRIP BOND PROJECT FUND (SHARE 20400)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	17,391	17,391
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 17,391</u>	<u>\$ 17,391</u>
Prior Year Funds Rebudgeted	<u>29,628,349</u>	<u>29,628,349</u>		
	<u>\$ 29,628,349</u>	<u>\$ 29,628,349</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	29,628,349	29,628,349	3,847,685	25,780,664
Other	-	-	426,317	(426,317)
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>29,628,349</u>	<u>29,628,349</u>	<u>4,274,002</u>	<u>25,354,347</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	10	(10)
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>10</u>	<u>(10)</u>
Total Annual Budgeted Expenditures	<u>\$ 29,628,349</u>	<u>\$ 29,628,349</u>	<u>\$ 4,274,012</u>	<u>\$ 25,354,337</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2006A GRIP BOND PROJECT FUND (SHARE 10210)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	29,438	29,438
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 29,438</u>	<u>\$ 29,438</u>
Prior Year Funds Rebudgeted	16,044,849	16,044,849		
	<u>\$ 16,044,849</u>	<u>\$ 16,044,849</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	16,044,849	16,044,849	6,704,588	9,340,261
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>16,044,849</u>	<u>16,044,849</u>	<u>6,704,588</u>	<u>9,340,261</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	2,200,961	(2,200,961)
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>2,200,961</u>	<u>(2,200,961)</u>
Total Annual Budgeted Expenditures	<u>\$ 16,044,849</u>	<u>\$ 16,044,849</u>	<u>\$ 8,905,549</u>	<u>\$ 7,139,300</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2006B GRIP BOND PROJECT FUND (SHARE 10230)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	81	81
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 81</u>	<u>\$ 81</u>
Prior Year Funds Rebudgeted	<u>-</u>	<u>-</u>		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	2,364,716	(2,364,716)
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>2,364,716</u>	<u>(2,364,716)</u>
Total Annual Budgeted				
Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,364,716</u>	<u>\$ (2,364,716)</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2006C GRIP BOND PROJECT FUND (SHARE 10250)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	19,092	19,092
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 19,092</u>	<u>\$ 19,092</u>
Prior Year Funds Rebudgeted	<u>6,952,000</u>	<u>6,952,000</u>		
	<u>\$ 6,952,000</u>	<u>\$ 6,952,000</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	6,952,000	6,952,000	-	6,952,000
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>6,952,000</u>	<u>6,952,000</u>	<u>-</u>	<u>6,952,000</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	(4,565,588)	4,565,588
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>(4,565,588)</u>	<u>4,565,588</u>
Total Annual Budgeted Expenditures	<u>\$ 6,952,000</u>	<u>\$ 6,952,000</u>	<u>\$ (4,565,588)</u>	<u>\$ 11,517,588</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2006D GRIP BOND PROJECT FUND (SHARE 10270)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	65,599	65,599
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 65,599</u>	<u>\$ 65,599</u>
Prior Year Funds Rebudgeted	<u>-</u>	<u>-</u>		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	1,284	(1,284)
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>1,284</u>	<u>(1,284)</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	69,987	(69,987)
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>69,987</u>	<u>(69,987)</u>
Total Annual Budgeted Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 71,271</u>	<u>\$ (71,271)</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	1998A WIPP BOND DEBT SERVICE (SHARE 97200)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	116	116
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 116</u>	<u>\$ 116</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	1998A CHAT BOND DEBT SERVICE (SHARE 54800)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	298	298
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 298</u>	<u>\$ 298</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted				
Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	1999 CHAT BOND DEBT SERVICE (SHARE 43400)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	825	825
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 825</u>	<u>\$ 825</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2000 CHAT BOND DEBT SERVICE (SHARE 43200)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	908	908
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 908</u>	<u>\$ 908</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2011A CHAT BOND DEBT SERVICE (SHARE 00700)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	1,173	1,173
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 1,173</u>	<u>\$ 1,173</u>
Prior Year Funds Rebudgeted	<u>-</u>	<u>-</u>		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2002A CHAT BOND DEBT SERVICE (SHARE 54700)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	492	492
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 492</u>	<u>\$ 492</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	15,382	(15,382)
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>15,382</u>	<u>(15,382)</u>
Total Annual Budgeted				
Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,382</u>	<u>\$ (15,382)</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2002B WIPP BOND DEBT SERVICE (SHARE 75000)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	520	520
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 520</u>	<u>\$ 520</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted				
Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2002C HIF BOND DEBT SERVICE (SHARE 36300)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	194	194
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 194</u>	<u>\$ 194</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	296,180	(296,180)
Intra-agency transfers (in) out	-	-	(204,130)	204,130
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>92,050</u>	<u>(92,050)</u>
Total Annual Budgeted				
Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 92,050</u>	<u>\$ (92,050)</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2002D CHAT BOND DEBT SERVICE (SHARE 18700)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	49	49
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 49</u>	<u>\$ 49</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	61,425	(61,425)
Intra-agency transfers (in) out	-	-	(39,625)	39,625
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>21,800</u>	<u>(21,800)</u>
Total Annual Budgeted				
Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,800</u>	<u>\$ (21,800)</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2004A GRIP BOND DEBT SERVICE (SHARE 10080)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	7,761	7,761
Bond proceeds	-	-	-	-
Total Revenues:	-	-	<u>\$ 7,761</u>	<u>\$ 7,761</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	1,374,014	(1,374,014)
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	1,374,014	(1,374,014)
Total Annual Budgeted				
Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,374,014</u>	<u>\$ (1,374,014)</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2004B GRIP BOND DEBT SERVICE (SHARE 10090)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	2,260,082	2,260,082
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 2,260,082</u>	<u>\$ 2,260,082</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	2,228,766	(2,228,766)
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>2,228,766</u>	<u>(2,228,766)</u>
Total Annual Budgeted Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,228,766</u>	<u>\$ (2,228,766)</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2006A GRIP BOND DEBT SERVICE (SHARE 10220)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	2,768	2,768
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 2,768</u>	<u>\$ 2,768</u>
Prior Year Funds Rebudgeted	<u>-</u>	<u>-</u>		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	1,437,073	(1,437,073)
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>1,437,073</u>	<u>(1,437,073)</u>
Total Annual Budgeted Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,437,073</u>	<u>\$ (1,437,073)</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2006B GRIP BOND DEBT SERVICE (SHARE 10240)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	3,663	3,663
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	1,196	1,196
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 4,859</u>	<u>\$ 4,859</u>
Prior Year Funds Rebudgeted	<u>-</u>	<u>-</u>		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	(1,246,707)	1,246,707
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>(1,246,707)</u>	<u>1,246,707</u>
Total Annual Budgeted Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,246,707)</u>	<u>\$ 1,246,707</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2006D GRIP BOND DEBT SERVICE (SHARE 10280)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	-	-
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2008A GRIP BOND DEBT SERVICE (SHARE 10410)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	163,665	163,665
Bond proceeds	-	-	-	-
Total Revenues:	-	-	\$ 163,665	\$ 163,665
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	1,220,582	(1,220,582)
Intra-agency transfers (in) out	-	-	(2,869,822)	2,869,822
Reversions	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	\$ (1,649,240)	\$ 1,649,240

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2008B GRIP BOND DEBT SERVICE (SHARE 10420)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	1,202,385	1,202,385
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 1,202,385</u>	<u>\$ 1,202,385</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	312,248	(312,248)
Intra-agency transfers (in) out	-	-	95,939	(95,939)
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>408,187</u>	<u>(408,187)</u>
Total Annual Budgeted				
Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 408,187</u>	<u>\$ (408,187)</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2008C GRIP BOND DEBT SERVICE (SHARE 10430)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	119,173	119,173
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 119,173</u>	<u>\$ 119,173</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	893,746	(893,746)
Intra-agency transfers (in) out	-	-	(1,049,408)	1,049,408
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>(155,662)</u>	<u>155,662</u>
Total Annual Budgeted Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (155,662)</u>	<u>\$ 155,662</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2008D GRIP BOND DEBT SERVICE (SHARE 10440)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	2,482	2,482
Bond proceeds	-	-	-	-
Total Revenues:	-	-	<u>\$ 2,482</u>	<u>\$ 2,482</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	159,966	(159,966)
Intra-agency transfers (in) out	-	-	(164,142)	164,142
Reversions	-	-	-	-
	-	-	(4,176)	4,176
Total Annual Budgeted Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,176)</u>	<u>\$ 4,176</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2009A BOND DEBT SERVICE (SHARE 11130)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	21,516	21,516
Bond proceeds	-	-	-	-
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ 21,516</u>	<u>\$ 21,516</u>
Prior Year Funds Rebudgeted	<u>-</u>	<u>-</u>		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	25,000	(25,000)
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>(25,000)</u>
Total Annual Budgeted				
Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,000</u>	<u>\$ (25,000)</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2010A/LOC BOND DEBT SERVICE (SHARE 11140)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	1,504	1,504
Bond proceeds	-	-	201,370,858	201,370,858
Total Revenues:	-	-	\$ 201,372,362	\$ 201,372,362
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	123,916,534	(123,916,534)
Intra-agency transfers (in) out	-	-	77,411,932	(77,411,932)
Reversions	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	\$ 201,328,466	\$ (201,328,466)

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	2010B GRIP BOND DEBT SERVICE FUND (SHARE 20450)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	(550,564,701)	(550,564,701)
Interest revenue	-	-	3,868	3,868
Bond proceeds	-	-	545,707,802	545,707,802
Total Revenues:	<u>-</u>	<u>-</u>	<u>\$ (4,853,031)</u>	<u>\$ (4,853,031)</u>
Prior Year Funds Rebudgeted	-	-		
	<u>\$ -</u>	<u>\$ -</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	3,108,912	(3,108,912)
Intra-agency transfers (in) out	-	-	(8,166,356)	8,166,356
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>(5,057,444)</u>	<u>5,057,444</u>
Total Annual Budgeted				
Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,057,444)</u>	<u>\$ 5,057,444</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	STATE INFRASTRUCTURE BANK (SHARE 89300)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	1,351,000	1,351,000	-	(1,351,000)
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	212,000	212,000	82,928	(129,072)
Bond proceeds	-	-	-	-
Total Revenues:	<u>1,563,000</u>	<u>1,563,000</u>	<u>\$ 82,928</u>	<u>\$ (1,480,072)</u>
Prior Year Funds Rebudgeted	<u>1,097,000</u>	<u>1,097,000</u>		
	<u>\$ 2,660,000</u>	<u>\$ 2,660,000</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	2,660,000	2,660,000	-	2,660,000
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>2,660,000</u>	<u>2,660,000</u>	<u>-</u>	<u>2,660,000</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted Expenditures	<u>\$ 2,660,000</u>	<u>\$ 2,660,000</u>	<u>\$ -</u>	<u>\$ 2,660,000</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	CAPITAL PROJECTS FUND (SHARE 10050)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	-	-
Bond proceeds	-	-	-	-
Total Revenues:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Prior Year Funds Rebudgeted	7,316,692	7,316,692		
	<u>\$ 7,316,692</u>	<u>\$ 7,316,692</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	350,000	350,000	-	350,000
Other	6,950,192	6,950,192	-	6,950,192
Intra-agency transfers (in) out	16,500	16,500	-	16,500
Reversions	-	-	-	-
	<u>7,316,692</u>	<u>7,316,692</u>	<u>-</u>	<u>7,316,692</u>
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Annual Budgeted				
Expenditures	<u>\$ 7,316,692</u>	<u>\$ 7,316,692</u>	<u>\$ -</u>	<u>\$ 7,316,692</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	STB APPROPRIATIONS FUND (SHARE 10060)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	(32,702)	(32,702)	(227,464)	(194,762)
State general fund	-	-	-	-
Transfers outside the agency	185,923,122	185,923,122	99,131,574	(86,791,548)
Interest revenue	-	-	-	-
Bond proceeds	-	-	-	-
Total Revenues:	<u>\$ 185,890,420</u>	<u>\$ 185,890,420</u>	<u>\$ 98,904,110</u>	<u>\$ (86,986,310)</u>
Prior Year Funds Rebudgeted	<u>(7,643,948)</u>	<u>(7,643,948)</u>		
	<u>\$ 178,246,472</u>	<u>\$ 178,246,472</u>		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	178,246,472	178,246,472	98,840,906	79,405,566
Other	-	-	(1,733)	1,733
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	2,000	(2,000)
	<u>178,246,472</u>	<u>178,246,472</u>	<u>98,841,173</u>	<u>79,405,299</u>
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
Total Annual Budgeted Expenditures	<u>\$ 178,246,472</u>	<u>\$ 178,246,472</u>	<u>\$ 98,841,173</u>	<u>\$ 79,405,299</u>

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	GENERAL FUND APPROPRIATIONS FUND (SHARE 10070)			
	Budgeted Amounts		Actual	
	Original	Final	Amounts (Modified Accrual)	Variance Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	(134,687)	(134,687)
State general fund	-	-	-	-
Transfers outside the agency	-	-	(165,104)	(165,104)
Interest revenue	-	-	-	-
Bond proceeds	-	-	-	-
Total Revenues:	\$ -	\$ -	\$ (299,791)	\$ (299,791)
Prior Year Funds Rebudgeted	10,997,136	10,997,136		
	\$ 10,997,136	\$ 10,997,136		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	10,997,136	10,997,136	11,642,733	(645,597)
Other	-	-	40,000	(40,000)
Intra-agency transfers (in) out	-	-	502,940	(502,940)
Reversions	-	-	1,112,887	(1,112,887)
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
Total Annual Budgeted Expenditures	\$ 10,997,136	\$ 10,997,136	\$ 13,298,560	\$ (2,301,424)

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	STB CAPITAL OUTLAY FUND (SHARE 89200)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	5,163,108	5,163,108
Interest revenue	-	-	-	-
Bond proceeds	-	-	-	-
Total Revenues:	\$ -	\$ -	\$ 5,163,108	\$ 5,163,108
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	9,125,000	9,125,000	3,118,282	6,006,718
Other	-	-	-	-
Intra-agency transfers (in) out	(9,125,000)	(9,125,000)	-	(9,125,000)
Reversions	-	-	-	-
	-	-	3,118,282	(3,118,282)
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Total Annual Budgeted Expenditures	\$ -	\$ -	\$ 3,118,282	\$ (3,118,282)

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)

For the Year Ended June 30, 2011

	GF CAPITAL OUTLAY FUND (SHARE 93100)			
	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Modified Accrual)	Over (Under)
Revenues:				
Federal funds	\$ -	\$ -	\$ -	\$ -
Other state funds	-	-	-	-
State general fund	-	-	-	-
Transfers outside the agency	-	-	-	-
Interest revenue	-	-	-	-
Bond proceeds	-	-	-	-
Total Revenues:	\$ -	\$ -	\$ -	\$ -
Prior Year Funds Rebudgeted	-	-		
	\$ -	\$ -		
Expenditures - current and capital outlay:				
Programs and Infrastructure				
Personal services/employee benefits	\$ -	\$ -	\$ -	\$ -
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Transportation and Highway Ops:				
Personal services/employee benefits	-	-	-	-
Contractual services	502,940	502,940	78,681	424,259
Other	-	-	-	-
Intra-agency transfers (in) out	(502,940)	(502,940)	(502,940)	-
Reversions	-	-	-	-
	-	-	(424,259)	424,259
Program Support				
Personal services/employee benefits	-	-	-	-
Contractual services	-	-	-	-
Other	-	-	-	-
Intra-agency transfers (in) out	-	-	-	-
Reversions	-	-	-	-
	-	-	-	-
Total Annual Budgeted				
Expenditures	\$ -	\$ -	\$ (424,259)	\$ 424,259

The legal level of budgetary compliance is at the appropriation unit level at the entity-wide level, except for multiyear funds.

**NEW MEXICO DEPARTMENT OF TRANSPORTATION
Statement of Revenues and Expenditures-Budget and Actual
(Modified Accrual Basis)**

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-State Road Fund(s)

As of June 30, 2011

	Departmental Services- Inventories	1998A Bond Fund US 70 Fund	State Road Fund	Road Fund Payroll
	(SHARE 10040)	(SHARE 10140)	(SHARE 20100)	(SHARE 78800)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ 2,600	\$ -
Restricted	-	-	-	-
Cash Equivalents: investment in state general fund investment pool)				
Unrestricted	-	-	-	-
Restricted	-	-	88,309,967	-
Managed by NMFA	-	11,066	65,032	-
Receivables:				
Taxes receivable, net	-	-	61,637,746	-
Accounts receivable, net	-	-	2,135,143	-
Interest receivable	-	-	195,582	-
Notes and loans receivable	-	-	10,588	-
Other receivables	-	-	99,588	-
Due from:				
U.S. Department of Transportation	-	-	42,344,720	-
Other funds	2,232,986	-	2,920,522	-
Other state agencies	-	-	270,464	-
Inventories	13,917,559	-	-	-
Prepaid expenses - other	-	-	2,322	-
Prepaid expenses - risk management	-	-	-	-
Prepaid expense - NM44 warranty	-	-	29,693,216	-
Property held for resale	-	-	9,239,444	-
Total Assets	\$ 16,150,545	\$ 11,066	\$ 236,926,934	\$ -
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 418,133	\$ -	\$ 45,771,429	\$ -
Due to other funds	192,290	-	3,144,240	-
Due to other agencies	12,666,050	-	-	-
Due to state general fund	-	-	22,096	-
Deferred revenue	-	-	8,238,817	-
Other accrued expenses	-	-	3,468,647	-
Other liabilities	367,425	-	9,168,883	-
Short-term notes payable (taxable line of credit)	-	-	-	-
Total Liabilities	13,643,898	-	69,814,112	-
Non-spendable	13,917,559	-	38,934,982	-
Restricted	-	11,066	-	-
Committed	-	-	128,177,840	-
Assigned	-	-	-	-
Unassigned	(11,410,912)	-	-	-
Total Fund Balances	2,506,647	11,066	167,112,822	-
Total Liabilities and Fund Balances	\$ 16,150,545	\$ 11,066	\$ 236,926,934	\$ -

See Independent Auditors' Report

**NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-State Road Fund(s)**

NMDOT Fund	Rubberized Asphalt Fund	State Road Fund(s)
(SHARE 78900)	(SHARE 82000)	(SHARE 10040, 10140, 20100, 78800, 78900, 82000)
\$	-	\$ 2,600
	-	-
	-	-
	71	88,310,038
	-	76,098
	-	61,637,746
	-	2,135,143
	-	195,582
	-	10,588
	-	99,588
	-	42,344,720
	-	5,153,508
	-	270,464
	-	13,917,559
	-	2,322
	-	-
	-	29,693,216
	-	9,239,444
<u>\$</u>	<u>\$</u> 71	<u>\$</u> 253,088,616
\$	-	\$ 46,189,562
	-	3,336,530
	-	12,666,050
	-	22,096
	-	8,238,817
	-	3,468,647
	-	9,536,308
	-	-
	-	<u>83,458,010</u>
	-	52,852,541
	71	11,137
	-	128,177,840
	-	-
	-	(11,410,912)
	<u>71</u>	<u>169,630,606</u>
<u>\$</u>	<u>\$</u> 71	<u>\$</u> 253,088,616

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-State Road Fund(s)

For the Year Ended June 30, 2011

	Departmental Services- Inventories	1998A Bond Fund US 70 Fund	State Road Fund	HIF Bond Fund
	(SHARE 10040)	(SHARE 10140)	(SHARE 20100)	(SHARE 20200)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ 363,283,359	\$ -
U.S. Department of Transportation	-	-	310,654,795	-
U.S. Department of Energy	-	-	-	-
Fees and fines	-	-	53	-
Licenses and permits	-	-	8,207,829	-
Charges for services	-	-	1,170,619	-
DWI interlock device	-	-	-	-
Other revenue	881	-	10,387,607	-
Interest earnings	-	-	95,649	-
Total Revenues	881	-	693,799,911	-
Expenditures:				
Current:				
Operating costs	-	-	11,280,880	-
Personal services	-	-	89,210,305	-
Out-of-state travel	-	-	22,583	-
Grants and services	-	-	1,909,032	-
Travel	-	-	17,149,039	-
Maintenance and repairs	-	-	8,002,692	-
Supplies	-	-	32,198,143	-
Contractual services	-	-	48,263,374	-
Other costs	(2,505,766)	-	3,334,576	-
Employee benefits	-	-	43,672,029	-
Capital outlay	-	-	232,017,999	-
Debt service:				
Principal	-	-	50,274,793	-
Interest	-	-	71,227,233	-
Trustee and broker fees	-	-	2,317,059	-
Debt issuance costs	-	-	-	-
Total Expenditures	(2,505,766)	-	610,879,737	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,506,647	-	82,920,174	-
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	(6,938,000)	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	-	-	(9,596,764)	-
Proceeds from LT notes payable	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	-	-	(16,534,764)	-
Net Changes in Fund Balances	2,506,647	-	66,385,410	-
Fund Balance, June 30, 2010	-	11,066	100,727,412	15,413,083
Change in Fund Type (Note 1)	-	-	-	(15,413,083)
Fund Balance, restated at June 30, 2010	-	11,066	100,727,412	-
Fund Balance, June 30, 2011	\$ 2,506,647	\$ 11,066	\$ 167,112,822	\$ -

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-State Road Fund(s)

WIPP Bond Project Fund (SHARE 43100)	Road Fund Payroll (SHARE 78800)	NMDOT Fund (SHARE 78900)	Rubberized Asphalt Fund (SHARE 82000)	State Road Fund(s) (SHARE 10040, 10140, 20100, 78800, 78900, 82000)
\$ -	\$ -	\$ -	\$ -	\$ 363,283,359
-	-	-	-	310,654,795
-	-	-	-	-
-	-	-	-	53
-	-	-	-	8,207,829
-	-	-	-	1,170,619
-	-	-	-	-
-	-	-	-	10,388,488
-	-	-	-	95,649
-	-	-	-	693,800,792
-	-	-	-	11,280,880
-	-	-	-	89,210,305
-	-	-	-	22,583
-	-	-	-	1,909,032
-	-	-	-	17,149,039
-	-	-	-	8,002,692
-	-	-	-	32,198,143
-	-	-	-	48,263,374
-	-	-	-	828,810
-	-	-	-	43,672,029
-	-	-	-	232,017,999
-	-	-	-	50,274,793
-	-	-	-	71,227,233
-	-	-	-	2,317,059
-	-	-	-	-
-	-	-	-	608,373,971
-	-	-	-	85,426,821
-	-	-	-	-
-	-	-	-	-
-	-	-	-	(6,938,000)
-	-	-	-	-
-	-	-	-	(9,596,764)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	(16,534,764)
-	-	-	-	68,892,057
(2,745,727)	-	-	71	113,405,905
2,745,727	-	-	-	(12,667,356)
-	-	-	71	100,738,549
\$ -	\$ -	\$ -	\$ 71	\$ 169,630,606

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-Traffic Safety Fund(s)

As of June 30, 2011

	Federal Traffic Safety Fund	Driver Improvement Fund	Motorcycle Training Fund	DWI Prevention and Education Fund
	(SHARE 10010)	(SHARE 10020)	(SHARE 20600)	(SHARE 20700)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Cash Equivalents: investment in state general fund investment pool)				
Unrestricted	-	-	-	-
Restricted	3,501,120	423,660	103,974	1,845,537
Managed by NMFA	-	-	-	-
Receivables:				
Taxes receivable, net	-	-	14,671	47,005
Accounts receivable, net	-	-	-	-
Interest receivable	-	-	-	-
Notes and loans receivable	-	-	-	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	4,334,195	-	-	-
Other funds	4,342	-	-	-
Other state agencies	-	-	13	-
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expenses - risk management	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 7,839,657	\$ 423,660	\$ 118,658	\$ 1,892,542
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 2,079,014	\$ -	\$ -	\$ -
Due to other funds	39,380	-	-	-
Due to other agencies	67,795	-	-	-
Due to state general fund	43,558	-	-	-
Deferred revenue	3,844,087	-	-	-
Other accrued expenses	30,315	-	-	5,015
Other liabilities	(88)	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	-
Total Liabilities	6,104,061	-	-	5,015
Non-spendable				
Restricted	1,735,596	-	118,658	1,887,527
Committed	-	423,660	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	1,735,596	423,660	118,658	1,887,527
Total Liabilities and Fund Balances	\$ 7,839,657	\$ 423,660	\$ 118,658	\$ 1,892,542

See Independent Auditors' Report

**NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-Traffic Safety Fund(s)**

Traffic Safety Fund (SHARE 20800)	Ignition Interlock (SHARE 82600)	Traffic Safety Fund(s) (SHARE 10010, 10020, 20600, 20700, 20800, 82600)
\$ -	\$ -	\$ -
-	-	-
1,370,567	1,338,371	8,583,229
-	-	-
120,976	97,600	280,252
-	-	-
-	-	-
-	-	-
-	-	4,334,195
-	-	4,342
122	-	135
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
<u>\$ 1,491,665</u>	<u>\$ 1,435,971</u>	<u>\$ 13,202,153</u>
\$ 251,446	\$ 49,145	\$ 2,379,605
-	-	39,380
-	-	67,795
-	8,497	52,055
-	-	3,844,087
-	4,009	39,339
-	-	(88)
-	-	-
<u>251,446</u>	<u>61,651</u>	<u>6,422,173</u>
-	-	-
1,240,219	1,374,320	6,356,320
-	-	423,660
-	-	-
-	-	-
<u>1,240,219</u>	<u>1,374,320</u>	<u>6,779,980</u>
<u>\$ 1,491,665</u>	<u>\$ 1,435,971</u>	<u>\$ 13,202,153</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-Traffic Safety Fund(s)

For the Year Ended June 30, 2011

	Federal Traffic Safety Fund	Driver Improvement Fund	Motorcycle Training Fund	DWI Prevention and Education Fund
	(SHARE 10010)	(SHARE 10020)	(SHARE 20600)	(SHARE 20700)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	11,224,060	-	-	-
U.S. Department of Energy	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	348,911	135,078	485,888
Charges for services	-	-	-	-
DWI interlock device	-	-	-	-
Other revenue	-	-	-	-
Interest earnings	-	-	391	-
Total Revenues	11,224,060	348,911	135,469	485,888
Expenditures:				
Current:				
Operating costs	450	-	-	3,047
Personal services	361,624	-	-	57,882
Out-of-state travel	8,463	-	-	404
Grants and services	8,276,651	326,811	139,211	151,248
Travel	309	-	-	511
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	19,321
Contractual services	-	-	-	-
Other costs	-	-	-	-
Employee benefits	131,719	-	-	22,306
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Trustee and broker fees	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	8,779,216	326,811	139,211	254,719
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,444,844	22,100	(3,742)	231,169
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	-	-	-	-
Proceeds from LT notes payable	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Changes in Fund Balances	2,444,844	22,100	(3,742)	231,169
Fund Balance, June 30, 2010	(709,248)	-	-	-
Change in Fund Type (Note 1)	-	401,560	122,400	1,656,358
Fund Balance, restated at June 30, 2010	(709,248)	401,560	122,400	1,656,358
Fund Balance, June 30, 2011	\$ 1,735,596	\$ 423,660	\$ 118,658	\$ 1,887,527

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance-Traffic Safety Fund(s)

Traffic Safety Fund (SHARE 20800)	Ignition Interlock (SHARE 82600)	Traffic Safety Fund(s) (SHARE 10010, 10020, 20600, 20700, 20800, 82600)
\$ -	\$ -	\$ -
-	-	11,224,060
-	-	-
1,463,099	-	2,432,976
-	1,478,775	-
-	-	1,478,775
3,251	-	-
<u>1,466,350</u>	<u>1,478,775</u>	<u>3,642</u>
		<u>15,139,453</u>
-	-	3,497
-	33,008	452,514
-	-	8,867
2,562,467	7,248	11,463,636
-	-	820
-	-	-
-	-	19,321
-	490,034	490,034
-	-	-
-	21,117	175,142
-	-	-
-	-	-
-	-	-
<u>2,562,467</u>	<u>551,407</u>	<u>12,613,831</u>
<u>(1,096,117)</u>	<u>927,368</u>	<u>2,525,622</u>
-	-	-
-	-	-
-	550,000	550,000
-	-	-
-	-	-
-	-	-
<u>-</u>	<u>550,000</u>	<u>550,000</u>
<u>(1,096,117)</u>	<u>1,477,368</u>	<u>3,075,622</u>
2,336,336	(103,048)	1,524,040
-	-	2,180,318
<u>2,336,336</u>	<u>(103,048)</u>	<u>3,704,358</u>
<u>\$ 1,240,219</u>	<u>\$ 1,374,320</u>	<u>\$ 6,779,980</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2011

	Traffic Safety Fund(s) (SHARE 10010, 10020,20600, 20700, 20800, 82600)	Federal Planning and Development Fund (SHARE 10030)	HIF Bond Fund (SHARE 20200)	Local Government Road Fund (SHARE 20300)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Cash Equivalents: investment in state general fund investment pool)				
Unrestricted	-	-	-	-
Restricted	8,583,229	-	9,114,358	17,029,478
Managed by NMFA	-	-	-	-
Receivables:				
Taxes receivable, net	280,252	-	1,120,031	3,473,520
Accounts receivable, net	-	-	-	-
Interest receivable	-	-	-	-
Notes and loans receivable	-	-	-	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	4,334,195	3,029,669	-	-
Other funds	4,342	212,216	-	-
Other state agencies	135	-	780	1,556
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expenses - risk management	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 13,202,153	\$ 3,241,885	\$ 10,235,169	\$ 20,504,554
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 2,379,605	\$ 1,195,020	\$ -	\$ 573,686
Due to other funds	39,380	-	-	-
Due to other agencies	67,795	2,770,287	-	-
Due to state general fund	52,055	114,353	-	-
Deferred revenue	3,844,087	129,829	-	-
Other accrued expenses	39,339	25,197	-	-
Other liabilities	(88)	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	-
Total Liabilities	6,422,173	4,234,686	-	573,686
Non-spendable				
Restricted	6,356,320	-	10,235,169	-
Committed	423,660	-	-	19,930,868
Assigned	-	-	-	-
Unassigned	-	(992,801)	-	-
Total Fund Balances	6,779,980	(992,801)	10,235,169	19,930,868
Total Liabilities and Fund Balances	\$ 13,202,153	\$ 3,241,885	\$ 10,235,169	\$ 20,504,554

See Independent Auditors' Report

**NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds**

State Aviation Fund	1993 Bond Project Fund	1999A CHAT Bond Project Fund	2000A CHAT Bond Project Fund	2001A CHAT Bond Project Fund	2002A CHAT Bond Project Fund
(SHARE 20500)	(SHARE 39400)	(SHARE 43000)	(SHARE 34500)	(SHARE 00600)	(SHARE 36800)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
11,575,360	1,594,160	2,117,134	-	4,716,775	-
-	-	-	-	-	-
433,309	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
6,375	-	-	-	-	-
-	-	-	-	-	-
1,044	141	188	-	426	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 12,016,088</u>	<u>\$ 1,594,301</u>	<u>\$ 2,117,322</u>	<u>\$ -</u>	<u>\$ 4,717,201</u>	<u>\$ -</u>
\$ 51,407	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
3,618	-	-	-	-	-
-	-	-	-	-	-
31,584	-	-	-	-	-
1,510	-	-	-	-	-
-	-	-	-	-	-
<u>88,119</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	1,594,301	2,117,322	-	4,717,201	-
11,927,969	-	-	-	-	-
-	-	-	-	-	-
<u>11,927,969</u>	<u>1,594,301</u>	<u>2,117,322</u>	<u>-</u>	<u>4,717,201</u>	<u>-</u>
<u>\$ 12,016,088</u>	<u>\$ 1,594,301</u>	<u>\$ 2,117,322</u>	<u>\$ -</u>	<u>\$ 4,717,201</u>	<u>\$ -</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2011

	2002C HIF Bond Project Fund	2002D CHAT Bond Project Fund	2004A GRIP Bond Project Fund	2006A GRIP Bond Project Fund
	(SHARE 36100)	(SHARE 11500)	(SHARE 20400)	(SHARE 10210)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Cash Equivalents: investment in state general fund investment pool)				
Unrestricted	-	-	-	-
Restricted	1,303,647	636,867	647,647	-
Managed by NMFA	-	-	6,792,270	15,302,968
Receivables:				
Taxes receivable, net	-	-	-	-
Accounts receivable, net	-	-	-	-
Interest receivable	-	-	456	1,777
Notes and loans receivable	-	-	-	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	-	-	-	-
Other funds	-	-	-	30,395
Other state agencies	116	69	-	-
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expenses - risk management	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 1,303,763	\$ 636,936	\$ 7,440,373	\$ 15,335,140
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 1,248,444	\$ 575,505
Due to other funds	-	-	-	-
Due to other agencies	-	-	-	935,745
Due to state general fund	-	-	-	-
Deferred revenue	-	-	-	-
Other accrued expenses	-	-	-	-
Other liabilities	-	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	-
Total Liabilities	-	-	1,248,444	1,511,250
Non-spendable	-	-	-	-
Restricted	1,303,763	636,936	6,191,929	13,823,890
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	1,303,763	636,936	6,191,929	13,823,890
Total Liabilities and Fund Balances	\$ 1,303,763	\$ 636,936	\$ 7,440,373	\$ 15,335,140

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

2006B GRIP Bond Project Fund	2006C GRIP Bond Project Fund	2006D GRIP Bond Project Fund	Total Special Revenue Funds	Capital Projects Fund	STB Appropriations Fund
SHARE (10230)	(SHARE 10250)	(SHARE 10270)		(SHARE 10050)	(SHARE 10060)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	47,777	-	57,366,432	9,220,697	-
49,661	11,236,809	50,005,413	83,387,121	-	-
-	-	-	5,307,112	-	-
-	-	-	-	-	-
-	-	-	2,233	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	7,370,239	-	-
-	-	-	246,953	355,317	-
-	-	-	4,455	-	7,892,445
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ 49,661	\$ 11,284,586	\$ 50,005,413	\$ 153,684,545	\$ 9,576,014	\$ 7,892,445
\$ -	\$ -	\$ -	\$ 6,023,667	\$ -	\$ 5,824,643
-	-	-	39,380	-	110,867
-	-	-	3,773,827	-	3,818,251
-	-	-	170,026	-	1,049,011
-	-	-	3,973,916	-	-
-	-	-	96,120	-	-
-	-	-	1,422	-	-
-	-	-	-	-	-
-	-	-	14,078,358	-	10,802,772
-	-	-	-	-	-
49,661	11,284,586	50,005,413	108,316,491	-	-
-	-	-	32,282,497	9,576,014	-
-	-	-	-	-	-
-	-	-	(992,801)	-	(2,910,327)
49,661	11,284,586	50,005,413	139,606,187	9,576,014	(2,910,327)
\$ 49,661	\$ 11,284,586	\$ 50,005,413	\$ 153,684,545	\$ 9,576,014	\$ 7,892,445

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2011

	STB Capital Outlay Fund	GF Capital Outlay Fund	Total Capital Projects Funds	1998A WIPP Bond Debt Service Fund
	(SHARE 89200)	(SHARE 93100)		(SHARE 97200)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Cash Equivalents: investment in state general fund investment pool)				
Unrestricted	-	-	-	-
Restricted	-	502,940	9,723,637	14,505
Managed by NMFA	-	-	-	199,245
Receivables:				
Taxes receivable, net	-	-	-	-
Accounts receivable, net	-	-	-	-
Interest receivable	-	-	-	4
Notes and loans receivable	-	-	-	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	-	-	-	-
Other funds	-	-	355,317	-
Other state agencies	5,163,108	-	13,055,553	1
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expenses - risk management	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 5,163,108	\$ 502,940	\$ 23,134,507	\$ 213,755
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 2,044,826	\$ 78,681	\$ 7,948,150	\$ -
Due to other funds	-	-	110,867	-
Due to other agencies	3,118,282	-	6,936,533	-
Due to state general fund	-	-	1,049,011	-
Deferred revenue	-	-	-	-
Other accrued expenses	-	-	-	-
Other liabilities	-	-	-	-
Short-term notes payable (taxable line of credit)	-	-	-	-
Total Liabilities	5,163,108	78,681	16,044,561	-
Non-spendable	-	-	-	-
Restricted	-	424,259	424,259	213,755
Committed	-	-	9,576,014	-
Assigned	-	-	-	-
Unassigned	-	-	(2,910,327)	-
Total Fund Balances	-	424,259	7,089,946	213,755
Total Liabilities and Fund Balances	\$ 5,163,108	\$ 502,940	\$ 23,134,507	\$ 213,755

See Independent Auditors' Report

**NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds**

1998A CHAT Bond Debt Service Fund (SHARE 54800)	1999 CHAT Bond Debt Service Fund (SHARE 43400)	2000 CHAT Bond Debt Service Fund (SHARE 43200)	2001A CHAT Bond Debt Service Fund (SHARE 00700)	2002A CHAT Bond Debt Service Fund (SHARE 54700)	2002B WIPP Bond Debt Service Fund (SHARE 75000)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
141,544	266,129	204,022	233,709	83,547	110,884
86,177	750,114	1,184,404	1,651,454	690,407	702,615
-	-	-	-	-	-
-	-	-	-	-	-
2	18	27	38	15	17
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
13	24	18	21	7	10
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 227,736</u>	<u>\$ 1,016,285</u>	<u>\$ 1,388,471</u>	<u>\$ 1,885,222</u>	<u>\$ 773,976</u>	<u>\$ 813,526</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
227,736	1,016,285	1,388,471	1,885,222	773,976	813,526
-	-	-	-	-	-
-	-	-	-	-	-
<u>227,736</u>	<u>1,016,285</u>	<u>1,388,471</u>	<u>1,885,222</u>	<u>773,976</u>	<u>813,526</u>
<u>\$ 227,736</u>	<u>\$ 1,016,285</u>	<u>\$ 1,388,471</u>	<u>\$ 1,885,222</u>	<u>\$ 773,976</u>	<u>\$ 813,526</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2011

	2002C HIF Bond Debt Service Fund (SHARE 36300)	2002D CHAT Bond Debt Service Fund (SHARE 18700)	2004A GRIP Bond Debt Service Fund (SHARE 10080)	2004B GRIP Bond Debt Service Fund (SHARE 10090)
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Cash Equivalents: investment in state general fund investment pool)				
Unrestricted	-	-	-	-
Restricted	62,210	12,805	-	-
Managed by NMFA	36	19,860	509,129	46,120,175
Receivables:				
Taxes receivable, net	-	-	-	-
Accounts receivable, net	-	-	-	-
Interest receivable	-	-	288	1,751
Notes and loans receivable	-	-	-	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	-	-	-	-
Other funds	-	-	-	-
Other state agencies	6	1	-	-
Inventories				
Prepaid expenses - other	-	-	-	-
Prepaid expenses - risk management	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 62,252	\$ 32,666	\$ 509,417	\$ 46,121,926
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Due to other agencies	-	-	-	-
Due to state general fund	-	-	-	-
Deferred revenue	-	-	-	-
Other accrued expenses	-	-	-	-
Other liabilities	-	-	-	31
Short-term notes payable (taxable line of credit)	-	-	-	-
Total Liabilities	-	-	-	31
Non-spendable				
Restricted	62,252	32,666	509,417	46,121,895
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	62,252	32,666	509,417	46,121,895
Total Liabilities and Fund Balances	\$ 62,252	\$ 32,666	\$ 509,417	\$ 46,121,926

See Independent Auditors' Report

**NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds**

2006A GRIP Bond Debt Service Fund (SHARE 10220)	2006B GRIP Bond Debt Service Fund (SHARE 10240)	2006D GRIP Bond Debt Service Fund (SHARE 10280)	2008A GRIP Bond Debt Service Fund (SHARE 10410)	2008B GRIP Bond Debt Service Fund (SHARE 10420)	2008C GRIP Bond Debt Service Fund (SHARE 10430)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
33,425	657,793	-	1,889,821	1,721,955	197,052
-	-	-	-	-	-
156	41	-	183	328	58
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	4,458
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 33,581</u>	<u>\$ 657,834</u>	<u>\$ -</u>	<u>\$ 1,890,004</u>	<u>\$ 1,722,283</u>	<u>\$ 201,568</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	653,221	-	4,458	347,700	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	79	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>653,300</u>	<u>-</u>	<u>4,458</u>	<u>347,700</u>	<u>-</u>
-	-	-	-	-	-
33,581	4,534	-	1,885,546	1,374,583	201,568
-	-	-	-	-	-
-	-	-	-	-	-
<u>33,581</u>	<u>4,534</u>	<u>-</u>	<u>1,885,546</u>	<u>1,374,583</u>	<u>201,568</u>
<u>\$ 33,581</u>	<u>\$ 657,834</u>	<u>\$ -</u>	<u>\$ 1,890,004</u>	<u>\$ 1,722,283</u>	<u>\$ 201,568</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

As of June 30, 2011

	2008D GRIP Bond Debt Service Fund (SHARE 10440)	2009A Bond Debt Service Fund (SHARE 11130)	2010B Bond Debt Service Fund (SHARE 20450)	Total Debt Service Funds
Assets:				
Cash:				
Unrestricted	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Cash Equivalents: investment in state general fund investment pool)				
Unrestricted	-	-	-	-
Restricted	-	-	-	1,129,355
Managed by NMFA	1,912,022	45,063	203,972	58,574,719
Receivables:				
Taxes receivable, net	-	-	-	-
Accounts receivable, net	-	-	-	-
Interest receivable	142	1,275	441	4,784
Notes and loans receivable	-	-	-	-
Other receivables	-	-	-	-
Due from:				
U.S. Department of Transportation	-	-	-	-
Other funds	653,221	-	-	657,679
Other state agencies	-	-	-	101
Inventories	-	-	-	-
Prepaid expenses - other	-	-	-	-
Prepaid expenses - risk management	-	-	-	-
Prepaid expense - NM44 warranty	-	-	-	-
Property held for resale	-	-	-	-
Total Assets	\$ 2,565,385	\$ 46,338	\$ 204,413	\$ 60,366,638
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	1,716,197	-	-	2,721,576
Due to other agencies	-	-	-	-
Due to state general fund	-	-	-	-
Deferred revenue	-	-	-	-
Other accrued expenses	-	-	-	-
Other liabilities	-	-	-	110
Short-term notes payable (taxable line of credit)	-	-	-	-
Total Liabilities	1,716,197	-	-	2,721,686
Non-spendable				
Restricted	849,188	46,338	204,413	57,644,952
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	849,188	46,338	204,413	57,644,952
Total Liabilities and Fund Balances	\$ 2,565,385	\$ 46,338	\$ 204,413	\$ 60,366,638

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Balance Sheet-By Fund Type-Non Major Funds

**Total
Government
Funds**

\$	-
	-
	-
	68,219,424
	141,961,840
	5,307,112
	-
	7,017
	-
	-
	7,370,239
	1,259,949
	13,060,109
	-
	-
	-
	-
	-
<u>\$</u>	<u>237,185,690</u>
\$	13,971,817
	2,871,823
	10,710,360
	1,219,037
	3,973,916
	96,120
	1,532
	-
<u>\$</u>	<u>32,844,605</u>
	-
	166,385,702
	41,858,511
	-
	(3,903,128)
<u>\$</u>	<u>204,341,085</u>
<u>\$</u>	<u>237,185,690</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

For the Year Ended June 30, 2011

	Traffic Safety Fund(s) (SHARE 10010, 10020, 20600, 20700, 20800 82600)	Driver Improvement Program Fund (SHARE 10020)	Federal Planning and Development Fund (SHARE 10030)	HIF Fund (SHARE 20200)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ 5,657,488
U.S. Department of Transportation	11,224,060	-	17,744,382	-
U.S. Department of Energy	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	2,432,976	-	-	1,805,783
Charges for services	-	-	-	-
DWI interlock device	1,478,775	-	-	-
Other revenue	-	-	-	-
Interest earnings	3,642	-	-	16,156
Total Revenues	15,139,453	-	17,744,382	7,479,427
Expenditures:				
Current:				
Operating costs	3,497	-	-	-
Personal services	452,514	-	342,527	-
Out-of-state travel	8,867	-	-	-
Grants and services	11,463,636	-	16,615,686	-
Travel	820	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	19,321	-	-	-
Contractual services	490,034	-	-	-
Other costs	-	-	-	7,800,000
Employee benefits	175,142	-	104,522	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	2,591,849
Interest	-	-	-	1,969,312
Trustee and broker fees	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	12,613,831	-	17,062,735	12,361,161
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,525,622	-	681,647	(4,881,734)
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance				
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	550,000	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	-	-	-	(296,180)
Proceeds from LT notes payable	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	550,000	-	-	(296,180)
Net Changes in Fund Balances	3,075,622	-	681,647	(5,177,914)
Fund Balance, June 30, 2010	1,524,040	401,560	(1,674,448)	-
Change in Fund Type (Note 1)	2,180,318	(401,560)	-	15,413,083
Fund Balance, restated at June 30, 2010	3,704,358	-	(1,674,448)	15,413,083
Fund Balance, June 30, 2011	\$ 6,779,980	\$ -	\$ (992,801)	\$ 10,235,169

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

Local Government Road Fund	State Aviation Fund	Motorcycle Training Fund	DWI Prevention and Education Fund	1993 Bond Project Fund	1999A CHAT Project Fund
(SHARE 20300)	(SHARE 20500)	(SHARE 20600)	(SHARE 20700)	(SHARE 39400)	(SHARE 43000)
\$ 13,520,591	\$ 5,908,979	\$ -	\$ -	\$ -	\$ -
-	235,026	-	-	-	-
-	-	-	-	-	-
-	68,644	-	-	-	-
7,789,923	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	12,680	-	-	-	-
32,695	16,449	-	-	2,914	3,870
21,343,209	6,241,778	-	-	2,914	3,870
-	36,953	-	-	-	-
-	231,931	-	-	-	-
-	4,778	-	-	-	-
20,208,781	714,871	-	-	-	-
-	34,795	-	-	-	-
-	38,885	-	-	-	-
-	21,381	-	-	-	-
-	312,417	-	-	-	-
-	-	-	-	-	-
-	85,104	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
20,208,781	1,481,115	-	-	-	-
1,134,428	4,760,663	-	-	2,914	3,870
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,134,428	4,760,663	-	-	2,914	3,870
18,796,440	7,167,306	122,400	1,656,358	1,591,387	2,113,452
-	-	(122,400)	(1,656,358)	-	-
18,796,440	7,167,306	-	-	1,591,387	2,113,452
\$ 19,930,868	\$ 11,927,969	\$ -	\$ -	\$ 1,594,301	\$ 2,117,322

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

For the Year Ended June 30, 2011

	2000A CHAT Project Fund	2001A CHAT Project Fund	2002A CHAT Project Fund	2002C HIF Project Fund
	(SHARE 34500)	(SHARE 00600)	(SHARE 36800)	(SHARE 36100)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	-	-	-	-
U.S. Department of Energy	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
DWI interlock device	-	-	-	-
Other revenue	-	-	-	-
Interest earnings	-	8,782	-	2,383
Total Revenues	-	8,782	-	2,383
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	-	-	-	-
Out-of-state travel	-	-	-	-
Grants and services	-	-	-	-
Travel	-	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	-	-	-	-
Other costs	-	-	-	-
Employee benefits	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Trustee and broker fees	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	8,782	-	2,383
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance				
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	-	-	-	-
Proceeds from LT notes payable	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Changes in Fund Balances	-	8,782	-	2,383
Fund Balance, June 30, 2010	-	4,708,419	-	1,301,380
Change in Fund Type (Note 1)	-	-	-	-
Fund Balance, restated at June 30, 2010	-	4,708,419	-	1,301,380
Fund Balance, June 30, 2011	\$ -	\$ 4,717,201	\$ -	\$ 1,303,763

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

2002D CHAT Project Fund	2004A GRIP Project Fund	2006A GRIP Project Fund	2006B GRIP Project Fund	2006C GRIP Project Fund	2006D GRIP Project Fund
(SHARE 11500)	(SHARE 20400)	(SHARE 10210)	SHARE (10230)	(SHARE 10250)	(SHARE 10270)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,425	17,391	29,438	81	19,092	65,599
1,425	17,391	29,438	81	19,092	65,599
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	426,317	-	-	-	-
-	3,769,807	5,883,911	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,284
-	4,196,124	5,883,911	-	-	1,284
1,425	(4,178,733)	(5,854,473)	81	19,092	64,315
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(10)	(2,200,961)	(2,364,716)	4,565,588	(69,987)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(10)	(2,200,961)	(2,364,716)	4,565,588	(69,987)
1,425	(4,178,743)	(8,055,434)	(2,364,635)	4,584,680	(5,672)
635,511	10,370,672	21,879,324	2,414,296	6,699,906	50,011,085
-	-	-	-	-	-
635,511	10,370,672	21,879,324	2,414,296	6,699,906	50,011,085
\$ 636,936	\$ 6,191,929	\$ 13,823,890	\$ 49,661	\$ 11,284,586	\$ 50,005,413

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

For the Year Ended June 30, 2011

	Total Special Revenue Funds	Capital Projects Fund	STB Capital Improvements Projects	STB Capital Outlay
		(SHARE 10050)	(SHARE 10060)	(SHARE 89200)
Revenues:				
User and fuel taxes	\$ 25,087,058	\$ -	\$ -	\$ -
U.S. Department of Transportation	29,203,468	-	-	-
U.S. Department of Energy	-	-	-	-
Fees and fines	68,644	-	-	-
Licenses and permits	12,028,682	-	-	-
Charges for services	-	-	-	-
DWI interlock device	1,478,775	-	-	-
Other revenue	12,680	-	(227,464)	-
Interest earnings	219,917	-	-	-
Total Revenues	68,099,224	-	(227,464)	-
Expenditures:				
Current:				
Operating costs	40,450	-	-	-
Personal services	1,026,972	-	-	-
Out-of-state travel	13,645	-	-	-
Grants and services	49,002,974	-	-	-
Travel	35,615	-	-	-
Maintenance and repairs	38,885	-	-	-
Supplies	40,702	-	-	-
Contractual services	802,451	-	10,479,381	-
Other costs	8,226,317	-	(1,733)	-
Employee benefits	364,768	-	-	-
Capital outlay	9,653,718	-	88,361,525	5,163,108
Debt service:				
Principal	2,591,849	-	-	-
Interest	1,969,312	-	-	-
Trustee and broker fees	1,284	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	73,808,942	-	98,839,173	5,163,108
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,709,718)	-	(99,066,637)	(5,163,108)
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	(2,000)	-
Transfers: severance tax bond appropriation	-	-	99,131,574	5,163,108
Transfers from (to) other agencies	550,000	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	(366,266)	-	-	-
Proceeds from LT notes payable	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	183,734	-	99,129,574	5,163,108
Net Changes in Fund Balances	(5,525,984)	-	62,937	-
Fund Balance, June 30, 2010	129,719,088	9,576,014	(2,973,264)	-
Change in Fund Type (Note 1)	15,413,083	-	-	-
Fund Balance, restated at June 30, 2010	145,132,171	9,576,014	(2,973,264)	-
Fund Balance, June 30, 2011	\$ 139,606,187	\$ 9,576,014	\$ (2,910,327)	\$ -

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

GF Capital Outlay	Total Capital Projects Funds	1998A WIPP Debt Service	1998A CHAT Debt Service	1999 CHAT Debt Service	2000 CHAT Debt Service
(SHARE 93100)		(SHARE 97200)	(SHARE 54800)	(SHARE 43400)	(SHARE 43200)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(227,464)	-	-	-	-
-	-	116	298	825	908
-	(227,464)	116	298	825	908
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
78,681	10,558,062	-	-	-	-
-	(1,733)	-	-	-	-
-	-	-	-	-	-
-	93,524,633	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
78,681	104,080,962	-	-	-	-
(78,681)	(104,308,426)	116	298	825	908
-	(2,000)	-	-	-	-
-	104,294,682	-	-	-	-
-	-	-	-	-	-
502,940	502,940	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
502,940	104,795,622	-	-	-	-
424,259	487,196	116	298	825	908
-	6,602,750	213,639	227,438	1,015,460	1,387,563
-	-	-	-	-	-
-	6,602,750	213,639	227,438	1,015,460	1,387,563
\$ 424,259	\$ 7,089,946	\$ 213,755	\$ 227,736	\$ 1,016,285	\$ 1,388,471

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

For the Year Ended June 30, 2011

	2001A CHAT Debt Service (SHARE 00700)	2002A CHAT Debt Service (SHARE 54700)	2002B WIPP Debt Service (SHARE 75000)	2002C HIF Debt Service (SHARE 36300)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	-	-	-	-
U.S. Department of Energy	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
DWI interlock device	-	-	-	-
Other revenue	-	-	-	-
Interest earnings	1,173	492	520	194
Total Revenues	1,173	492	520	194
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	-	-	-	-
Out-of-state travel	-	-	-	-
Grants and services	-	-	-	-
Travel	-	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	-	-	-	-
Other costs	-	-	-	-
Employee benefits	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	296,180
Trustee and broker fees	-	-	-	-
Debt issuance costs	-	-	-	-
Total Expenditures	-	-	-	296,180
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,173	492	520	(295,986)
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance				
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	-	(15,382)	-	204,130
Proceeds from LT notes payable	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	-	(15,382)	-	204,130
Net Changes in Fund Balances	1,173	(14,890)	520	(91,856)
Fund Balance, June 30, 2010	1,884,049	788,866	813,006	154,108
Change in Fund Type (Note 1)	-	-	-	-
Fund Balance, restated at June 30, 2010	1,884,049	788,866	813,006	154,108
Fund Balance, June 30, 2011	\$ 1,885,222	\$ 773,976	\$ 813,526	\$ 62,252

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

For the Year Ended June 30, 2011

	2008A GRIP Debt Service	2008B GRIP Debt Service	2008C GRIP Debt Service	2008D GRIP Debt Service
	(SHARE 10410)	(SHARE 10420)	(SHARE 10430)	(SHARE 10440)
Revenues:				
User and fuel taxes	\$ -	\$ -	\$ -	\$ -
U.S. Department of Transportation	-	-	-	-
U.S. Department of Energy	-	-	-	-
Fees and fines	-	-	-	-
Licenses and permits	-	-	-	-
Charges for services	-	-	-	-
DWI interlock device	-	-	-	-
Other revenue	-	-	-	-
Interest earnings	163,665	1,202,385	119,173	2,482
Total Revenues	163,665	1,202,385	119,173	2,482
Expenditures:				
Current:				
Operating costs	-	-	-	-
Personal services	-	-	-	-
Out-of-state travel	-	-	-	-
Grants and services	-	-	-	-
Travel	-	-	-	-
Maintenance and repairs	-	-	-	-
Supplies	-	-	-	-
Contractual services	-	-	-	-
Other costs	-	-	-	-
Employee benefits	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Trustee and broker fees	955,870	-	624,597	-
Debt issuance costs	-	-	-	-
Total Expenditures	955,870	-	624,597	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(792,205)	1,202,385	(505,424)	2,482
Other Financing Sources (Uses):				
Appropriations, net of reversions	-	-	-	-
Transfers: severance	-	-	-	-
tax bond appropriation	-	-	-	-
Transfers from (to) other agencies	-	-	-	-
Transfers from (to) escrow agent	-	-	-	-
Transfers: intra-agency	2,869,822	(95,939)	1,049,408	164,142
Proceeds from LT notes payable	-	-	-	-
Face value of debentures payable	-	-	-	-
Premiums of debentures payable	-	-	-	-
Total Other Financing Sources (Uses)	2,869,822	(95,939)	1,049,408	164,142
Net Changes in Fund Balances	2,077,617	1,106,446	543,984	166,624
Fund Balance, June 30, 2010	(192,071)	268,137	(342,416)	682,564
Change in Fund Type (Note 1)	-	-	-	-
Fund Balance, restated at June 30, 2010	(192,071)	268,137	(342,416)	682,564
Fund Balance, June 30, 2011	\$ 1,885,546	\$ 1,374,583	\$ 201,568	\$ 849,188

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

2009A Bond Debt Service Fund (SHARE 11130)	2010B Bond Debt Service Fund (SHARE 20450)	Total Debt Service Funds	Total Government Funds
\$ -	\$ -	\$ -	\$ 25,087,058
-	-	-	29,203,468
-	-	-	-
-	-	-	68,644
-	-	-	12,028,682
-	-	-	-
-	-	-	1,478,775
-	-	3,663	(211,121)
21,516	3,868	3,789,471	4,009,388
<u>21,516</u>	<u>3,868</u>	<u>3,793,134</u>	<u>71,664,894</u>
-	-	-	40,450
-	-	-	1,026,972
-	-	-	13,645
-	-	-	49,002,974
-	-	-	35,615
-	-	-	38,885
-	-	-	40,702
-	-	-	11,360,513
-	-	-	8,224,584
-	-	-	364,768
-	-	-	103,178,351
-	-	-	2,591,849
-	-	765,803	2,735,115
-	3,072	2,549,355	2,550,639
-	3,105,840	3,105,840	3,105,840
-	3,108,912	6,420,998	<u>184,310,902</u>
<u>21,516</u>	<u>(3,105,044)</u>	<u>(2,627,864)</u>	<u>(112,646,008)</u>
-	-	-	(2,000)
-	-	-	104,294,682
-	-	-	550,000
-	(550,564,701)	(550,564,701)	(550,564,701)
-	8,166,356	9,963,030	10,099,704
-	-	-	-
-	461,075,000	461,075,000	461,075,000
-	84,632,802	84,632,802	<u>84,632,802</u>
-	3,309,457	5,106,131	110,085,487
<u>21,516</u>	<u>204,413</u>	<u>2,478,267</u>	<u>(2,560,521)</u>
24,822	-	55,166,685	191,488,523
-	-	-	15,413,083
<u>24,822</u>	<u>-</u>	<u>55,166,685</u>	<u>206,901,606</u>
<u>\$ 46,338</u>	<u>\$ 204,413</u>	<u>\$ 57,644,952</u>	<u>\$ 204,341,085</u>

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - By Type -
Non Major Funds

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OTHER SUPPLEMENTAL INFORMATION

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Capital Projects

As of June 30, 2011

	Budgeted Amounts		Current Year Expenditures
	Original	Final	
Expenditures for 2007 multi-year projects			
Capital outlay	\$ 2,750,000	\$ 2,750,000	\$ -
Expenditures for 2008 multi-year projects			
Capital outlay	6,017,426	6,017,426	-
Expenditures for 2009 multi-year projects			
Capital outlay	1,450,000	1,450,000	-
Expenditures for 2010 multi-year projects			
Capital outlay	350,000	350,000	-
Total Expenditures	\$ 10,567,426	\$ 10,567,426	\$ -

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Capital Projects

Life-to-Date Outstanding Encumbrances	Total Actual	Prior Year Actual	Total Expenditures	Variance From Final Budget (Over) Under
\$ 92,730	\$ 92,730	\$ 2,657,270	\$ 2,750,000	-
-	-	600,000	600,000	5,417,426
-	-	-	-	1,450,000
-	-	-	-	350,000
\$ 92,730	\$ 92,730	\$ 3,257,270	\$ 3,350,000	7,217,426

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Severance Tax Bonds

As of June 30, 2011

Chapter	Laws	Bonds Appropriated	Bonds Sold	Amounts AIPP	Funds Reauthorized
2	1999	\$ 5,161,415	\$ 4,719,721	\$ -	\$ -
2/23	2000	7,518,079	7,193,284	-	21,620
110	2002	9,492,863	9,491,910	-	282,749
429	2003	7,394,100	7,394,100	(1,250)	571,192
126	2004	23,209,750	23,159,750	-	(2,117,068)
347	2005	15,745,000	15,510,450	(1,500)	1,143,459
111	2006	25,889,900	25,889,900	-	(2,905,087)
42	2007	79,455,992	79,455,992	-	(3,000,000)
92	2008	19,978,000	19,978,000	(9,600)	200,000
9	2008	100,012,260	100,012,260	-	49,987,740
5	2009	1,500,000	1,500,000	-	-
7	2009	5,837,628	5,837,628	-	-
7	2010	767,000	767,000	-	-
		<u>\$ 301,961,987</u>	<u>\$ 300,909,995</u>	<u>\$ (12,350)</u>	<u>\$ 44,184,605</u>

**NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Severance Tax Bonds**

Funds Reverted	Bond Balance After Reauthorization	Funds Received	Expended To Date	Balance Available	Due from Board of Finance
\$ (485,348)	\$ 4,234,373	\$ 4,234,373	\$ 4,234,373	\$ -	\$ -
(324,796)	6,890,108	6,868,488	6,890,108	-	21,620
(648,750)	9,125,909	8,843,160	9,125,909	-	282,749
(483,047)	7,480,995	7,044,803	7,480,995	-	436,192
(157,207)	20,885,475	20,725,543	20,885,475	-	159,932
(574,809)	16,077,600	13,424,507	16,077,600	-	2,653,093
(1,888,148)	21,096,665	16,150,252	17,759,773	3,336,892	1,609,521
(670,193)	75,785,799	62,749,659	65,625,654	10,160,145	2,875,995
(1,719,940)	18,448,460	13,780,326	15,177,053	3,271,407	1,396,727
-	150,000,000	102,209,004	105,826,465	44,173,535	3,617,461
-	1,500,000	-	-	1,500,000	-
(587,634)	5,249,994	3,150,544	3,152,806	2,097,188	2,262
-	767,000	294,686	294,686	472,314	-
\$ (7,539,872)	\$ 337,542,378	\$ 259,475,345	\$ 272,530,897	\$ 65,011,481	\$ 13,055,552

Balance Available	\$ 65,011,481
Due from Board of Finance	13,055,553
Total (Note 4)	<u>\$ 78,067,034</u>

See Independent Auditors' Report

**NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Special Appropriations**

As of June 30, 2011

	Appropriation Amount	Expenditures Inception to June 30, 2011
Special Revenue Funds		
Laws of 2004, Chapter 126	\$ 10,643,657	\$ 10,250,911
Laws of 2005, Chapter 347	16,082,810	12,656,090
Laws of 2006, Chapter 111	22,564,500	21,480,974
Laws of 2007, Chapter 42	38,915,552	26,704,545
Laws of 2007 Special Session, Chapter 3	35,000,000	28,962,911
Laws of 2008, Chapter 92	8,051,673	5,562,192
Laws of 2008, Chapter 2	42,577,900	41,616,857
	173,836,092	147,234,480
Capital Projects Funds		
Laws of 2007, Chapter 42	2,750,000	2,657,270
Laws of 2008, Chapter 92	6,017,426	600,000
Laws of 2009, Chapter 125	1,450,000	-
Laws of 2010 Special Session, Chapter 4	350,000	-
	10,567,426	3,257,270
Total all Fund Types	\$ 184,403,518	\$ 150,491,750

* Note: State House and Senate Memorials are directions on how appropriated monies should be spent. They are not laws.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Special Appropriations

Encumbrances				
Balance as of		Re-appropriation	Reversion	Balance
June 30, 2011		Amount	Amount	as of
				June 30, 2011
\$	-	\$ (372,878)	\$ 765,624	-
	-	841,123	2,585,597	-
	-	(1,293,156)	2,376,682	-
	369,259	184,318	11,657,430	-
	-	-	6,037,089	-
	562,905	39,696	1,816,477	70,403
	-	-	961,043	-
	932,164	(600,897)	26,199,942	70,403
	-	-	-	92,730
	-	-	-	5,417,426
	-	-	-	1,450,000
	-	-	-	350,000
	-	-	-	7,310,156
\$	932,164	\$ (600,897)	\$ 26,199,942	\$ 7,380,559

Special Revenue Fund

Under the Laws of 2003, Chapter 385, the Department was appropriated \$975,500 from the State of New Mexico General Fund for certain infrastructure projects and improvements. Any unexpended or unencumbered balance remaining at the end of the 2008 fiscal year reverted to the State General Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2004, Chapter 126, the Department was appropriated \$10,643,657 from the State of New Mexico General Fund for certain infrastructure projects and improvements. Any unexpended or unencumbered balance remaining at the end of the 2009 fiscal year reverted to the State General Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2005, Chapter 347, the Department was appropriated \$16,082,810 from the State of New Mexico General Fund for certain infrastructure projects and improvements. Any unexpended or unencumbered balance remaining at the end of the 2010 fiscal year will revert to the State General Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2006, Chapter 111, the Department was appropriated \$22,564,500 from the State of New Mexico General Fund for certain infrastructure projects and improvements. Any unexpended or unencumbered balance remaining at the end of the 2010 fiscal year will revert to the State General Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2007, Chapter 42, the Department was appropriated \$38,915,552 from the State of New Mexico General Fund for certain infrastructure projects and improvements. Any unexpended or unencumbered balance remaining at the end of the 2011 fiscal year will revert to the State General Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of Special Session 2007, Chapter 3, the Department was appropriated \$35,000,000 for GRIP 1 and New Mexico Spaceport projects. Any unexpended or unencumbered balance remaining at the end of the 2011 fiscal year will revert to the State General Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2008, Chapters 2 and 92, the Department was appropriated \$42,577,900 and \$8,051,673, respectively, for highway maintenance and certain infrastructure projects and improvements, respectively. Any unexpended or unencumbered balance remaining at the end of the 2012 fiscal year will revert to the State General Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Capital Projects Fund

Under the Laws of 2005, Chapter 347, the Department was appropriated \$2,250,000 from the State Road Fund for various capital projects. Any unexpended or unencumbered balance remaining at the end of the 2010 fiscal year will revert to the State Road Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2006, Chapter 111, the Department was appropriated \$15,033,000 from the State Road Fund for patrol buildings and rest stop construction. Any unexpended or unencumbered balance remaining at the end of the 2010 fiscal year will revert to the State Road Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2007, Chapter 42, the Department was appropriated \$2,750,000 from the State Road Fund for various capital projects. Any unexpended or unencumbered balance remaining at the end of the 2011 fiscal year will revert to the State Road Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2008, Chapter 92, the Department was appropriated \$6,017,426 from the State Road Fund for construction of Salt Domes. Any unexpended or unencumbered balance remaining at the end of the 2012 fiscal year will revert to the State Road Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2009, Chapter 125, the Department was appropriated \$1,450,000 from the State Road Fund for D3 hilltop building roof replacement. Any unexpended or unencumbered balance remaining at the end of the 2013 fiscal year will revert to the State Road Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

Under the Laws of 2010 Special Session, Chapter 4, the Department was appropriated \$350,000 from the State Road Fund for the construction of Salt Domes. Any unexpended or unencumbered balance remaining at the end of the 2013 fiscal year will revert to the State Road Fund. The appropriation period is for 5 years unless re-authorized or extended by enabling legislation.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Individual Bank Accounts

As of June 30, 2011

	Fund Number	Bank Balance	Book Balance	Book Total
Cash				
State Road Fund	Petty Cash 20100	\$ 2,600	\$ 2,600	
Total Cash				<u>\$ 2,600</u>
Cash Equivalents				
SGFIP:				
(Unrestricted)				
			-	-
				<u>\$ -</u>
(Restricted)				
2001A CHAT Bond Project Fund	600	4,716,775	\$ 4,716,775	
2001A CHAT Bond Debt Service Fund	700	233,709	233,709	
Traffic Safety Fund(s)	10010, 10020, 20600, 20700, 20800, 82600	8,583,229	8,583,229	
State Road Fund(s)	10040, 10140, 20100, 78800, 78900, 82000	88,310,038	88,310,038	
Capital Projects Fund	10050	9,220,697	9,220,697	
General Fund Appropriations	10070	2,956,363	2,956,363	
2006C GRIP Bond Project Fund	10250	47,777	47,777	
2010A Bond Project Fund	10450	3	3	
2002D CHAT Bond Project Fund	11500	636,867	636,867	
2002D CHAT Bond Debt Service Fund	18700	12,805	12,805	
HIF Bond Fund	20200	9,114,358	9,114,358	
Local Government Road Fund	20300	17,029,478	17,029,478	
2004A GRIP Bond Project Fund	20400	647,647	647,647	
State Aviation Fund	20500	11,575,360	11,575,360	
2002C HIF Bond Project Fund	36100	1,303,647	1,303,647	
2002C HIF Bond Debt Service Fund	36300	62,210	62,210	
1993 Bond Project Fund	39400	1,594,160	1,594,160	
1999A CHAT Bond Project Fund	43000	2,117,134	2,117,134	
WIPP Bond Project Fund	43100	7,347,222	7,347,222	
2000 CHAT Bond Debt Service Fund	43200	204,022	204,022	
1999 CHAT Bond Debt Service Fund	43400	266,129	266,129	
2002A CHAT Bond Debt Service Fund	54700	83,547	83,547	
1998A CHAT Bond Debt Service Fund	54800	141,544	141,544	
2002B WIPP Bond Debt Service Fund	75000	110,884	110,884	
State Infrastructure Bank	89300	18,869,955	18,869,955	
GF Capital Outlay	93100	502,940	502,940	
1998A WIPP Bond Debt Service Fund	97200	14,505	14,505	
Total Restricted				<u>\$ 185,703,005</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Individual Bank Accounts

	SHARE Account Number	Bank Balance	Book Balance	Book Total
Managed by NMFA:				
Wells Fargo, trustee account				
1998A Bond Fund US 70	10140	11,066	\$ 11,066	
State Road Fund	20100		<u>65,032</u>	76,098
Bank of Albuquerque, trustee account				
2006D GRIP Bond Project Fund	10270	50,005,413	<u>50,005,413</u>	50,005,413
Bank of New York, trustee account				
2004A GRIP Bond Debt Service Fund	10080	509,129	509,129	
2004B GRIP Bond Debt Service Fund	10090	46,120,175	46,120,175	
2006A GRIP Bond Project Fund	10210	15,302,968	15,302,968	
2006A GRIP Bond Debt Service Fund	10220	33,425	33,425	
2006B GRIP Bond Project Fund	10230	49,662	49,662	
2006B GRIP Bond Debt Service Fund	10240	657,793	657,793	
2006C GRIP Bond Project Fund	10250	11,236,808	11,236,808	
2008A GRIP Bond Debt Service Fund	10410	1,889,821	1,889,821	
2008B GRIP Bond Debt Service Fund	10420	1,721,955	1,721,955	
2008C GRIP Bond Debt Service Fund	10430	197,052	197,052	
2008D GRIP Bond Debt Service Fund	10440	1,912,022	1,912,022	
2010A Bond Project Fund	10450	69,162,887	69,162,887	
2009A Bond Debt Service Fund	11130	45,063	45,063	
2010A/LOC Bond Debt Service Fund	11140	43,752	43,752	
2004A GRIP Bond Project Fund	20400	6,792,270	6,792,270	
2010B GRIP Bond Debt Service Fund	20450	203,972	<u>203,972</u>	155,878,754
NMFA				
2001A CHAT Bond Debt Service Fund	700	1,651,454	1,651,454	
2002D CHAT Bond Debt Service Fund	18700	19,860	19,860	
2002C HIF Bond Debt Service Fund	36300	36	36	
2000 CHAT Bond Debt Service Fund	43200	1,184,404	1,184,404	
1999 CHAT Bond Debt Service Fund	43400	750,114	750,114	
2002A CHAT Bond Debt Service Fund	54700	690,407	690,407	
1998A CHAT Bond Debt Service Fund	54800	86,177	86,177	
2002B WIPP Bond Debt Service Fund	75000	702,615	702,615	
1998A WIPP Bond Debt Service Fund	97200	199,245	199,245	
Capital Asset Fund	99800		<u>-</u>	<u>5,284,312</u>
Total Managed by NMFA				\$ 211,244,577

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Pledged State Revenues

As of June 30, 2011

Pledged State Revenues

Pledged User & Fuel Taxes

Gasoline Excise	\$ 109,282,054
Motor Vehicle Registrations	73,445,029
Special Fuel	90,976,659
Vehicle Transaction	5,361,535
Drivers License	4,004,552
Trip (Mileage) Tax	5,972,504
Tire recycling fees	1,805,784
Weight/Distance Tax	79,602,561
Total pledged user & fuel taxes	<u>370,450,678</u>

Other Pledged Revenue

Road fund interest income	95,649
HIF interest income	16,156
Leased Vehicles gross receipts tax	5,657,488
PRC fees	2,740,183
Total other pledged revenue	<u>8,509,476</u>

Total Pledged State Revenues	<u><u>\$ 378,960,154</u></u>
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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Debt Service and Coverage

As of June 30, 2011

	1998B-WIPP (SHARE 97200)	1998-CHAT (SHARE 54800)	2000-CHAT (SHARE 43200)	2001-CHAT (SHARE 00700)
Gasoline Excise Taxes	\$ 5,751,687	\$ 5,751,687	\$ 5,751,687	\$ 5,751,687
Motor Vehicle Registration Fees	3,865,528	3,865,528	3,865,528	3,865,528
Special Fuel Excise Taxes	4,788,245	4,788,245	4,788,245	4,788,245
Vehicle Transaction Fees	282,186	282,186	282,186	282,186
Driver's License Fees	210,766	210,766	210,766	210,766
Oversize/Oversight Permit Fees	246,684	246,684	246,684	246,684
Public Regulation Commission Fees	144,220	144,220	144,220	144,220
Trip (Mileage) Tax	314,342	314,342	314,342	314,342
Weight/Distance Taxes	3,942,925	3,942,925	3,942,925	3,942,925
Leased Vehicle Gross Receipts Taxes	-	-	-	-
Tire Recycling Fees	-	-	-	-
FHWA Revenues	-	-	-	-
	<u>19,546,583</u>	<u>19,546,583</u>	<u>19,546,583</u>	<u>19,546,583</u>
Interest on Cash Balances*	5,034	5,034	5,034	5,034
Total Pledged Revenues				
Received	<u>\$ 19,551,617</u>	<u>\$ 19,551,617</u>	<u>\$ 19,551,617</u>	<u>\$ 19,551,617</u>

	1998B-WIPP	1998-CHAT	2000-CHAT	2001-CHAT
Debt Service Principal Expenditures	\$ -	\$ -	\$ -	\$ -
Debt Service Interest Expenditures	-	-	-	-
Total Debt Service	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Debt Service Coverage	0.00%	0.00%	0.00%	0.00%

*NOTE: In addition to state road fund revenues, pledged revenues on 2004A and 2004B GRIP include FHWA revenues, tire recycling fees, leased vehicle gross receipts tax, and interest earned in the HIF fund.

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Debt Service and Coverage

2002A-CHAT (SHARE 54700)	2002B-WIPP (SHARE 75000)	2002C-HIF (SHARE 36300)	2002D-CHAT (SHARE 18700)	2004A-GRIP (SHARE 10080)	2004B-GRIP (SHARE 10090)
\$ 5,751,687	\$ 5,751,687	\$ 5,751,687	\$ 5,751,687	\$ 5,751,687	\$ 5,751,687
3,865,528	3,865,528	3,865,528	3,865,528	3,865,528	3,865,528
4,788,245	4,788,245	4,788,245	4,788,245	4,788,245	4,788,245
282,186	282,186	282,186	282,186	282,186	282,186
210,766	210,766	210,766	210,766	210,766	210,766
246,684	246,684	246,684	246,684	246,684	246,684
144,220	144,220	144,220	144,220	144,220	144,220
314,342	314,342	314,342	314,342	314,342	314,342
3,942,925	3,942,925	3,942,925	3,942,925	3,942,925	3,942,925
-	-	471,457	-	471,458	471,458
-	-	150,482	-	150,482	150,482
-	-	-	-	28,241,345	28,241,345
19,546,583	19,546,583	20,168,522	19,546,583	48,409,868	48,409,868
5,034	5,034	13,112	5,034	13,112	5,034
\$ 19,551,617	\$ 19,551,617	\$ 20,181,634	\$ 19,551,617	\$ 48,422,980	\$ 48,414,902

2002A-CHAT	2002B-WIPP	2002C-HIF	2002D-CHAT	2004A-GRIP	2004B-GRIP
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,275,000
-	-	296,180	61,425	12,686,840	6,421,085
\$ -	\$ -	\$ 296,180	\$ 61,425	\$ 12,686,840	\$ 42,696,085
0.00%	0.00%	68.14%	318.30%	3.82%	1.13%

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Debt Service and Coverage

As of June 30, 2011

	2006A-GRIP (SHARE 10220)	2006B-GRIP (SHARE 10240)	2008A-GRIP (SHARE 10410)	2008B-GRIP (SHARE 10420)
Gasoline Excise Taxes	\$ 5,751,687	\$ 5,751,687	\$ 5,751,687	\$ 5,751,687
Motor Vehicle Registration Fees	3,865,528	3,865,528	3,865,528	3,865,528
Special Fuel Excise Taxes	4,788,245	4,788,245	4,788,245	4,788,245
Vehicle Transaction Fees	282,186	282,186	282,186	282,186
Driver's License Fees	210,766	210,766	210,766	210,766
Oversize/Oversight Permit Fees	246,683	246,683	246,683	246,683
Public Regulation Commission Fees	144,220	144,220	144,220	144,220
Trip (Mileage) Tax	314,342	314,342	314,342	314,343
Weight/Distance Taxes	3,942,925	3,942,925	3,942,925	3,942,925
Leased Vehicle Gross Receipts Taxes	471,458	471,458	471,457	471,457
Tire Recycling Fees	150,482	150,482	150,482	150,482
FHWA Revenues	28,241,345	28,241,345	28,241,345	28,241,345
Subtotal	48,409,867	48,409,867	48,409,866	48,409,867
Interest on Cash Balances*	5,034	5,034	5,034	5,034
Total Pledged Revenues				
Received	\$ 48,414,901	\$ 48,414,901	\$ 48,414,900	\$ 48,414,901

	2006A-GRIP	2006B-GRIP	2008A-GRIP	2008B-GRIP
Debt Service Principal Expenditures	\$ -	\$ 2,100,000	\$ -	\$ -
Debt Service Interest Expenditures	7,477,407	1,346,946	4,834,860	11,717,391
Total Debt Service	\$ 7,477,407	\$ 3,446,946	\$ 4,834,860	\$ 11,717,391
Debt Service Coverage	6.47%	14.05%	10.01%	4.13%

*NOTE: In addition to state road fund revenues, pledged revenues on 2004A and 2004B GRIP include FHWA revenues, tire recycling fees, leased vehicle gross receipts tax, and interest earned in the HIF fund.

**NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Debt Service and Coverage**

	2008C-GRIP (SHARE 10430)	2008D-GRIP (SHARE 10440)	2009A Refunding (SHARE 11130)	2010A-GRIP (SHARE 11140)	2010B-GRIP (SHARE 20450)	TOTAL
\$	5,751,687	\$ 5,751,687	\$ 5,751,687	\$ 5,751,687	\$ 5,751,688	\$ 109,282,054
	3,865,528	3,865,528	3,865,527	3,865,527	3,865,527	73,445,029
	4,788,245	4,788,246	4,788,246	4,788,246	4,788,246	90,976,659
	282,186	282,186	282,186	282,186	282,187	5,361,535
	210,766	210,766	210,766	210,765	210,765	4,004,552
	246,683	246,683	246,683	246,683	246,683	4,686,987
	144,220	144,220	144,221	144,221	144,221	2,740,183
	314,343	314,343	314,343	314,343	314,343	5,972,504
	3,942,925	3,942,925	3,942,925	3,942,925	3,942,924	74,915,574
	471,457	471,457	471,457	471,457	471,457	5,657,488
	150,482	150,482	150,482	150,482	150,482	1,805,784
	28,241,345	28,241,345	28,241,345	28,241,345	28,241,345	310,654,795
	48,409,867	48,409,868	48,409,868	48,409,867	48,409,868	689,503,144
	5,034	5,034	5,035	5,035	5,035	111,805
\$	48,414,901	\$ 48,414,902	\$ 48,414,903	\$ 48,414,902	\$ 48,414,903	689,614,949

	2008C-GRIP	2008D-GRIP	2009A Refunding	2008 EX LOC	2009A Refunding	
\$	-	\$ -	\$ 30,705,000	\$ 122,588,068	\$ -	\$ 191,668,068
	3,541,365	139,116	4,607,650	6,171,954	15,525,486	74,827,705
\$	3,541,365	\$ 139,116	\$ 35,312,650	\$ 128,760,022	\$ 15,525,486	\$ 266,495,773
	13.67%	348.02%	1.37%	0.38%	3.12%	2.59%

**NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements**

The State Legislature and the State Highway Commission have approved certain agreements between the Department and various counties, municipalities and other agencies to construct or improve public highways, school grounds, parking areas, and for the purpose of litter control. The Department's funding responsibility varies from zero to 100%. When related to Public Transportation Services, the Department's funding responsibility is 50% operating and 80% capital. None of these cooperative and joint powers agreements have created legally separate organizations that need to be included as component units or joint ventures in the Department's financial statements.

Contract Number	Contractor	Description	Expended in 2011
J00131	City of Albuquerque	Provide for a bicycle/pedestrian safety program and ensure elements of the program are in compliance with State and Federal Regulations.	\$ 35,668
J00671	City of Albuquerque	Bicycle Travel Demand Management Program	150,016
J00730-1A	Corrections Department	Utilize supervised inmates to perform minor highway maintenance and beautification.	161,421
J00730-2	Corrections Department	Utilize supervised inmates to perform minor highway maintenance and beautification.	58,581
J00730-4A	Corrections Department	Utilize supervised inmates to perform minor highway maintenance and beautification.	70,923
J00730-5	NM Corrections Industries	Utilize supervised inmates to perform minor highway maintenance and beautification.	10,761
J00730-6	Fifth Judicial Dist Attorney	Utilize supervised inmates to perform minor highway maintenance and beautification.	52,433
J00767	Laguna Pueblo	Plan, design, construct and improve roadway infrastructure improvements at the Pueblo of Laguna in Cibola County	201,662
J00775	Zuni Pueblo	Gallup Cut-Off Bridge widening (184 feet)	525,383
J00778	Office of Cultural Affairs	The Department and HPD-ARMS will develop and maintain a comprehensive inventory of cultural properties within the State of New Mexico.	25,000
J00781	Acoma Pueblo	Provide Acoma Road SP 22 2" Mill and Fill initial corridor study, detailed alternative evaluation and environmental documentation (ARRA)	1,166,371
J00782	Office of Cultural Affairs	Provide a Consultant Design Program to assist the State Historic Preservation Officer in the review of NMDOT Cultural Resources documentation.	125,000
J00787	Acoma Pueblo	Project Development and Reconstruction, Signage Improvements on Pueblo Roadways	20,660
J00793	Corrections Department	Optical Image Scanning	27,500
J00798	San Felipe Pueblo	Project development, design, reconstruction, drainage improvements and miscellaneous construction to pueblo roads.	71,500

See Independent Auditors' Report

**NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements**

Date of Agreement		Total Estimated Amt of Project	Portion Applicable To Agency	Party Responsible for Operations	Audit Responsibility	Fiscal Agent (if applicable)	Agency Where Revenues/Expenditures are Reported
Beginning	Ending						
5/4/1995	9/30/2014	\$ 466,666	80%	Contractor	Department		Department
8/6/2001	9/30/2014	2,077,480	85%	Contractor	Department		Department
12/13/2010	6/30/2011	465,411	100%	Contractor	Department		Department
6/25/2007	6/30/2011	347,155	100%	Contractor	Department		Department
6/28/2007	7/30/2011	160,000	100%	Contractor	Department		Department
6/27/2007	6/30/2011	90,000	100%	Contractor	Department		Department
6/25/2007	6/30/2011	343,369	100%	Contractor	Department		Department
3/16/2009	6/30/2013	500,000	100%	Contractor	Department		Department
9/10/2009	9/30/2012	736,582	100%	Contractor	Department		Department
11/19/2009	6/30/2013	100,000	100%	Contractor	Department		Department
1/5/2010	9/30/2012	1,200,000	100%	Contractor	Department		Department
1/28/2010	12/31/2013	200,000	100%	Contractor	Department		Department
3/22/2010	12/31/2010	20,660	75%	Contractor	Department		Department
2/2/2011	12/31/2011	110,000	100%	Contractor	Department		Department
4/28/2011	12/31/2011	71,500	75%	Contractor	Department		Department

See Independent Auditors' Report

**NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements**

Contract Number	Contractor	Description	Expended in 2011
M00009	Highway & Transportation Dept	Equipment waiver program	161,025
M00369	Mid-Region Council of Governments	PL-92A-1(41) CN7692	781,393
M00371A	North Central New Mexico Economic	MOA TPO-7500(37) CN 7686	17,779
M00379	Mid-Region Council of Governments	AC-GRIP-(CAP-FTA-NH)-025-3(54)193	355,019
M00460	City of Farmington	PL-92A-4(42) CN FA515	173,077
M00461	City of Santa Fe	UPWP M00461	242,490
M00468A	Mid-Region Council of Governments	Facility & maintenance of TMC	43,363
M00473	North Central New Mexico Economic	TPO-7500(49) CN RP445	32,253
M00475	Southwest NM COG	TPO-7500(42) CN RP165	43,230
M00476	Eastern Plains Council of Governments	TPO-7500(45) CN RP405	76,549
M00477	Northwest New Mexico Council	TPO-7500(47) CN RP655	32,580
M00501	South Central Council of Governments	TPO-6500(41) CN RP105	38,200
M00513	Southeastern NM Economic Development District	TPO-7500(43) CN RP205	56,076
M00519	Mid-Region Council of Governments	TPO-7500(44) CN RP355	46,785
M00527	City of El Paso	TC-7713(9) CN 2137	14,597
M00532	City of Las Cruces	LC-125, CN LC115, MP115	229,316
M00616	Mid-Region Council of Governments	MOA-MRCOG-ABQ/SF corridor	4,872,535
M00652	NM Corrections Industries	Inter-governmental agreement	82,500
M00719	City of Bayard	SRSP-7700(195) CN L1047	128,382
M00723	City of Gallup	SRSP-7700(199) CN L6057	9,868
M00734	New Mexico Institute of Mining & Tech	FLH-HPP-7553(7) Cn L1017	372,845
M00751	Albuquerque Metropolitan Arroyo Flood	Embudo arroyo maintenance	224,000
M00754	Town of Mesilla	SRSF-7700(144) W100028	12,122
M00763	City of Carlsbad	SRSF-7700(137) CN W100021	7,687
M00775	Las Cruces Public Schools	Safe Routes to School	8,550
M00785	City of Hobbs	MOA SRTS Phase 1 CN W100025	5,526
M00831	Riometro Regional Transit District	Transportation plans/programs	38,024
M00837	North Central Regional Transit District	Funding for transit facility	58,524
M00839	Santa Clara Development Corp	Park and ride parking	3,000
M00840	City of Farmington	SRSF-7700(153) CN W500010	8,052
M00842	South Central Council of Governments	Public transportation svcs	3,062
M00843	City of Roswell	Public transportation svcs	908
M00847	Adelante Development Center	Public transportation svcs	158,590
M00849	US Department of Interior	Investigation/analysis floods	67,368
M00852	City of Socorro	SRSF-7700(155) CN W100010	14,976
M00853	Albuquerque Public Schools	SRSF-7700(161) CN A300090	8,715

See Independent Auditors' Report

**NEW MEXICO DEPARTMENT OF TRANSPORTATION
Supplemental Schedule of Joint Powers Agreements**

Date of Agreement		Total Estimated	Portion	Party	Audit	Fiscal Agent	Agency Where
Beginning	Ending	Amt of Project	Applicable To Agency	Responsible for Operations	Responsibility	(if applicable)	Revenues/Expenditures are Reported
5/15/1998	9/30/2015	2,755,430	100%	Contractor	Department		Department
7/21/2004	12/31/2010	8,973,166	85%	Contractor	Department		Department
9/17/2007	12/31/2011	399,460	85%	Contractor	Department		Department
9/8/2004	12/31/2010	36,521,559	100%	Contractor	Department		Department
7/25/2005	12/31/2011	829,602	85%	Contractor	Department		Department
2/7/2006	12/31/2011	935,354	85%	Contractor	Department		Department
7/17/2008	12/31/2015	1,062,760	100%	Contractor	Department		Department
10/26/2005	12/31/2011	372,658	85%	Contractor	Department		Department
10/28/2005	12/31/2010	345,831	85%	Contractor	Department		Department
10/26/2005	12/31/2011	478,783	85%	Contractor	Department		Department
10/26/2005	12/31/2011	392,614	85%	Contractor	Department		Department
10/26/2005	12/31/2011	434,439	85%	Contractor	Department		Department
11/9/2005	12/31/2011	425,497	85%	Contractor	Department		Department
11/9/2005	12/31/2011	485,975	85%	Contractor	Department		Department
12/22/2005	12/31/2011	374,554	85%	Contractor	Department		Department
1/11/2006	12/31/2011	1,267,323	85%	Contractor	Department		Department
8/31/2006	12/31/2011	139,200,000	100%	Contractor	Department		Department
12/18/2006	12/30/2010	430,000	100%	Contractor	Department		Department
8/24/2007	9/30/2011	15,000	100%	Contractor	Department		Department
9/4/2007	8/30/2010	15,000	100%	Contractor	Department		Department
11/28/2007	12/31/2013	2,554,652	80%	Contractor	Department		Department
5/21/2008	5/21/2012	570,000	100%	Contractor	Department		Department
6/25/2008	6/30/2011	15,000	85%	Contractor	Department		Department
7/9/2008	6/30/2010	15,000	85%	Contractor	Department		Department
7/16/2008	12/30/2010	15,000	100%	Contractor	Department		Department
7/25/2008	6/30/2010	15,000	100%	Contractor	Department		Department
2/19/2009	1/31/2011	95,268	85%	Contractor	Department		Department
4/20/2009	9/30/2011	74,800	80%	Contractor	Department		Department
6/1/2009	9/30/2010	12,750	100%	Contractor	Department		Department
7/1/2009	6/30/2011	15,000	100%	Contractor	Department		Department
7/1/2009	6/30/2010	47,000	50%	Contractor	Department		Department
7/1/2009	6/30/2010	13,200	50%/80%	Contractor	Department		Department
10/1/2009	9/30/2010	191,873	50%/80%	Contractor	Department		Department
6/26/2009	9/30/2010	167,846	100%	Contractor	Department		Department
7/2/2009	6/30/2011	15,000	100%	Contractor	Department		Department
7/2/2009	6/30/2011	15,000	50%/80%	Contractor	Department		Department

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**NEW MEXICO DEPARTMENT OF TRANSPORTATION
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Contract Number	Contractor	Description	Expended in 2011
M00854	Rio Rancho Public Schools	SRSF-7700(163) CN A300092	3,988
M00855	Town of Taos	SRSF-7700(154) CN W500020	7,500
M00857	Albuquerque Public Schools	SRSF-7700(162) CM A300091	5,865
M00858	North Central Regional Transit District	Public transportation svcs	15,604
M00859	Torrance County	Public transportation svcs	1,152
M00860	Zia Therapy Ctr Inc	Public transportation svcs	1,769
M00861	Village of Los Lunas	Public transportation svcs	4,051
M00865	Families and Youth Inc	Public transportation svcs	56,912
M00867	Border Area Mental Health Svc	Public transportation svcs	28,456
M00868	City of Socorro	Public transportation svcs	150,349
M00869	City of Clovis	Public transportation svcs	240,835
M00871	City of Belen	Public transportation svcs	141,165
M00872	Zia Therapy Ctr Inc	Public transportation svcs	16,593
M00874	City of Roswell	Public transportation svcs	393,790
M00876	Town of Red River	Public transportation svcs	1,107
M00878	Village of Milan	Public transportation svcs	4,688
M00879	Ben Archer Health Center	Public transportation svcs	13,599
M00880	Mid-Region Council of Governments	Public transportation svcs	9,547
M00881	Zuni Entrepreneurial Ent Inc	Public transportation svcs	143,112
M00883	City of Portales	Public transportation svcs	1,348
M00884	Village of Milan	Public transportation svcs	11,335
M00885	Riometro Regional Transit District	Public transportation svcs	494,076
M00887	Pueblo of Laguna	Public transportation svcs	53,454
M00888	Golden Spread Rural Frontier	Public transportation svcs	684
M00889	Nanizhoozhi Center Inc	Public transportation svcs	209,371
M00893	Southwest Regional Transit District	Public transportation svcs	1,461
M00894	City of Carlsbad	Public transportation svcs	3,443
M00895	Town of Taos	Public transportation svcs	41,081
M00898	City of Carlsbad	Public transportation svcs	294,705
M00901	North Central Regional Transit District	Transport services to public	282,452
M00902	City of Carlsbad	Public transportation svcs	2,760
M00905	Riometro Regional Transit District	Public transportation svcs	32,221
M00906	County of Sandoval	Public transportation svcs	372,301
M00908	Pay N Save Inc	Parking lot license agreement	3,000
M00912	Town of Red River	Public transportation svcs	32,209
M00913	Golden Spread Rural Frontier	Public transportation svcs	22,240

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Supplemental Schedule of Joint Powers Agreements**

Date of Agreement		Total Estimated	Portion	Party	Audit	Fiscal Agent	Agency Where
Beginning	Ending	Amt of Project	Applicable To Agency	Responsible for Operations	Responsibility	(if applicable)	Revenues/Expenditures are Reported
7/2/2009	6/30/2011	15,000	50%/80%	Contractor	Department		Department
7/2/2009	6/30/2011	15,000	50%/80%	Contractor	Department		Department
7/3/2009	6/30/2011	15,000	50%/80%	Contractor	Department		Department
7/2/2009	6/30/2010	162,500	50%/80%	Contractor	Department		Department
7/2/2009	6/30/2010	23,100	50%/80%	Contractor	Department		Department
7/2/2009	6/30/2010	19,800	50%/80%	Contractor	Department		Department
7/2/2009	6/30/2010	51,975	50%/80%	Contractor	Department		Department
10/1/2009	9/30/2010	59,477	50%/80%	Contractor	Department		Department
10/1/2009	9/30/2010	30,538	50%/80%	Contractor	Department		Department
7/17/2009	3/31/2011	166,570	50%/80%	Contractor	Department		Department
7/17/2009	6/30/2011	399,848	100%	Contractor	Department		Department
7/17/2009	12/31/2010	141,165	100%	Contractor	Department		Department
7/17/2009	12/31/2010	344,626	50%/80%	Contractor	Department		Department
7/17/2009	6/30/2011	393,790	50%/80%	Contractor	Department		Department
7/17/2009	6/30/2010	150,000	50%/80%	Contractor	Department		Department
7/17/2009	6/30/2010	37,500	50%/80%	Contractor	Department		Department
7/17/2009	6/30/2010	95,998	50%/80%	Contractor	Department		Department
7/17/2009	6/30/2010	2,240,000	50%/80%	Contractor	Department		Department
7/17/2009	12/31/2010	160,044	100%	Contractor	Department		Department
7/17/2009	12/31/2010	76,817	100%	Contractor	Department		Department
7/18/2009	4/30/2011	17,321	50%/80%	Contractor	Department		Department
7/17/2009	8/31/2011	623,081	100%	Contractor	Department		Department
7/17/2009	6/30/2011	116,250	50%/80%	Contractor	Department		Department
7/17/2009	12/31/2010	80,774	100%	Contractor	Department		Department
7/17/2009	12/31/2010	260,486	50%/80%	Contractor	Department		Department
7/28/2009	6/30/2010	44,348	50%/80%	Contractor	Department		Department
7/27/2009	6/30/2010	30,690	50%/80%	Contractor	Department		Department
7/29/2009	3/31/2011	507,500	50%/80%	Contractor	Department		Department
7/29/2009	12/31/2010	466,629	50%/80%	Contractor	Department		Department
8/15/2009	8/31/2011	2,000,000	50%/80%	Contractor	Department		Department
10/1/2009	9/30/2010	11,938	50%/80%	Contractor	Department		Department
8/25/2009	6/30/2010	181,065	50%/80%	Contractor	Department		Department
8/26/2009	6/30/2011	400,000	100%	Contractor	Department		Department
8/31/2009	8/31/2011	9,000	100%	Contractor	Department		Department
10/1/2009	10/31/2010	92,589	50%/80%	Contractor	Department		Department
10/1/2009	9/30/2010	101,568	50%/80%	Contractor	Department		Department

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Contract Number	Contractor	Description	Expended in 2011
M00914	Zia Therapy Ctr Inc	Public transportation svcs	70,728
M00915	City of Roswell	Public transportation svcs	203,903
M00916	City of Clovis	Public transportation svcs	105,074
M00917	North Central Regional Transit District	Public transportation svcs	486,456
M00918	Nanizhoozhi Center Inc	Public transportation svcs	31,912
M00919	Torrance County	Public transportation svcs	11,219
M00921	Riometro Regional Transit District	Public transportation svcs	169,513
M00922	Zuni Entrepreneurial Ent Inc	Public transportation svcs	28,860
M00923	Village of Milan	Public transportation svcs	26,690
M00925	University of New Mexico	Economic analysis/forecasting	2,114
M00926	Pueblo of Laguna	Public transportation svcs	19,033
M00927	City of Las Cruces	Promoting ridesharing	514
M00928	City of Socorro	Public transportation svcs	22,975
M00929	Village of Los Lunas	Public transportation svcs	22,276
M00930	City of Hobbs	Public transportation svcs	38,396
M00931	Southwest Regional Transit District	Public transportation svcs	152,613
M00932	City of Carlsbad	Public transportation svcs	68,516
M00933	City of Ruidoso Downs	Public transportation svcs	67,823
M00934	Town of Taos	Public transportation svcs	81,743
M00935	New Mexico Passenger Transportation Association	Statewide transit conference	43,250
M00937	City of Portales	Public transportation svcs	19,119
M00938	City of Las Vegas	Public transportation svcs	31,885
M00939	Village of Angel Fire	Public transportation svcs	7,183
M00940	Riometro Regional Transit District	Commuter rail service	6,233,333
M00943	City of Albuquerque	Rideshare/TDM	471,198
M00944	Good Shepherd Lutheran Church	Use of parking lot agreement	500
M00945	Navajo Nation	Public transportation svcs	149,505
M00948	Museum of Indian Arts/Culture	TPE-7649(5) CN 7834	33,367
M00950	Southwest Regional Transit District	Public transportation svcs	283,700
M00951	City of Hobbs	Public transportation svcs	680,614
M00952	Navajo Nation	Public transportation svcs	14,963
M00956	TW Telecom	Rail runner network maintenance	19,120
M00958	Good Shepherd Lutheran Church	Use of parking lot	5,370
M00960	New Mexico Passenger Transportation Association	Statewide transit conference	34,882
M00961	Zia Therapy Ctr Inc	Public transportation svcs	12,290
M00962	City of Santa Fe	Promoting ridesharing	67,653

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Date of Agreement		Total Estimated	Portion	Party	Audit	Fiscal Agent	Agency Where
Beginning	Ending	Amt of Project	Applicable To Agency	Responsible for Operations	Responsibility	(if applicable)	Revenues/Expenditures are Reported
10/2/2009	9/30/2010	431,080	50%/80%	Contractor	Department		Department
10/1/2009	9/30/2010	747,420	50%/80%	Contractor	Department		Department
10/1/2009	9/30/2010	471,445	50%/80%	Contractor	Department		Department
10/1/2009	9/30/2010	1,065,726	50%/80%	Contractor	Department		Department
10/1/2009	9/30/2010	169,611	50%/80%	Contractor	Department		Department
10/1/2009	9/30/2010	130,842	50%/80%	Contractor	Department		Department
10/1/2009	9/30/2010	996,513	50%/80%	Contractor	Department		Department
10/2/2009	9/30/2010	168,589	50%/80%	Contractor	Department		Department
10/1/2009	9/30/2010	134,170	50%/80%	Contractor	Department		Department
9/5/2009	6/30/2010	12,451	100%	Contractor	Department		Department
10/1/2009	9/30/2010	86,514	50%/80%	Contractor	Department		Department
10/2/2009	6/30/2010	31,000	100%	Contractor	Department		Department
10/26/2009	9/30/2010	92,615	50%/80%	Contractor	Department		Department
10/26/2009	9/30/2010	253,041	50%/80%	Contractor	Department		Department
10/26/2009	9/30/2010	243,189	50%/80%	Contractor	Department		Department
10/26/2009	9/30/2010	594,384	50%/80%	Contractor	Department		Department
10/26/2009	9/30/2010	298,997	50%/80%	Contractor	Department		Department
10/26/2009	9/30/2010	143,593	50%/80%	Contractor	Department		Department
10/26/2009	9/30/2010	285,382	50%/80%	Contractor	Department		Department
10/26/2009	6/30/2010	113,600	100%	Contractor	Department		Department
10/26/2009	10/30/2010	82,319	50%/80%	Contractor	Department		Department
10/26/2009	9/30/2010	140,233	50%/80%	Contractor	Department		Department
10/26/2009	9/30/2010	182,140	50%/80%	Contractor	Department		Department
10/20/2009	10/20/2019	16,440,000	100%	Contractor	Department		Department
11/23/2009	6/30/2010	953,181	80%	Contractor	Department		Department
11/10/2009	6/30/2010	9,000	100%	Contractor	Department		Department
12/1/2009	9/30/2010	330,777	50%/80%	Contractor	Department		Department
12/23/2009	12/30/2012	323,000	80%	Contractor	Department		Department
2/26/2010	3/31/2011	286,200	100%	Contractor	Department		Department
3/4/2010	12/31/2010	697,631	100%	Contractor	Department		Department
3/16/2010	12/31/2010	767,500	100%	Contractor	Department		Department
1/13/2010	1/13/2014	29,500	80%	Contractor	Department		Department
7/1/2010	6/30/2011	9,000	100%	Contractor	Department		Department
6/25/2010	6/30/2011	108,000	100%	Contractor	Department		Department
6/25/2010	9/30/2011	24,750	50%	Contractor	Department		Department
6/30/2010	7/31/2010	67,653	80%	Contractor	Department		Department

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**NEW MEXICO DEPARTMENT OF TRANSPORTATION
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Contract Number	Contractor	Description	Expended in 2011
M00964	City of Roswell	Public transportation svcs	2,997
M00965	Southwest Regional Transit District	Public transportation svcs	10,962
M00966	South Central Council of Governments	Public transportation svcs	23,381
M00967	North Central Regional Transit District	Public transportation svcs	118,018
M00968	Ben Archer Health Center	Public transportation svcs	89,789
M00969	City of Carlsbad	Public transportation svcs	26,175
M00970	Riometro Regional Transit District	Public transportation svcs	122,417
M00971	Village of Milan	Public transportation svcs	31,757
M00973	City of Albuquerque	Bus stop facilities improvement	200,000
M00974	County of Los Alamos	Public transportation svcs	137,755
M00975	US Geological Survey	Investigation/analysis floods	69,456
M00976	City of Las Vegas	Public transportation svcs	30,791
M00977	City of Albuquerque	Rapid ride transit services	471,939
M00980	City of Las Cruces	Ridesharing program	5,558
M00981	North Central Regional Transit District	Public transportation svcs	667,350
M00982	Zia Therapy Ctr Inc	Public transportation svcs	228,868
M00983	Golden Spread Rural Frontier	Public transportation svcs	68,136
M00984	City of Roswell	Public transportation svcs	399,346
M00985	City of Las Vegas	Public transportation svcs	80,850
M00987	Southwest Regional Transit District	Public transportation svcs	329,945
M00988	City of Portales	Public transportation svcs	50,097
M00989	Town of Red River	Public transportation svcs	57,949
M00992	Village of Milan	Public transportation svcs	70,972
M00993	Lending Hands Inc	Public transportation svcs	37,847
M00994	Door of Opportunity	Public transportation svcs	38,983
M00996	Adelante Development Center	Public transportation svcs	12,045
M00997	Riometro Regional Transit District	Public transportation svcs	667,759
M01000	City of Clovis	Public transportation svcs	283,937
M01001	Pueblo of Laguna	Public transportation svcs	43,832
M01002	Coyote Canyon Rehab Ctr Inc	Public transportation svcs	26,031
M01003	ARCA	Public transportation svcs	53,991
M01008	Pay N Save Inc	Parking lot agreement	1,500
M01009	City of Carlsbad	Public transportation svcs	10,035
M01010	City of Carlsbad	Public transportation svcs	214,068
M01011	City of Ruidoso Downs	Public transportation svcs	83,454

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Date of Agreement		Total Estimated	Portion	Party	Audit	Fiscal Agent	Agency Where
Beginning	Ending	Amt of Project	Applicable To Agency	Responsible for Operations	Responsibility	(if applicable)	Revenues/Expenditures are Reported
7/22/2010	6/30/2011	13,200	50%	Contractor	Department		Department
7/22/2010	6/30/2011	44,348	50%	Contractor	Department		Department
7/22/2010	6/30/2011	62,500	50%	Contractor	Department		Department
7/30/2010	9/30/2011	175,744	50%	Contractor	Department		Department
7/30/2010	9/30/2011	133,318	50%	Contractor	Department		Department
7/30/2010	9/30/2011	39,610	50%	Contractor	Department		Department
7/30/2010	9/30/2011	189,831	50%	Contractor	Department		Department
7/30/2010	9/30/2011	43,750	50%	Contractor	Department		Department
8/9/2010	9/30/2010	200,000	82.96%	Contractor	Department		Department
8/9/2010	9/30/2011	185,969	50%	Contractor	Department		Department
10/1/2010	9/30/2011	138,912	50%	Contractor	Department		Department
8/18/2010	3/31/2011	112,390	100%	Contractor	Department		Department
8/30/2010	9/30/2010	471,939	85.44%	Contractor	Department		Department
9/2/2010	6/30/2011	31,000	100%	Contractor	Department		Department
9/13/2010	9/30/2011	1,182,640	50%/80%	Contractor	Department		Department
9/13/2010	9/30/2011	498,432	50%/80%	Contractor	Department		Department
9/13/2010	9/30/2011	173,284	50%/80%	Contractor	Department		Department
9/15/2010	9/30/2011	687,025	50%/80%	Contractor	Department		Department
9/15/2010	9/30/2011	145,838	50%/80%	Contractor	Department		Department
9/16/2010	9/30/2011	596,823	50%/80%	Contractor	Department		Department
9/15/2010	9/30/2011	149,504	50%/80%	Contractor	Department		Department
9/15/2010	9/30/2011	93,922	50%/80%	Contractor	Department		Department
9/15/2010	9/30/2011	136,853	50%/80%	Contractor	Department		Department
9/15/2010	9/30/2011	37,847	80%	Contractor	Department		Department
9/15/2010	9/30/2011	38,983	80%	Contractor	Department		Department
9/16/2010	9/30/2011	33,043	50%/80%	Contractor	Department		Department
9/15/2010	9/30/2011	1,403,655	50%/80%	Contractor	Department		Department
9/20/2010	9/30/2011	539,845	50%/80%	Contractor	Department		Department
9/23/2010	9/30/2011	96,516	50%/80%	Contractor	Department		Department
9/23/2010	9/30/2011	31,940	80%	Contractor	Department		Department
9/23/2010	9/30/2011	61,167	80%	Contractor	Department		Department
9/20/2010	8/31/2012	6,000	100%	Contractor	Department		Department
9/24/2010	9/30/2011	16,750	50%	Contractor	Department		Department
9/25/2010	9/30/2011	388,296	50%/80%	Contractor	Department		Department
9/27/2010	9/30/2011	207,845	50%/80%	Contractor	Department		Department

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Contract Number	Contractor	Description	Expended in 2011
M01012	City of Hobbs	Public transportation svcs	188,067
M01013	City of Socorro	Public transportation svcs	42,510
M01014	Nanizhoozhi Center Inc	Public transportation svcs	74,598
M01015	Town of Taos	Public transportation svcs	175,074
M01016	Share Your Care Inc	Public transportation svcs	104,678
M01018	Zuni Entrepreneurial Ent Inc	Public transportation svcs	95,058
M01021	County of Los Alamos	Public transportation svcs	426,253
M01023	County of Los Alamos	Public transportation svcs	124,860
M01024	Navajo Nation	Public transportation svcs	165,823
M01027	University of New Mexico	Forecasting services	10,324
M01028	Mid-Region Council of Governments	Transportation plans/programs	291,134
M01029	Northwest New Mexico Council	Transportation plans/programs	16,290
M01030	Southwest NM COG	Transportation plans/programs	16,475
M01031	SE NM Economic Development District	Transportation plans/programs	15,785
M01032	City of El Paso	Transportation plans/programs	2,369
M01034	City of Farmington	Transportation plans/programs	53,520
M01035	North Central New Mexico Economic	Transportation plans/programs	11,764
M01036	North Central New Mexico Economic	Transportation plans/programs	18,789
M01037	Mid-Region Council of Governments	Transportation plans/programs	396,490
M01038	City of Santa Fe	Transportation plans/programs	44,361
M01040	South Central Council of Governments	Transportation plans/programs	16,290
M01047	City of Santa Fe	Ridesharing program	25,454

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Date of Agreement		Total Estimated	Portion	Party	Audit	Fiscal Agent	Agency Where
Beginning	Ending	Amt of Project	Applicable To Agency	Responsible for Operations	Responsibility	(if applicable)	Revenues/Expenditures are Reported
9/27/2010	9/30/2011	318,647	50%/80%	Contractor	Department		Department
9/27/2010	9/30/2011	134,667	50%/80%	Contractor	Department		Department
9/27/2010	9/30/2011	266,891	50%/80%	Contractor	Department		Department
9/28/2010	9/30/2011	302,237	50%/80%	Contractor	Department		Department
9/30/2010	9/30/2011	116,950	80%	Contractor	Department		Department
9/30/2010	9/30/2011	181,378	50%/80%	Contractor	Department		Department
10/4/2010	9/30/2011	1,011,284	50%/80%	Contractor	Department		Department
10/6/2010	9/30/2011	317,632	50%/80%	Contractor	Department		Department
10/12/2010	9/30/2011	616,969	50%/80%	Contractor	Department		Department
7/10/2010	6/30/2011	12,792	12.69%	Contractor	Department		Department
12/23/2010	6/30/2015	2,780,471	20%	Contractor	Department		Department
12/20/2010	6/30/2015	97,740	20%	Contractor	Department		Department
12/20/2010	6/30/2015	99,857	85%	Contractor	Department		Department
12/20/2010	6/30/2015	112,989	85%	Contractor	Department		Department
12/23/2010	6/30/2015	202,617	85%	Contractor	Department		Department
12/23/2010	6/30/2015	397,324	85%	Contractor	Department		Department
12/21/2010	6/30/2015	98,067	85%	Contractor	Department		Department
12/20/2010	6/30/2015	112,541	85%	Contractor	Department		Department
12/20/2010	6/30/2015	491,225	85%	Contractor	Department		Department
12/20/2010	6/30/2015	796,976	85%	Contractor	Department		Department
12/23/2010	6/30/2015	97,740	85%	Contractor	Department		Department
3/25/2011	6/30/2011	67,653	80%	Contractor	Department		Department

See Independent Auditors' Report

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SINGLE AUDIT

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2011

Federal Agency/ Pass-Through Agency	Federal CFDA Number	Federal Participation Expenditures
Direct Assistance Programs:		
U.S. Department of Energy:		
State Energy Program - ARRA (pass through from NMEMNR)	81.041	\$ 18,640
Waste Isolation Pilot Plant 2004	81.106	26,622,957
Total U.S. Department of Energy		<u>26,641,597</u>
U.S. Department of Transportation:		
Federal Highway Administration highway research, planning and construction (FHWA):		
FHWA	20.205	316,554,534
FHWA - ARRA	20.205	108,785,223
		<u>425,339,757</u>
National Highway Traffic Safety Administration (NHTSA):		
Highway Safety Grant	20.600	1,705,961
Alcohol Traffic Safety and Drunk Driving Prevention	20.601	1,128,565
Occupant Protection Program	20.602	289,350
Section 164 Transfer Funds	20.608	5,072,319
Safety Belt Performance Grants	20.609	82,848
Safety Information Improvement Grants	20.610	356,712
Incentive Program to Increase Motorcycle Safety	20.612	18,281
Motorcyclist Safety Grants	20.614	125,179
		<u>8,779,215</u>
Federal Aviation Division:		
State Planning	20.106	17,352
Federal Transit Administration (FTA):		
Capital Program Grants and Loans	20.500	426,504
Federal Transit Metropolitan Planning Grants	20.505	489,291
Urbanized Area Formula Program	20.507	6,233,333
Formula Grants for Other Than Urbanized Areas	20.509	8,139,102
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	1,110,192
Job Access Reverse Commute Job Access	20.516	457,480
New Freedom Program	20.521	206,834
Formula Grants for Other Than Urbanized Areas-ARRA	20.509	3,357,109
		<u>20,419,845</u>
Total U.S. Department of Transportation		<u>454,556,169</u>
Total Federal Financial Assistance		<u>\$ 481,197,766</u>

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the New Mexico Department of Transportation (Department).

Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the Department's governmental fund financial statements.

Federal grant revenues collected in advance of the period they are intended to finance expenditures are recorded as deferred revenues, except for the amounts for the State Infrastructure Bank, which are recorded as contributions when they are received. The Department did not receive non-cash assistance from federal sources during the current year.

Reconciliation of Federal Awards

Statement of Revenues, Expenditures and
Changes in Fund Balances:

U.S. Department of Transportation	\$ 453,176,835
U.S. Department of Energy	26,622,957
Transfer in of ARRA from Other Agency	18,639
Retainage Payable U. S. Department of Transportation (2010)	-
Deferred U.S. Department of Transportation (2011)	12,090,612
Deferred U.S. Department of Transportation (2010)	<u>(10,711,277)</u>

Supplemental Schedule of Expenditures,
of Federal Awards

\$ 481,197,766

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Subrecipients of Grant Awards

National Highway Traffic Safety Administration (NHTSA):

CFDA	Program Name	Sub Recipient Name	Amount
20.600	Highway Safety Grant		
		Albuquerque, City of	\$ 1,975
		Artesia, City of	459
		Hobbs, City of	390
		Rio Arriba, County of	1,030
		Rio Rancho Dept of Public	145,808
		San Juan, County of	747
		Total CFDA 20.600	150,408
20.601	Alcohol Impaired Driving Countermeasures Incentive Grant		
		Albuquerque, City of	75,934
		Artesia, City of	3,764
		Aztec, City of	342
		Bayard, City of	4,170
		Belen, City of	1,320
		Bernalillo, County of	68,669
		Bernalillo, Town of	5,905
		Bloomfield, City of	13,342
		Bosque Farms, Village of	5,488
		Capitan, Village of	3,666
		Carlsbad, City of	2,567
		Carrizozo, Town of	2,484
		Chaves County	3,615
		Clayton, Town of	2,050
		Cloudcroft, Village of	1,473
		Clovis, City of	20,284
		Colfax County	1,764
		Corrales, Village of	1,440
		Cuba, Village of	572
		Eddy County	12,232
		Espanola, City of	4,131
		Estancia, Town of	1,244
		Farmington, City of	21,956
		Grant County Clerk	15,015
		Hope, Village of	800
		Santa Fe, County of	10,152
		Total CFDA 20.601	284,378

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.602	Occupant Protection Incentive Grant		
		Bosque Farms, Village of	1,976
		Las Cruces, City of	9,786
		Sandoval, County of	3,041
		Total CFDA 20.602	14,803
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated		
		Alamogordo, City of	6,099
		Albuquerque, City of	546,597
		Artesia, City of	6,385
		Aztec, City of	2,812
		Bayard, City of	9,255
		Belen, City of	9,407
		Bernalillo, County of	67,621
		Bernalillo, Town of	16,765
		Bloomfield, City of	21,129
		Bosque Farms, Village of	17,003
		Capitan, Village of	11,265
		Carlsbad, City of	6,730
		Carrizozo, Town of	917
		Chaves County	7,962
		Cimarron, Village of	906
		Clayton, Town of	3,353
		Cloudcroft, Village of	835
		Clovis, City of	6,604
		Colfax County	2,937
		Corrales, Village of	7,405
		Cuba, Village of	3,848
		Dona Ana, County of	29,722
		Eddy County	47,326
		Espanola, City of	2,012
		Estancia, Town of	2,356
		Farmington, City of	219,961
		Grant County Clerk	15,507
		Grants, City of	3,221
		Guadalupe County	2,304

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated (continued)		
		Hidalgo County	10,502
		Hobbs, City of	9,541
		Hope, Village of	3,458
		Hurley, Town of	6,992
		Jemez Springs, Village of	3,154
		Jemez, Pueblo of	7,187
		Las Cruces, City of	75,537
		Las Vegas, City of	14,648
		Lordsburg, City of	15,430
		Los Alamos, County of	14,667
		Los Lunas, Village of	12,673
		Lovington, City of	1,539
		Luna County (Sheriffs Dept)	20,040
		Mckinley, County of	186,471
		Mesilla, Town of	4,720
		Mora, County of	2,159
		Moriarty, City of	3,772
		Picuris, Pueblo of	7,756
		Portales, City of	6,916
		Pueblo of Isleta	1,155
		Pueblo of Nambe	7,322
		Raton, City of	7,703
		Red River, Town of	18,357
		Rio Arriba, County of	106,657
		Rio Rancho Dept of Public	197,616
		Rio Rancho, City of	7,984
		Roosevelt, County of	7,916
		Ruidoso, Village of	2,472
		San Ildefonso, Pueblo de	8,323
		San Juan, County of	27,055
		San Miguel County	767
		Sandoval, County of	13,954
		Santa Clara Pueblo	3,120
		Santa Clara, Village of	7,482
		Santa Fe, City of	51,838

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Subrecipients of Grant Awards (continued)

National Highway Traffic Safety Administration (NHTSA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.608	Minimum Penalties for Repeat Offenders for Driving While Intoxicated (continued)		
		Santa Fe, County of	312,356
		Santa Rosa, City of	6,993
		Silver City/Grant County	11,992
		Socorro County	18,171
		Socorro, City of	14,053
		Sunland Park, Treasurer of	17,686
		Taos, County of	11,448
		Taos, Town of	8,134
		Texico, City of	3,353
		Torrance County	4,283
		Truth or Consequences, City of	6,326
		Tucumcari, City of	4,254
		Valencia, County of	14,591
		Zuni, Pueblo of	4,367
		Total CFDA 20.608	2,393,133
20.610	State Traffic Safety Information System Improvement Grant		
		Rio Arriba, County of	16,832
		Total CFDA 20.610	16,832
Total Sub-Recipient Funds passed through__NHTSA			\$ 2,859,555

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Subrecipients of Grant Awards (continued)

Federal Transit Administration (FTA):

CFDA	Program Name	Sub Recipient Name	Amount
20.500	Federal Transit Capital Investment Grants		
		Carlsbad, City of	\$ 41,236
		Hobbs, City of	2,307
		Laguna, Pueblo of	1,279
		Las Vegas, City of	2,698
		Los Alamos, County of	73,982
		North Central Regional Transit District	95,587
		Roswell, City of	65,100
		Southwest Regional Transit District	75,326
		Zia Therapy Ctr Inc	2,232
		Total CFDA 20.500	359,747
20.505	Federal Transit Metropolitan Planning Grants		
		Las Cruces, City of	16,976
		Mid-Region, Council of	259,864
		North Central Regional Transit District	58,524
		Riometro Regional Transit District	35,125
		Santa Fe, City of	49,630
		Total CFDA 20.505	420,119
20.507	Federal Transit Formula Grants		
		Riometro Regional Transit District	6,233,333
		Total CFDA 20.507	6,233,333
20.509	Formula Grants for Other Than Urbanized Areas and all Payroll		
		Adelante Development Center	17,234
		Ben Archer Health Center	31,951
		Carlsbad, City of	302,254
		Clovis, City of	428,707
		Golden Spread Rural Frontier	108,060
		Hobbs, City of	250,266
		Laguna, Pueblo of	70,548
		Las Vegas, City of	118,283
		Los Alamos, County of	607,961
		Los Lunas, Village of	17,222
		Milan, Village of	116,755

See Independent Auditors' Report

NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Subrecipients of Grant Awards (continued)

Federal Transit Administration (FTA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.509	Formula Grants for Other Than Urbanized Areas and all Payroll (continued)		
		Navajo Nation	298,495
		North Central Regional Transit District	1,162,263
		Portales, City of	87,843
		Red River, Town of	84,001
		Riometro Regional Transit District	936,589
		Roswell, City of	636,834
		Ruidoso Downs, City of	150,348
		Socorro, City of	88,739
		South Central Council of Governments	15,649
		Southwest Regional Transit District	547,976
		Taos, Town of	270,316
		Zia Therapy Ctr Inc	365,044
		Zuni Entrepreneurial Ent Inc	142,870
		Total CFDA 20.509	6,856,209
20.513	Capital Assistance Program for Elderly Persons and Persons with Disabilities		
		Adelante Development Center	158,590
		ARCA	109,756
		Coyote Canyon Rehab Ctr Inc	26,031
		Door of Opportunity	38,983
		Lending Hands Inc	37,847
		Life Quest Inc	27,431
		Share Your Care Inc	104,678
		Zia Therapy Ctr Inc	27,375
		Total CFDA 20.513	530,692
20.516	Job Access Reverse Commute Job Access		
		Ben Archer Health Center	71,497
		Carlsbad, City of	29,485
		Las Vegas, City of	8,103
		Los Alamos, County of	73,499
		Milan, Village of	33,953
		North Central Regional Transit District	58,271
		Riometro Regional Transit District	146,880
		Roswell, City of	449
		South Central Council of Governments	15,962
		Southwest Regional Transit District	4,404
		Zia Therapy Ctr Inc	14,977
		Total CFDA 20.516	457,480

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NEW MEXICO DEPARTMENT OF TRANSPORTATION
Notes To Schedule of Expenditures of Federal Awards

Subrecipients of Grant Awards (continued)

Federal Transit Administration (FTA) (continued):

CFDA	Program Name	Sub Recipient Name	Amount
20.521	New Freedom Program		
		Carlsbad, City of	14,528
		Los Alamos, County of	191,906
		Southwest Regional Transit District	400
		Total CFDA 20.521	<u>206,834</u>
Total Sub-Recipient Funds passed through__FTA			\$ <u><u>15,064,415</u></u>

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

Mr. Alvin C. Dominguez, P.E., Cabinet Secretary
State of New Mexico
Department of Transportation
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the general fund and major special revenue funds, and the combining and individual funds and related budgetary comparisons presented as supplemental information of the State of New Mexico Department of Transportation (Department) as of and for the year ended June 30, 2011, and have issued our report thereon dated December 13, 2011. 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

Management of the Department is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Department's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control,

Mr. Alvin C. Dominguez, P.E., Cabinet Secretary
State of New Mexico
Department of Transportation
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting, 07-7, 07-14, 10-1, and 11-1. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 07-14 and 08-8.

Mr. Alvin C. Dominguez, P.E., Cabinet Secretary
State of New Mexico
Department of Transportation
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

We noted certain matters that are required to be reported pursuant to Governmental Auditing Standards paragraphs 5.14 and 5.16, and pursuant to Section 12-6-5, NMSA 1978, which are described in the accompanying schedule of findings and questioned costs as items 10-5, 10-12, 10-13, 10-14, 11-3 and 11-4.

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

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

Mess Adams LLP

Albuquerque, New Mexico
December 13, 2011

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

Mr. Alvin C. Dominguez, P.E., Cabinet Secretary
State of New Mexico
Department of Transportation
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

Compliance

We have audited the State of New Mexico Department of Transportation's (Department) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Department's major federal programs for the year ended June 30, 2011. The Department's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Department's management. Our responsibility is to express an opinion on 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 Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the 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 of the Department's compliance with those requirements.

Mr. Alvin C. Dominguez, P.E., Cabinet Secretary
State of New Mexico
Department of Transportation
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

In our opinion, the Department complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 11-2.

Internal Control Over Compliance

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 the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Department's internal control over compliance.

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

Mr. Alvin C. Dominguez, P.E., Cabinet Secretary
State of New Mexico
Department of Transportation
and
Mr. Hector H. Balderas
New Mexico State Auditor
Santa Fe, New Mexico

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as item 11-2. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

Mess Adams LLP

Albuquerque, New Mexico
December 13, 2011

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2011

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued

Unqualified

Internal Control over financial reporting:

Material weakness(es) identified?

Yes No

Significant deficiency(s) identified?

Yes None Reported

Non-compliance material to financials statements noted?

Yes No

Federal Awards

Internal Control over major programs:

Material weakness(es) identified?

Yes No

Significant deficiency(s) identified?

Yes None Reported

Type of auditors' report issued on compliance for major programs:

Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133

Yes None Reported

Identification of Major Programs:

Name of Federal Program or Cluster

CFDA Number

Federal Highway Administration Programs (FHWA)

20.205

National Highway Traffic Safety Administration
(NHTSA Cluster)

20.600, 20.601, 20.602
20.609, 20.610, 20.612

National Highway Traffic Safety Administration (NHTSA)

20.608

Federal Transit Administration (FTA Cluster)

20.500, 20.507

Federal Transit Administration (FTA)

20.509

Transport of Transuranic Wastes to the Waste Isolation Pilot

Plant: States and Tribal Concerns, Proposed Solutions (WIPP)

81.106

Dollar threshold used to distinguish between Types A and B programs

\$3,000,000

Auditee qualified as low-risk auditee?

Yes No

B. FINDINGS – FINANCIAL STATEMENT AUDIT

07-7 ACCOUNTS PAYABLE (Significant Deficiency) – Repeated and Modified

CONDITION

When performing a search for unrecorded liabilities, we noted 14 invoices for goods or services received prior to June 30, 2011. Payment for these items totaling \$131,052 was made after June 30, 2011 ; however, the vouchers were not properly accrued at June 30, 2011. Throughout our fund testwork of accounts payable we consistently noted items that were improperly excluded from the accounts payable balance at year end.

CRITERIA

In accordance with the matching principle, expenditures should be recorded in the same period as the receipt and consumption of the goods or services. Governmental Accounting Standards Board (GASB) Codification Section 1600.102 states that: “Under the *cash* basis of accounting, revenues and transfers in are not recognized until cash is received, and expenditures or expenses (as appropriate) and transfers out are recognized only when cash is disbursed. Under the *accrual* basis of accounting, most transactions are recognized when they occur, regardless of when cash is received or disbursed. Items not practicably measurable until cash is received or disbursed are accounted for at that time using either basis of accounting as may be items whose measurement would be approximately the same under either basis or that are immaterial.”

EFFECT

Liabilities were understated and adjustments were required to properly state accounts payable at year end.

CAUSE

The Department is lacking proper tracking of accounts payable at year end and adequate controls to identify key entry errors.

RECOMMENDATION

The Department should implement stronger controls to ensure accounts payable are tracked and recorded for goods or services received prior to year end.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

07-7 ACCOUNTS PAYABLE (Significant Deficiency) – Repeated and Modified (continued)

MANAGEMENT RESPONSE

The Department has made significant improvements in obtaining greater control in managing the accrual activity and observing the year-end cutoff. Throughout the several months prior to the end of the fiscal year, the Financial Control Bureau provides and communicates detailed year-end cutoff instructions in order to give specific guidance for accruals in typical situations. Additionally, the Financial Control Bureau inspects all payment vouchers after the year end until the audit cutoff date of September 30 to capture and report any un-accrued payments.

Nonetheless, a few errors occur. Although the controls are in place and communication takes place routinely, they will only assure that there won't be an unreasonable amount of error-not absolute assurance of no errors. Based on this particular sample it appears an isolated area within the department did not follow the instructions provided, while the majority of the Department did.

Management will continue to counsel and train staff in the year-end cutoff procedures and remind all operators of the procedures as part of the year-end planning and routine communications. The isolated areas that did not follow year-end cutoff procedures will be particularly targeted with trainings and communications.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

**07-14 OVER-EXPENDED APPROPRIATION UNITS (Significant Deficiency and Non Compliance)
–Repeated and Modified**

CONDITION

The Department exceeded budgeted expenditures for the following funds/categories as of June 30, 2011:

P564: Business Program Support; category 400—other costs over-expended by \$ 129,416,154.

CRITERIA

Per 2.2.10 NMAC, all actual expenditures exceeding budgeted expenditures at the level of budgetary compliance must be reported as a finding.

CAUSE

Failure of internal controls to detect or prevent over-expenditures of allowed budget per expenditure category timely.

EFFECT

The Department is not in compliance with statutory requirements to obtain approval prior to making expenditures.

RECOMMENDATION

We recommend the Department track legal budgets and applicable adjustments to budgets and expenditures properly to comply with all legal requirements.

MANAGEMENT RESPONSE

The Department is aware of the budgetary requirements related to normal program costs and is in compliance. However, when the Department refinances bond issues in order to achieve more favorable interest rates, the refunding costs including the principal repayments have not been formally budgeted. As a result, during FY11 the other costs category of expenditures related to the 2010A/LOC Bond Debt Service Fund exceeded the budgeted amounts. The payoff of the principal due on the Line of Credit was funded by the refunding bond (the NMFA State Transportation Revenue and Refunding Bond Series 2010A) as well as the issuance costs on the new debt. In the future, the Department will establish internal bond refunding procedures that will require the budgeting of these activities through the submission of formal budget adjustments.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

08-8 UNTIMELY REVERSIONS (Non Compliance) - Repeated and Modified

CONDITION

The Department's State Road Fund is their operating fund. However, this fund is non-reverting and House Bill 2 allows the Department to rollover prior year funds. The Department's General Fund Appropriations (GFA) 10070 Fund receives State General Fund appropriations for construction of infrastructure and special projects and is the only fund the Department reverts to the State General Fund. These GFA funds must revert upon completion of the appropriation project or upon expiration of the appropriation period.

During our testing of reversions, we noted the Department failed to revert \$181,585 of unexpended appropriations related to multiple projects that expired in FY09 and FY11.

CRITERIA

Section 6-5-10(A) NMSA 1978 requires all unreserved, undesignated fund balances in reverting funds as of June 30 to be reverted to the New Mexico State General Fund by September 30 and subsequently adjusted within 45 days of the completion of the annual audit. The FY11 reversion was due on September 30, 2011.

EFFECT

The Department is not in compliance with Section 6-5-10(A) NMSA 1978.

CAUSE

Due to staff turnover, the Department had not validated the amount to be transferred prior to the September 30 due date. The Department therefore did not proceed with transferring the reversion since the amount is based on actual amounts and not on estimates.

RECOMMENDATION

The Department should establish procedures, controls, and monitoring to ensure timely calculation and submission of reversions to the New Mexico State General Fund.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

08-8 UNTIMELY REVERSIONS (Non Compliance) - Repeated and Modified (Continued)

MANAGEMENT RESPONSE

During FY 11 NMDOT developed and implemented a Capital Outlay process and procedures that involved staff from three areas (Budget Bureau, Local Government Bureau, and Comptroller's Office). The new process allowed the Department to clean up prior year errors and submit most of FY 11 reversions in a timely manner. During the latter part of FY 11 two key staff involved in the Capital Outlay process left the Department and the Comptroller's office was merged into Accounting Services. These changes caused a delay in monitoring and ensuring all of the items that needed to be reverted were submitted.

For FY 12 management will update the Capital Outlay process to include the staff from Accounting Services and build a contingency plan in case of staff changes.

The reversion items that were missed are in the process of being reverted during FY12.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

10-1 SYSTEM STABILITY AND DATA INTEGRITY (Significant Deficiency)

CONDITION

SHARE financial system has been significantly modified to meet the specific requirements of the Department. Applications that are customized and/or have been modified typically bear an increased risk of lost or damaged data or the introduction of processing errors. To mitigate this risk, it is critical that the Department ensure application changes are thoroughly tested outside the production environment prior to implementation. It is additionally important that the Department internally retain copies of full documentation of the modifications to assist with troubleshooting as needed.

During interviews and testing of the IT environment, the following issues were noted:

i. Test environment: The Department does not have access to a viable test environment. The current test bed utilizes production data that has not been updated since July 2010. As a result, some system modifications are being tested directly in the production environment.

ii. System out of date: Vendor updates to the SHARE system have not been applied since 2008. This has resulted in documented system problems that have gone unresolved. For example, it was reported that the Commitment Control module's sub ledger is unable to remain in synch with its activity log. Maximus, a third party service provider, created a customized process to synchronize these components. While this modification was tested successfully in a separate environment, it caused data duplication when implemented into production during the current audit period. In order to resolve this, an "emergency fix", along with manual data deletions were implemented in the production environment. Likewise, it was reported that the transaction source types referenced in Requisitions, Purchases, and Vouchers do not match, this again is attributed to the system's inability to support further vendor updates due to a high level of customization.

Additionally, the SHARE financial system continues to experience the following functional anomalies resulting from modifications and configuration issues:

Processing delays: Journal entries created by staff must be approved by the Department of Finance. Time delays associated with this process are impacting the reporting of Capital Assets and Payroll. For example, personnel must reconcile Capital Assets in spreadsheets in order to produce accurate financial reports.

Inventory data validation: During the current audit period, the Inventory Management module was unable to perform validation during data entry. Specifically, invalid entry of chart field data items such as project and fund references resulted in data integrity issues for inventory allocations and fund balances. This problem was resolved in January 2009. It is recommended that the Department continue to monitor this issue in order to ensure accurate processing and reporting of inventory transactions.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

10-1 SYSTEM STABILITY AND DATA INTEGRITY (Significant Deficiency) (continued)

CONDITION (CONTINUED)

Segregation of duties: Access rights to the Inventory Management module are not being properly controlled. It was reported that all users in this module have “super user” access rights. This implies that inventory adjustments can be made without management review and approval.

Data integrity issues: Data integrity issues between the General Ledger and SHARE sub ledgers exist. During interviews with Department staff, it was noted that when AP vouchers are processed, invalid fund references are subsequently corrected by way of manual journal entries. While control totals are reportedly correct, customized queries are utilized to tie fund balances with manual journal entries. These queries also serve as data sources for analysis and reporting of accounts payable and accounts receivable. Overall, DOT has accumulated an extensive library of customized queries to support sub ledger reconciliation throughout the SHARE system.

CRITERIA

The Department should have best practices, policies, and a system of controls over system stability and data integrity.

EFFECT

The Department’s system and data could be at risk.

CAUSE

The Department has not implemented compensating controls for the weaknesses that exist.

RECOMMENDATION

It is recommended that the Department be provided with a viable test environment, and that user access rights be revisited in order to support day to day operations and ensure proper segregation of duties. Additionally, the Department should consider its alternatives for updating the SHARE system to a currently supported version, or replacing this system with a platform that meets its current business requirements, while providing vendor support for maintenance and updates.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

10-1 SYSTEM STABILITY AND DATA INTEGRITY (Significant Deficiency) (continued)

MANAGEMENT RESPONSE

The Department will relay the audit recommendations again to the Department of Finance & Administration (DFA). SHARE is controlled by DFA and these findings are not under the control of the Department. Senior executive management is aware of the SHARE deficiencies and continues to discuss these issues with DFA executive management. The Department has proposed to invest resources to:

- 1) Create a test system locally such that testing can be conducting quickly. This will require that DFA / DoIT provide useable and timely system backups such that a test system can be restored and be within two weeks of current production system.
- 2) Plan, design, and implement a current version of the People Soft software (at least version 9.1). Once implemented this system could be used by other SHARE users who are interested in migrating / converting to software that is supported by the vendor (Oracle).

Both proposals have been unofficially rejected by the charter members, DFA, SPO & DoIT.

At the present time, DFA does not have the resources to provide a separate test environment to the Department and upgrades to SHARE are being considered given fiscal and other state agency user constraints. Processing delays that result from the DFA approval process and insufficient user access rights are also not under the control of the Department. DFA Model Accounting Practices require that all agencies submit certain transactions such as journal entries to DFA for final approval and that access to certain reports and data tables are restricted to DFA only. The Department will continue to lobby DFA for exemptions from journal entry processing requirements and for more access to tables and queries. The Department will also revisit user access rights and try to match access rights with employee duties within the constraints of SHARE security groups. SHARE security groups consolidate certain access and approval rights according to predefined criteria and don't always match current assigned employee responsibilities and proper segregation of duties. The Department will continue to develop a plan should the state reconsider. It is critical for the Department to be able to test and to develop processes in conjunction with FHWA.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

11-1 LACK OF CONTROLS OVER INVENTORY (Significant Deficiency)

CONDITION

During our inventory testwork we noted a lack of controls over inventory. Once the annual inventory count was completed the Department noted inventory was understated by approximately \$1.9 million and made an adjustment to increase inventory to agree to the final inventory count. Per our review of inventory at District Five, we noted the following:

Inventory was labeled incorrectly, and in some cases was being entered into the system using the incorrect inventory code, resulting in misclassification of the inventory.

Inventory was placed on the floor and was expensed before it was entered into SHARE.

In certain instances, inventory items were kept in an unsecure location with access available to all Department personnel.

CRITERIA

Per good accounting practices and guidance issued by the New Mexico Financial Control Division, Manual of Model Accounting Practices FIN 10.2, when significant shortages or overages are found, state agencies shall determine the cause(s) and augment internal controls as necessary to control and minimize any future occurrences. Per the Manual of Model Accounting Practices FIN 10.1 the receiving clerk should enter the inventory received into SHARE and then put the inventory item away. Additionally, per the Manual of Model Accounting Practices FIN 10.5 inventory controls should provide safeguards against pilferage, fraud, fire, vandalism, theft, and irregularities caused by employees, customers, or vendors. State agencies should designate a secure place for physically storing inventories and state agencies should limit access to inventories to authorized personnel.

EFFECT

The Department is not in compliance with the Manual of Model Accounting Practices. There is increased risk of errors, unauthorized transactions and inaccurate or incomplete financial reporting.

CAUSE

Due to a limited amount of staff, the Department is unable to train staff as to the proper procedures for receiving, disbursing and accounting for inventory.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

11-1 LACK OF CONTROLS OVER INVENTORY (Significant Deficiency) (continued)

RECOMMENDATION

We recommend that the Department allocate time to train staff responsible for the oversight of inventory to properly account for inventory and ensure employees are following procedures implemented by state statute. The Department should also ensure all inventory is kept in a secure location with access only available to authorized personnel.

MANAGEMENT RESPONSE

The increase in stockpile inventory during FY 11 was caused by two contributing factors: 1) Measurement of stockpiles at year end and 2) mixing of inventory items.

Per NMDOT AD 201 section 3, C.1 Managing and Costing Stockpiles ; NMDOT will measure winter material by June 1st each year and Summer material by November 15th each year. NMDOT does this to account for stockpile depletion, stockpile measurement difference, loss due to theft, erosion, pad loss, etc. Each year we can have an increase or decrease in our inventory based on the measurement. One contributing factor that cause the increase or decrease of the stockpiles is the fact NMDOT does not have weigh scales at each district or patrol yards. We use the receiving slips for the receiving of the supplies and we estimate how much we use by the type of equipment we use to dispense the supplies (ex. Most loaders bucket = 2 cubic yards). Another contributing factor is weather. If the year is extremely wet the pile could be heavier than normal and can sink into the ground or run off with the excess water. If the year is windy the pile can be blown away. We use the cross section of the plies to true up our inventory at year end and have to adjust the general ledger to reflect this change.

During FY 11 Accounting Services hired a Temporary employee to help us reconcile NMDOT inventory. As we developed the reconciliation process we found that NMDOT was not doing the mixing process correctly. We developed a mixing form to ensure the ratio and cost is done correctly to ensure that when the new missed item was accounted for correctly and tested the new mixing process to ensure it was going to work and allow the sub-ledger to ledger to balance. Then we sent out guidance and training on how the mixing must be done going forward.

B. FINDINGS – FINANCIAL STATEMENT AUDIT (CONTINUED)

11-1 LACK OF CONTROLS OVER INVENTORY (Significant Deficiency) (continued)

During the annual inventory freeze at District 5, there were some items found that needed to be corrected:

- 1) During the counting of the inventory items, two items were labeled incorrectly and therefore entered into SHARE incorrectly. As these items were identified their labels were corrected immediately and corrected in SHARE during the freeze process. Out of the entire store's inventory items the two items mis-labeled equate to less than 1% of the total inventory items.
- 2) It was noted that inventory was left on the floor and being expensed before it was entered into SHARE. NMDOT's policy is that all items being received must be verified with the vendor. The items received on that day must be entered into SHARE within 24 hours of receipt. If an item should be needed a hand receipt is used to issue the item out. Hand receipts will be entered into SHARE after the receiving items have been entered into SHARE. District 5 was shorthanded during FY 11. They have hired personnel and this will help them with the timeliness.
- 3) During the inventory freeze the yard and warehouse were unlocked. This was due to the fact there were multiple count teams working within the yard. District 5's policy is all inventory must be kept secure by locks and they have a camera system in place. There is only one set of keys and when one of the yards or warehouses needs to be accessed it requires two employees to be together and they must be locked upon their departure.

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C. FINDINGS – FEDERAL AWARDS (CONTINUED)

11-2 UNTIMELY REPORTING (Significant Deficiency & Non-Compliance)

U.S. Department of Transportation

Federal Highway Administration (FHWA)

Program Years: 2010 and 2011

CFDA #20.205, Highway Planning and Construction (Federal-Aid Highway Program)

QUESTIONED COSTS: None

CONDITION

During our testing of reporting for the FHWA major program we noted that three out of the nine reports selected were not submitted through the Federal Management Information System (FMIS) in a timely manner. The three reports were submitted over a year after the project was closed out.

CRITERIA

FHWA requires that a Federal Project Closeout Form be submitted through the FMIS at the close of each project. According to the Code of Federal Regulations (CFR), 49 CFR 18.41(b)(4), when reports are required on a quarterly basis or semi-annual basis, they will be due 30 days after the reporting period. When required on an annual basis, they will be due 90 days after the grant year. Final reports will be due 90 days after the expiration or termination of grant support. Three reports were submitted over 90 days after the expiration of the grant support.

EFFECT

Reports were not being submitted in a timely manner for the FHWA program and the Department is not in compliance with applicable requirements. Untimely submittal of reports could result in a reduced ability to appropriately track the performance of projects funded with federal funds.

CAUSE

Management did not monitor this requirement sufficiently due to re-organizations and system conversion challenges.

RECOMMENDATION

We recommend that the staff review federal grant and federal guidance such as OMB Circulars and OMB Compliance Supplements for all the specific federal requirements and implement policies and procedures to safeguard the Department against non-compliance.

C. FINDINGS – FEDERAL AWARDS (CONTINUED)

11-2 UNTIMELY REPORTING (Significant Deficiency & Non-Compliance) (continued)

MANAGEMENT RESPONSE

NMDOT recognized that there were projects that had not been closed timely. This was due to three issues that impacted the program during the fiscal year. The implementation of the new financial system, the consolidation in closure procedures from two bureaus to one bureau as recommended by FHWA during their Project Closure review, and the providing of project managers with clear direction on the project closure process. Therefore, in November 2010 the department implemented closure procedures and commenced a review of all FHWA construction projects. As a result of these efforts over two hundred and seventy projects were closed. The process has since been moved to all other FHWA funded projects. The Department will continue to review all projects annually.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS

10-5 UNTIMELY BILLINGS & REIMBURSEMENTS (Control Deficiency)

CONDITION

During our testwork related to the Federal Highway Administration (FHWA) we noted a lack of controls over billings which led to approximately \$3.2 million of expenditures related to March of FY 2011 that were not billed to the federal agency until August 31, 2011 and \$43,564 in expenditures related to September 2009 that were not billed to the federal agency until February 2011. Per discussion with Department personnel in the instance related to the \$3.2 million, the Department incorrectly billed the wrong project that no longer had funding. A journal entry was not prepared timely in order to bill the correct project which caused an untimely billing. In the instance related to the \$43,564, the billing is a manual billing and not system generated. The billing was overlooked and not found until the Department proceeded to close the project.

While auditing accounts receivable related to the National Highway Traffic Safety Administration (NHTSA), we noted approximately \$4.7 million of expenditures in FY 2011 that were not billed by NHTSA at June 30, 2011. This occurred because subrecipients of DOT did not turn in federal expense reports and bill the Department timely for proper cut off of federal expenditures at the Department's fiscal year-end, June 30, 2011. The Department did estimate the amount of pending expense reports based on a summary report provided by NHTSA. However, of the 43 reimbursement requests tested, there were 18 related to FY12, totaling \$882,245 in expenditures that were improperly accrued into FY11.

CRITERIA

Billings should be performed on a timely basis and reconciled to the general ledger monthly for proper cash management. Per Section 8-6-7 NMSA 1978 drawing from accounts with insufficient funds is prohibited. Per Section 6-5-2 NMSA 1978 states that agencies should not make payments of state funds without corresponding positive cash balances.

In addition, per DFA's MAPS guidance FIN 9.1, if state agencies utilize the SHARE system to bill the Federal grantor agency, they are to reconcile the detail of the grant award billings recorded in the accounts receivable subsidiary schedule to the control account for accounts receivable within the general ledger on a monthly basis. If the billing cycle occurs outside of the SHARE system, state agencies must reconcile Federal receipts to the agency's record of amounts receivable from the Federal agency and complete general ledger reconciliation monthly to ensure the receipt of anticipated federal funds.

EFFECT

The federal agency can deny funding for expenditures if they are not received within an eight quarter time period. While generally our testing showed the Department is billing within federal guidelines, this internal control deficiency still causes the agency to have negative cash for a period of time. This draws down on state funds and decreases state interest earnings.

CAUSE

Lack of controls over billings lead to billings being overlooked and billed untimely.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS (CONTINUED)

10-5 UNTIMELY BILLINGS & REIMBURSEMENTS (Control Deficiency) (continued)

RECOMMENDATION

The Department should implement controls to ensure that all accounts receivables are billed timely and all expense reports are obtained from sub-recipients timely to help maintain positive cash balances.

MANAGEMENT RESPONSE

The Department continues to improve its FHWA federal billing processes to ensure timely and accurate billings are submitted to FHWA. NMDOT has created a data base for project related correcting entries (Journal Entries as well as Journal Vouchers). This data base is being used to provide NMDOT with internal controls on all project related corrections. It will monitor each transaction to evaluate the length of time it takes for agency and/or DFA approval. It will also validate that the journals are reviewed after they've been posted to assure they've billed FHWA correctly and timely.

In the instance that NMDOT must request additional funding from FHWA it will be controlled by the length of time it takes to obtain FHWA approval. No entries can be made prior to FHWA approval.

The purpose of the final reconciliation prior to the closure of a project is to validate that all eligible expenditures have billed FHWA correctly. A reconciliation is done between the program manager's data, SHARE (NMDOT's financial system) and FMIS (FHWA's financial system). At this point NMDOT will process correcting entries necessary. Due to the fact most construction projects average three years it is normal to have a substantial amount of time. It would be impossible for NMDOT reconcile each project on monthly even quarterly basis in a detail manner with the number of projects. NMDOT currently has over 500 active FHWA projects totaling \$700M. The Department will continue to prioritize and improve on its current billing processes.

NHTSA does not require the Traffic Safety Division (TSD) to close out by State fiscal year. Since NHTSA funding is authorized yearly to coincide with the Federal Fiscal year (October 1st through September 30th), the NMDOT Traffic Safety Division also issues contracts concurrently with the Federal Fiscal year. NHTSA only requires TSD to close out each year by December 31st for any expenditures incurred for the previous Federal fiscal year. Therefore, TSD could receive a billing from a contract in December for work performed in May of the previous Federal fiscal year and NHTSA would still allow the State to recoup the cost assuming that TSD has not closed out that Federal fiscal year by submitting a final billing.

To try and estimate as close as possible in FY12, TSD has now required that contractors bill monthly. This was new language added into FY12 contracts. Therefore, theoretically, all expenditures should be known by July 31st for any activity prior to June 30th. This will help in estimating a more accurate amount of expenditures by State fiscal year.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS (CONTINUED)

10-5 UNTIMELY BILLINGS & REIMBURSEMENTS (Control Deficiency) (continued)

MANAGEMENT RESPONSE (continued)

While the Department is aware of the statute requiring agencies to have positive cash balances before issuing payments, NMSA 6-4-6, as amended provides that, for cash flow purposes, the Department may use its positive cash from its other funds to cover any cash shortfalls. The Department maintains sufficient positive cash balances in its other funds to cover any cash shortfalls in any one fund. Furthermore, NMSA 8-6-7, as amended, provide that valid receivables can be considered as cash equivalents for the purposes of determining available cash balances. Since the FHWA and NHTSA programs are on a reimbursement basis, the amounts due to the Department from these federal agencies are valid receivables until they are billed and collected by the Department. The Department is aware that timely and accurate billings are essential to minimize the impact of its negative cash while awaiting federal reimbursements and will continue to improve its billing processes to bill expediently under the constraints imposed by the Cash Management Improvement Act (CMIA). This act establishes the minimum number of days that the Department must wait from the time of expenditure to the time that it can bill its Federal agencies.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS (CONTINUED)

10-12 RECONCILIATIONS – FINANCIAL CLOSE AND REPORTING (Control Deficiency)– Repeated and Modified

CONDITION

During our walkthrough of the financial close and reporting process, we noted that year-end reconciliations and financial statement schedules and disclosures completed by the Accounting Services Manger and Advanced Staff Accountant are not signed off and are not reviewed by someone independent of the process and preparation. The Department has made significant improvement over financial reporting by performing monthly closes and meeting regularly to improve processes and documentation, but should continue to improve timeliness of adjustments and reconciliations.

CRITERIA

Good accounting practices and strong internal controls require segregation of duties to mitigate internal control weaknesses and material misstatements due to error or fraud. The financial closing and reporting process should be timely, well established and documented, including the identification and updating of internal and external financial reporting requirements and deadlines; the methodology, format, and frequency of required analyses; and the content of reporting packages from districts and subrecipients.

EFFECT

The lack of adequate segregation of duties, processes, and review in some cases has caused deficiencies in the internal controls at the Department. There is increased risk of errors, unauthorized transactions, inaccurate or incomplete financial reporting, and unmet deadlines.

CAUSE

As a result of limited resources, staff turnover, and late audits in years past, the Department has not yet fully implemented strong, well-established systems of controls and review over the financial close and reporting process.

RECOMMENDATION

We recommend that year-end reconciliations, financial statements and disclosures be reviewed by a separate individual other than the preparer and that the employee performing the work sign off as the preparer and the employee reviewing it also sign off as the reviewer. We recommend that the Department continue their momentum with becoming fully staffed, training qualified employees, delegating appropriately, meeting regularly, closing monthly, preparing documents timely, and improving this process.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS (CONTINUED)

10-12 RECONCILIATIONS – FINANCIAL CLOSE AND REPORTING (Control Deficiency)– Repeated and Modified (continued)

MANAGEMENT RESPONSE

Management agrees that reconciliations and financial schedules prepared by senior accounting services staff are not independently and consistently reviewed and analyzed by other staff not involved in the process. It is the intent of the Department to restructure the General Ledger Unit to include a direct General Ledger Manager that will train, oversee and review all General Ledger Unit staff and Audit staff work. The General Ledger Manager will be a CPA and will be responsible for managing and coordinating the annual financial audit and will restructure General Ledger staff reconciliations and schedules in accordance with GAAP and the requirements of the annual financial audit. In addition, any schedules and reconciliations directly performed by the General Ledger Manager will be formally reviewed and analyzed by the Accounting Services Director.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS (CONTINUED)

10-13 SHARE AND NETWORK USER ACCOUNTS (Control Deficiency)– Repeated and Modified

CONDITION

The Department has procedures in place for initiating user accounts in the SHARE financial system and on the network. However, it was noted during interviews with Department staff that consistent practices are not being followed to disable SHARE and network accounts in the event of staff turnover and terminations.

CRITERIA

To protect the Department, it is important to develop, implement, and monitor best practices and controls over user accounts.

EFFECT

There is increased risk to the Department of misuse, error, or fraud. It is easier for passwords to become compromised and for employees to share passwords, thus negating the benefits of password controls.

CAUSE

Notification typically occurs by way of phone calls, and these communications are not consistent. The Department has not implemented a password policy.

RECOMMENDATION

It is recommended that the Department revisit existing procedures and update them as needed to ensure the timely notification, processing, and recording tasks necessary to disable SHARE system and network accounts when turnover occurs.

MANAGEMENT RESPONSE

As a result of this finding during the FY10 audit, the Department implemented a process during FY11 where Human Resources notified the Information Technology Help Desk for any employees changing job responsibilities or for any employee leaving the Department so that changes in SHARE security and Network security could be made expediently. The process was not completely effective due to staff turnover. The Department will continue to adhere to the policy and practices established by the Department of Information Technology (DOIT) and to further review and improve its own practices to:

- 1) Have HR send notice as personnel turnover occurs.
- 2) Once notified or determined that an individual has left the department, access to SHARE and other internal systems will be disabled within twenty-four (24) hours or as directed by HR.

The Department will ensure that IT and HR personnel are made aware of its importance and that staff are crossed trained in these functions in order to strengthen our internal controls.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS (CONTINUED)

10-14 SECURITY ACCESS CONTROL TESTING AND REVIEW (Control Deficiency)– Repeated and Modified

CONDITION

The Department's Security access controls for the SHARE systems are not tested regularly. Given the ongoing changes in the Department's technology environment, its customized software applications, and personnel turnover, the access controls in place could be substantially affected. Meanwhile, security access controls for the network are being reviewed on a quarterly basis. However, this process is not being formally recorded. Additionally, it was observed that password policies have not been implemented on the Department's network domain.

Additionally, it was observed that password policies have not been implemented on the Department's network domain.

CRITERIA

The Department should have best practices, policies, and controls over security access.

EFFECT

Given the ongoing changes in the Department's technology environment, its customized software applications, and personnel turnover, the access controls in place could be substantially affected.

CAUSE

The Department has not assessed risks and implemented controls and monitoring over security access.

RECOMMENDATION

Access should be tested periodically to ensure that unauthorized users are not allowed access, and that different types of authorized users have their access appropriately restricted. It is recommended that these tasks be assigned and tracked through the Department's HEAT Help Desk system on a regular basis, to help ensure the timely review of security access controls for all mission critical systems. Additionally, the Active Directory should be utilized to enforce a uniform password policy on the network, and that this policy be reviewed on an annual basis in order to remain in line with Departmental guidelines.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS (CONTINUED)

10-14 SECURITY ACCESS CONTROL TESTING AND REVIEW (Control Deficiency)– Repeated and Modified (continued)

MANAGEMENT RESPONSE

NMDOT adheres to the policy and practices established by the Department of Information Technology (DOIT). NMDOT is further reviewing the practice to:

- 1) Implement group practice / policy by bureau / program using Active Directory whereby users will have access to required data.
- 2) The Infrastructure Bureau Chief will review at least quarterly and recommend changes to the CIO and/or NMDOT Executive management to eliminate any potential avenues that may provide unauthorized access to the network.
- 3.) Additionally, NMDOT is reviewing a proposal to have an independent contractor conduct an in-depth review of security. If retained, the contractor will document findings and recommended action to eliminate exposures. NMDOT conducted such a review during 2009 and implemented several changes.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS (CONTINUED)

11-3 Sub-recipient Monitoring-FTA (Non-Compliance)

CONDITION

During our testing of sub-recipient monitoring for the FTA program, we noted one out of six sub-recipients did not have a current Central Contractor Registration (CCR). This sub-recipient received federal funds in fiscal year 2011 but its CCR expired in June 2010 and did not have a current registration until three months after year end.

CRITERIA

The FTA program is required to periodically verify that sub-recipients receiving federal funds have current and updated information in the CCR website. Section 1512(h) of ARRA and 2 CFR section 176.50(c) require that the recipients and their first tier recipients must maintain current registrations in the Central Contractor Registration (<http://www.ccr.gov>) at all times during which they have active federal awards funded with Recovery Act funds.

EFFECT

The Department could unknowingly award federal assistance with Recovery Act funds to sub-recipients that are not maintaining current registrations in the CCR.

CAUSE

The Department is not adequately performing periodic checks to ensure that subrecipients are updating information.

RECOMMENDATION

We recommend that the Department assign appropriate accounting personnel to perform and document periodic checks of all subrecipients to ensure that registrations are current before awarding federal assistance with Recovery Act funds.

MANAGEMENT RESPONSE

For our ARRA grants, we were utilizing the State of New Mexico's 1512 CertiClear reporting system for validation of DUNS numbers for our ARRA awards. All ARRA subgrantee's DUNS numbers were validated through this process, and NMDOT's Transit and Rail Division was not notified of any irregularities.

NMDOT's Transit and Rail Division has since implemented a requirement in our annual subgrantee application process, whereby the subgrantee provides its DUNS number in order to apply for Federal Transit Administration funding. When applications are received Transit Staff validates the subgrantees DUNS number through <https://www.bpn.gov/CCRSearch/Search.aspx> . Additionally, the contract for the subgrantee award states that the subgrantee will maintain a current CCR and DUNS number.

D. FINDINGS – COMPLIANCE AND OTHER MATTERS (CONTINUED)

11-4 DISPOSAL OF CAPITAL ASSETS (Non-Compliance)

CONDITION

During our testwork over capital assets, we noted one out of four items tested of \$115,026 was improperly disposed of by the Department. The Department did not follow internal administrative directives regarding disposal of capital assets and did not notify the Office of the State Auditor prior to the disposal of the assets.

CRITERIA

Per NMSA 1978 13.6.1 and the Department's own Administrative Directive (AD) 302.4.09-12g, the Department must give notification at least thirty days prior to its action of making the deletion by sending a copy of its official finding and proposed disposition of the property to the State Auditor and approval authority.

EFFECT

The Department deleted assets in violation of NM State statute and internal policies and procedures.

CAUSE

Various Districts and departments within the New Mexico Department of Transportation (NMDOT) failed to comply with NMSA 1978 13.6.1 and Department internal procedures.

RECOMMENDATION

Assets scheduled for deletion must be identified to the Office of the State Auditor 30 days prior to deletion. Assets that are unusable due to loss should be identified as such when reporting to the Office of the State Auditor before removing them from the capital asset listing.

MANAGEMENT RESPONSE

Asset 34018 OCE Printer was disposed of prior to approval from our Policies and Procedures Committee. At the time the disposal was brought to our attention we did not have a solid process in place to address disposal violations and in turn notified the NMDOT Comptroller via an internal memo noting that asset disposal took place.

Accounting Services has since made improvements to address disposal violations. A notification citing a violation of the above mentioned statute and AD is now sent to the N.M State Auditor also noting the "deletion" will not take place until 30 days of the notification. Copies of the violation notice are also sent to the Division/District's executive management and our Inspector General's office in order to ensure the level of importance is emphasized from the highest levels down.

B. Financial Statement Audit

- 07-7 Accounts Payable (Significant Deficiency) - **Repeated and Modified**
- 07-14 Over-Expended Appropriation Units (Significant Deficiency & Non-Compliance) - **Repeated and Modified**
- 08-8 Untimely Reversion to State General Fund (Non-Compliance) - **Repeated and Modified**
- 10-1 System Stability and Data Integrity (Significant Deficiency) - **Repeated and Modified**
- 10-2 Loan Receivable Not Billed Timely (Significant Deficiency) - **Resolved**
- 10-3 Financial Close and Reporting Accounts Receivable (Significant Deficiency) - **Resolved**
- 10-4 Accounting For Capital Assets and Infrastructure (Significant Deficiency) - **Resolved**

C. Federal Awards

- 10-5 FHWA Untimely Billings (Control Deficiency) - **Repeated and Modified**
- 10-6 NHTSA Untimely Billings (Control Deficiency) - **Repeated and Modified (combined with 10-5)**
- 10-7 Subrecipient Monitoring Exception (Non-Compliance) - **Resolved**
- 10-8 Suspension & Debarment Exception (Non-Compliance)- **Resolved**
- 10-9 Physical Equipment Inventory Count Exception (Significant Deficiency and Non-Compliance)- **Resolved**
- 10-10 Payroll Access to Recovery-Level of Effort (Non-Compliance)- **Resolved**
- 10-11 Reconciliation of Federal Revenues to Federal Expenditures (Significant Deficiency)- **Resolved**

D. Compliance and Other Matters

- 08-5 Interfund Balances (Control Deficiency) - **Resolved**
- 10-12 Reconciliations-Financial Close and Reporting (Control Deficiency)- **Repeated and Modified**
- 10-13 SHARE and Network User Accounts (Control Deficiency)- **Repeated and Modified**
- 10-14 Security Access Control Testing and Review (Control Deficiency)- **Repeated and Modified**

An exit conference was held with the Department on December 12, 2011. The conference was held at the Department's offices in Santa Fe, New Mexico. In attendance were:

STATE OF NEW MEXICO DEPARTMENT OF TRANSPORTATION

Alvin C. Dominguez, Cabinet Secretary
Tom J. Church, Deputy Secretary
Pete K. Rahn, Commission Chairman
Ronald L. Schmeits, Commissioner
Mike McEntee, Adjutant Secretary
Larry L. Viarreal, Accounting Services Director
Alex Williams, Senior Staff Accountant
Bridgette Long, Accounting Services Manager

MOSS ADAMS LLP

Larry Carmony, CPA, Partner
Audrey Jaramillo, Assurance Senior Manager
Chris Gilman, Assurance Manager
Miranda Mascarenas, Assurance Senior

PREPARATION OF FINANCIAL STATEMENTS

The financial statements presented in this report have been prepared by the Department and are the responsibility of management.