

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
INDEPENDENT AUDITORS' REPORT  
AND AUDITED FINANCIAL STATEMENTS  
For The Year Ended June 30, 2010**

**HINKLE & LANDERS, P.C.**

**CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS**



## **INTRODUCTORY SECTION**



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**Dona Ana County**  
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**STATE OF NEW MEXICO  
DONA ANA COUNTY  
Official Roster  
As of June 30, 2010**

**County Officials**

<b>Name</b>	<b>Title</b>
Oscar Vasquez Butler	Chairman, Commissioner – District 1
Leticia Duarte-Benavidez	Commissioner – District 5
Scott Krahling	Commissioner – District 4
Karen G. Perez	Commissioner – District 3
Dolores Saldana-Caviness	Vice-Chairwoman, Commissioner – District 2

**Administrative Officials**

Brian D. Haines	County Manager
David Gutierrez	County Treasurer
Lynn Ellins	County Clerk
Gary Perez	County Assessor
Alice M. Salcido	Probate Judge
Todd Garrison	County Sheriff



## **FINANCIAL SECTION**



## INDEPENDENT AUDITORS' REPORT

Mr. Hector H. Balderas, State Auditor and  
The Board of County Commissioners  
Dona Ana County  
Las Cruces, 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 Dona Ana County (the County), as of and for the year ended June 30, 2010, which collectively comprise the agency's basic financial statements as listed in the table of contents. We also have audited the financial statements of each of the County's nonmajor governmental, nonmajor enterprise, internal service and fiduciary funds, and the budgetary comparisons for the major debt service funds, and all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2010, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

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 County, as of June 30, 2010, 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, nonmajor enterprise, internal service, and fiduciary fund of the County as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the major debt service funds, and all nonmajor funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2010 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the

results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis on pages 4 through 13 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the basic financial statements, the combining and individual fund financial statements, the schedule of changes in assets and liabilities - agency funds, and budgetary comparisons. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The additional schedules listed as "other supplemental information" in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The image shows a handwritten signature in black ink that reads "Hinkle & Landers, P.C.". The signature is written in a cursive, flowing style.

Hinkle & Landers, P.C.  
November 10, 2010

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010**

Dona Ana County's management discussion and analysis presents an overview of the County's financial activities for the fiscal year ended June 30, 2010. Please read it in conjunction with Dona Ana County's financial statements beginning on page 14.

**FINANCIAL HIGHLIGHTS**

- The County completed fiscal year 2010 with \$362,458,134 in total assets; this is roughly a 1.4% increase in assets when compared to the \$357,428,763 in fiscal year 2009. Total Liabilities for net assets increased by roughly 3.3% or \$2,048,211 to \$64,060,559; while Total Net Assets increased slightly more than one percent or \$2,981,160 to complete the fiscal year at \$298,397,575.
- Net Assets for Governmental Activity increased 1.6% or \$4,113,691 to end the fiscal year at \$249,357,665; while Business-Type Activities decreased by 2.3% or \$1,132,531 for a fiscal year net asset balance of \$49,039,910. Overall revenues increased by less than one percent to \$122,919,151 and exceeded expenditures of \$122,566,682 by roughly 0.29%.
- The County's financial analysis of County Governmental Funds indicates an increase in total assets of \$579,696 or 0.54% to \$107,996,871; total liabilities decreased by \$237,360 or 1.7%, while total fund balance increased by \$816,756 or 0.87%.
- On February 10, 2005, Dona Ana County and the City of Sunland Park entered into a Memorandum of Understanding (DAC #05-259) and an Interim JPA (DAC #05-260) for the purposes of combining all the City water and wastewater facilities and operations with certain defined County water and wastewater facilities and designating subdivision, zoning, planning and platting jurisdiction within a certain designated interim service area. These agreements were superseded by JPA, DAC #09-191, enacted February 24, 2009. Section 6 of the 2009 JPA anticipates the transfer of the respective City and County fixed assets to a new independent "Camino Real Regional Utility Authority". The current worth of County assets to be transferred approximates \$14,000,000. JPA #09-191 is still in effect in the current fiscal year and the transfer of County assets has not yet occurred.
- Dona Ana County received state appropriations totaling \$5,000,000 for the Colonias Initiative from the State of New Mexico Governor's Office to improve infrastructure within the 40 substandard designated colonia communities within the County's boundaries. In fiscal year 2010, \$377,634 has been expended and the project has been completed.
- Dona Ana County received American Recovery and Reinvestment Act (ARRA) stimulus funding totaling \$3,142,804. Of that amount, \$446,900 was received in the form of the Energy Efficiency and Conservation Block Grant from the Department of Energy; \$2,168,207 from the US Department of Transportation passed through the State for improvements on East Berino Road; and \$527,697 from the US Department of Justice passed through the State for the purchase and equipping of police vehicles. In fiscal year 2010, \$34,065 has been expended on the energy efficiency; \$251,084 has been expended on road improvements; and \$524,969 has been expended on police vehicles and equipment.
- Total bonded debt at June 30, 2010 for the County was \$45,190,000.
- The new 1/16 of 1 percent tax approved by the Board of County Commissioners to support county correctional facility operations went into effect on July 1, 2009.

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010**

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

**Government-Wide Financial Statements**

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

The *Statement of Net Assets* presents information on all the County's assets and liabilities, with the difference between the two reported as net assets.

The *Statement of Activities* presents information showing how the County's net assets changed during fiscal year 2010. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned and unused vacation leave).

Both of these financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include General Government, Public Safety, Public Works, Health and Welfare, and Cultural and Recreation. The business-type activities of the County include Water, Wastewater, and Rental Housing 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 County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds**

*Governmental Funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the County'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 fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County adopts an annual appropriated budget for its general, special revenue, debt service and capital projects

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010**

funds. A budgetary comparison statement has been provided for these funds to demonstrate budgetary compliance.

The basic governmental fund financial statements begin on page 16 of this report.

**Proprietary Fund**

The County maintains two types of proprietary funds. *Enterprise funds* are used to report the same function presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the fiscal activities relating to various Water and Wastewater Utilities, and the County's Public Housing Authority, as well as operations. An internal service fund is utilized to charge costs of fleet maintenance to individual funds.

The basic proprietary fund financial statements begin on page 25 of this report.

**Fiduciary Funds**

*Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs.

The basic fiduciary fund financial statements begin on page 33 of this report.

**Notes to the Financial Statements**

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

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Required supplementary information can be found starting on page 60 of this report.

The combining statements referred to earlier in connection with Nonmajor funds and Nonmajor proprietary funds are presented in the supplementary information section of this report. Combining schedules can be found on pages 63-135 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Broad Overview of Finances)**

The County implemented the new financial reporting model required by Accounting Standards Board Statement No. 34 in fiscal year ended June 30, 2003. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the County, as a whole.

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010**

Dona Ana County Condensed  
Schedule of Net Assets  
As of June 30, 2010 and 2009

	2010	2009	2010	2009	2010	2009
	Governmental Activities	Governmental Activities	Business- Type Activities	Business- Type Activities	Total Primary Government	Total Primary Government
<b>Assets:</b>						
Current and Other Assets	\$ 104,292,040	105,508,000	7,088,704	(1,836,964)	111,380,744	103,671,036
Capital Assets	195,064,421	195,495,187	56,012,969	58,262,540	251,077,390	253,757,727
Total Assets	<u>299,356,461</u>	<u>301,003,187</u>	<u>63,101,673</u>	<u>56,425,576</u>	<u>362,458,134</u>	<u>357,428,763</u>
<b>Liabilities:</b>						
Current Liabilities	12,185,177	9,513,174	2,818,961	1,592,345	15,004,138	11,105,519
Non-Current Liabilities	37,813,619	46,246,039	11,242,802	4,660,790	49,056,421	50,906,829
Total Liabilities	<u>49,998,796</u>	<u>55,759,213</u>	<u>14,061,763</u>	<u>6,253,135</u>	<u>64,060,559</u>	<u>62,012,348</u>
<b>Net Assets:</b>						
Invested in Capital Assets	155,549,395	151,927,384	44,290,987	53,522,526	199,840,382	205,449,910
Restricted Assets	-	5,415,034	17,450	-	17,450	5,415,034
Unrestricted Assets	93,808,270	87,901,556	4,731,473	(3,350,085)	98,539,743	84,551,471
Total Net Assets	<u>249,357,665</u>	<u>245,243,974</u>	<u>49,039,910</u>	<u>50,172,441</u>	<u>298,397,575</u>	<u>295,416,415</u>
Total Liabilities And Net Assets	<u>\$ 299,356,461</u>	<u>301,003,187</u>	<u>63,101,673</u>	<u>56,425,576</u>	<u>362,458,134</u>	<u>357,428,763</u>

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

An additional portion of the County's net assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted* net assets may be used to meet the County's ongoing obligations to citizens and creditors.

### **Governmental Activities**

Governmental activities increased the County's net assets by \$2,039,137 to \$249,357,665. The increase is due predominantly to an increase in property taxes, levied for general purposes and an increase in state shared taxes and fees.

On June 1, 2004, the County and the City of Las Cruces terminated the lease of the County and City-owned hospital to Memorial Medical Center, The. (MMCI, a non-profit corporation) and executed a new 40-year lease to Province Healthcare, Inc. (PHI), now taken over by Life Point. The County and City each began receiving half of MMCI's assets from the resulting liquidation of the corporation. The increase in Net assets mentioned above is primarily a result of the prepayment of the 40-year lease by PHI and the liquidation of MMCI. More detailed information about the hospital lease is presented on page 56, Note 13 to the financial statements.

### **Business-Type Activities**

The overall financial position of the business-type activities changed predominantly due to an increase in grant revenue for housing as well as an increase in expenses for housing assistance.

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010**

Construction continues on water and wastewater utilities for the County. The County is anticipating the transfer of assets of the Border (Santa Teresa) Water and Wastewater facilities to the Camino Real Regional Utility Authority. Overall the County utility connections increased by 365 connections for a total of 3,187.

Dona Ana County Condensed  
Summary of Changes in Net Assets  
For the Years Ended June 30, 2010 and 2009

	2010	2009	2010	2009	2010	2009
	Governmental	Governmental	Business-	Business-	Total	Total
	Activities	Activities	Type	Type	Primary	Primary
	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Activities</u>	<u>Government</u>	<u>Government</u>
<b>Revenues</b>						
<u>Program Revenues</u>						
Changes for Services	\$ 16,503,488	16,579,768	1,287,635	1,440,219	17,791,123	18,019,987
Operating Grants and Contributions	16,545,224	16,523,547	2,753,939	18,470	19,299,163	16,542,017
Capital Grants and Contributions	12,300,371	15,164,354	-	441,746	12,300,371	15,606,100
<u>General Revenue</u>						
Taxes, Penalties and interest	70,532,722	67,185,392	-	-	70,532,722	67,185,392
Investment Income	1,392,986	857,974	40,864	29,688	1,433,850	887,662
Other Revenue	1,737,750	2,907,503	706,578	1,390,516	2,444,328	4,298,019
<b>Total Revenue</b>	<u>119,012,541</u>	<u>119,218,538</u>	<u>4,789,016</u>	<u>3,320,639</u>	<u>123,801,557</u>	<u>122,539,177</u>
<b>Expenses</b>						
General Governmental	27,096,161	28,516,077	-	-	27,096,161	28,516,077
Public Safety	48,468,172	39,629,797	-	-	48,468,172	39,629,797
Public Works	21,477,074	15,710,579	-	-	21,477,074	15,710,579
Health and Welfare	17,308,464	21,217,492	-	-	17,308,464	21,217,492
Cultural Recreation	165,338	114,881	-	-	165,338	114,881
Bond Interest	2,264,423	2,523,539	-	-	2,264,423	2,523,539
Fiscal Agent's Fees	30,580	34,519	-	-	30,580	34,519
Housing Assistance	-	-	2,730,008	79,359	2,730,008	79,359
Water	-	-	211,788	194,905	211,788	194,905
Wastewater	-	-	2,585,905	3,073,163	2,585,905	3,073,163
Other utility services	-	-	228,769	204,966	228,769	204,966
<b>Total Expenses</b>	<u>116,810,212</u>	<u>107,746,884</u>	<u>5,756,470</u>	<u>3,552,393</u>	<u>122,566,682</u>	<u>111,299,277</u>
Increase in net assets before transfers	2,202,329	11,471,654	(967,454)	(231,754)	1,234,875	11,239,900
Transfers	(163,192)	7,564,826	163,192	(6,679,704)	-	885,122
Change in Net Assets	2,039,137	19,036,480	(804,262)	(6,911,458)	1,234,875	12,125,022
Net Assets-Beginning of year	245,543,974	224,790,324	50,172,441	60,855,167	293,362,317	283,291,393
Restatements of net assets	2,074,554	1,717,170	(328,269)	(3,771,268)	1,746,285	(2,054,098)
Net Assets-Beginning of year, restated	<u>247,618,528</u>	<u>226,507,494</u>	<u>49,844,172</u>	<u>57,083,899</u>	<u>295,108,602</u>	<u>281,237,295</u>
Net Assets-End of year	<u>\$ 249,657,665</u>	<u>245,543,974</u>	<u>49,039,910</u>	<u>50,172,441</u>	<u>296,343,477</u>	<u>293,362,317</u>

**FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS**

**GOVERNMENTAL FUNDS**

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010**

Dona Ana County  
Condensed Balance Sheet of Governmental Funds  
As of June 30, 2010 and 2009

	2010	2009	2010	2009	2010	2009	2010	2009
	General Fund	General Fund	Health Services (SLAIG)	Health Services (SLAIG)	Colonia's Initiative	Colonia's Initiative	State Approp	State Approp
<b>Assets</b>								
Pooled Cash and investment	\$ 51,547,958	44,039,251	5,258,434	9,805,621	-	-	-	-
Interest receivable	170,289	245,694	1,015	2,868	-	-	-	-
Taxes receivable, net allowance	5,609,311	5,053,631	-	-	-	-	-	-
Accounts receivable, net	2,226,306	312,518	91,580	350,000	1,809,101	-	2,458,885	-
Intergovernmental receivables	438,873	1,611,312	-	22,821	-	396,475	-	2,309,883
Due from other funds	4,085,770	2,194,939	-	-	-	-	-	-
Inventories and prepaids	8,668	13,354	-	-	-	-	-	-
Bonds receivable	-	6,665,000	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 64,087,175</b>	<b>60,135,699</b>	<b>5,351,029</b>	<b>10,181,310</b>	<b>1,809,101</b>	<b>396,475</b>	<b>2,458,885</b>	<b>2,309,883</b>
<b>Liabilities and Fund Balance</b>								
<b>Liabilities</b>								
A/P, accruals and other liabilities	\$ 1,762,712	2,125,929	250,983	64,461	1,621,151	191,676	1,921,141	2,243,192
Deferred revenues	6,305,129	6,192,075	72,408	-	-	-	-	143,660
<b>Total Liabilities</b>	<b>8,067,841</b>	<b>8,318,004</b>	<b>323,391</b>	<b>64,461</b>	<b>1,621,151</b>	<b>191,676</b>	<b>1,921,141</b>	<b>2,386,852</b>
<b>Fund Balance</b>								
Reserved	8,668	13,354	-	-	-	-	-	-
Unreserved	56,010,666	51,804,341	5,027,638	10,116,849	187,950	204,799	537,744	(76,969)
<b>Total Fund Balances</b>	<b>56,019,334</b>	<b>51,817,695</b>	<b>5,027,638</b>	<b>10,116,849</b>	<b>187,950</b>	<b>204,799</b>	<b>537,744</b>	<b>(76,969)</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 64,087,175</b>	<b>60,135,699</b>	<b>5,351,029</b>	<b>10,181,310</b>	<b>1,809,101</b>	<b>396,475</b>	<b>2,458,885</b>	<b>2,309,883</b>
<b>Assets</b>								
Pooled Cash and investment	\$ 6,004,780	5,873,803	25,568,202	23,438,095	88,379,374	83,156,770		
Interest receivable	23,562	23,597	4,549	5,958	199,415	278,117		
Taxes receivable, net allowance	60,759	60,626	2,375,003	3,180,897	8,045,073	8,295,154		
Accounts receivable, net	-	-	266,002	-	6,851,874	662,518		
Intergovernmental receivables	-	-	987,481	1,179,833	1,426,354	5,520,324		
Due from other funds	-	301,872	343	144,528	4,086,113	2,641,339		
Inventories and prepaids	-	-	-	-	8,668	13,354		
Bonds receivable	-	-	-	184,599	-	6,849,599		
<b>Total Assets</b>	<b>\$ 6,089,101</b>	<b>6,259,898</b>	<b>29,201,580</b>	<b>28,133,910</b>	<b>108,996,871</b>	<b>107,417,175</b>		
<b>Liabilities and Fund Balance</b>								
<b>Liabilities</b>								
A/P, accruals and other liabilities	\$ 438,485	790,409	853,463	1,685,692	6,847,935	7,101,359		
Deferred revenues	55,421	54,455	552,778	579,482	6,985,736	6,969,672		
<b>Total Liabilities</b>	<b>493,906</b>	<b>844,864</b>	<b>1,406,241</b>	<b>2,265,174</b>	<b>13,833,671</b>	<b>14,071,031</b>		
<b>Fund Balance</b>								
Reserved	5,595,195	5,415,034	387,695	-	5,991,558	5,428,388		
Unreserved	-	-	27,407,644	25,868,736	89,171,642	87,917,756		
<b>Total Fund Balances</b>	<b>5,595,195</b>	<b>5,415,034</b>	<b>27,795,339</b>	<b>25,868,736</b>	<b>95,163,200</b>	<b>93,346,144</b>		
<b>Total Liabilities and Fund Balance</b>	<b>\$ 6,089,101</b>	<b>6,259,898</b>	<b>29,201,580</b>	<b>28,133,910</b>	<b>108,996,871</b>	<b>107,417,175</b>		

As of the end of fiscal year 2010, the County's governmental funds reported combined ending fund balances of \$95,162,200, an increase of \$1,817,056 in comparison with the prior year. The general fund ending fund balance at the end of fiscal year 2010 is reported at \$56,019,334, which is an increase of \$4,201,639. This shows that total governmental fund revenues decreased minimally while expenditures decreased substantially.

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010**

Dona Ana County  
Condensed Balance Sheet of Governmental Funds  
As of June 30, 2010 and 2009

	2010	2009	2010	2009	2010	2009	2010	2009
	General Fund	General Fund	Health Services (SLAIG)	Health Services (SLAIG)	Colonia's Initiative	Colonia's Initiative	State Approp	State Approp
Operating								
Total Revenues	\$ 71,525,351	68,906,739	11,814,197	10,296,011	1,929,634	996,813	5,931,097	7,461,720
Total Expenditures	(71,127,063)	(64,987,158)	(9,314,576)	(6,898,450)	(1,946,483)	(976,652)	(5,505,046)	(7,840,704)
Other Financing Sources								
Transfers In	44,525,960	30,667,740	-	17,064	-	-	75,000	-
Transfers Out	(41,574,013)	(33,128,489)	(7,588,832)	(6,609,797)	-	-	-	-
Total Other Financing Sources/(Uses)	2,951,947	(2,460,749)	(7,588,832)	(6,592,733)	-	-	75,000	-
Net Changes in Fund Balance	3,350,235	1,458,832	(5,089,211)	(3,195,172)	(16,849)	20,161	501,051	(378,984)
Fund balance-Beginning of year	51,817,695	50,166,344	10,116,849	13,646,021	204,799	184,638	(76,969)	494,534
Restatements of fund balance	851,404	192,519	-	(334,000)	-	-	113,662	(192,519)
Fund balance-Beginning of year, restated	52,669,099	50,358,863	10,116,849	13,312,021	204,799	184,638	36,693	302,015
Fund balance-End of year	\$ 56,019,334	51,817,695	5,027,638	10,116,849	187,950	204,799	537,744	(76,969)

	2010	2009	2010	2009	2010	2009
	Debt Service Fund	Debt Service Fund	Nonmajor Governmental Funds	Nonmajor Governmental Funds	Total Governmental Funds	Total Governmental Funds
Operating						
Total Revenues	\$ 1,615,086	708,638	21,642,828	26,908,461	114,458,193	115,278,382
Total Expenditures	(5,253,287)	(10,698,058)	(19,690,246)	(26,124,532)	(112,836,701)	(117,525,554)
Other Financing Sources						
Transfers In	3,831,732	12,286,586	5,048,964	5,921,433	53,481,656	48,892,823
Transfers Out	(13,370)	(515,031)	(4,718,634)	(1,324,680)	(53,894,849)	(41,577,997)
Total Other Financing Sources/(Uses)	3,818,362	11,771,555	330,330	4,596,753	(413,193)	7,314,826
Net Changes in Fund Balance	180,161	1,782,135	2,282,912	5,380,682	1,208,299	5,067,654
Fund balance-Beginning of year	5,415,034	3,632,899	25,868,736	20,154,054	93,346,144	88,278,490
Restatements of fund balance	-	-	(1,356,309)	334,000	(391,243)	-
Fund balance-Beginning of year, restated	5,415,034	3,632,899	24,512,427	20,488,054	92,954,901	88,278,490
Fund balance-End of year	\$ 5,595,195	5,415,034	26,795,339	25,868,736	94,163,200	93,346,144

**Proprietary Funds**

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Proprietary funds are business-type funds, which include Water and Wastewater Systems, and the County's Public Housing Authority. The County's Internal Service Fund is also included as a proprietary fund; however it is considered part of governmental activities for the government-wide financial statements.

Total net assets of proprietary funds at the end of the year amounted to \$49,673,150.

Other factors concerning the finances of these funds have been addressed in the discussion of the County's business-type activities and capital assets.

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010**

Dona Ana County  
Condensed Balance Sheet of Proprietary Funds  
For The Years Ended June 30, 2010 and 2009

	2010	2009	2010	2009	2010	2009	2010	2009
	Border	Border	Border	Border	NMED	NMED	South	South
	Wastewater	Wastewater	Water	Water	County	County	Central	Central
			System	System	Utilities	Utilities	Wastewater	Wastewater
Total Operating Revenues	\$ 94,467	81,590	161,383	276,376	289,884	-	655,038	720,247
Total Operating Expenditures	(153,172)	(160,081)	(211,788)	(252,446)	(129,959)	(153,686)	(1,479,951)	(1,381,093)
Net Income From Operations	(58,705)	(78,491)	(50,405)	23,930	159,925	(153,686)	(824,913)	(660,846)
Non-Operating Revenue (Expenses)	(79,574)	802,069	7,724	8,268	(87,573)	(262,183)	(423)	(502)
Net Income	(138,279)	723,578	(42,681)	32,198	72,352	(415,869)	(825,336)	(661,348)
Net Transfers in/(out)	13,370	(6,904,015)	-	-	66,900	78,469	112,775	112,891
Change in Net Assets	(124,909)	(6,180,437)	(42,681)	32,198	139,252	(337,400)	(712,561)	(548,457)
Net Assets-Beginning of year	656,183	6,836,620	9,949,317	9,917,119	1,733,534	1,789,417	21,993,977	26,593,699
Restatements of net assets	-	-	-	-	(219,515)	281,517	278,249	(4,051,265)
Net Assets-Beginning of year, restated	656,183	6,836,620	9,949,317	9,917,119	1,514,019	2,070,934	22,272,226	22,542,434
Net Assets-End of year	\$ 531,274	656,183	9,906,636	9,949,317	1,653,271	1,733,534	21,559,665	21,993,977

  

	2010	2009	2010	2009	2010	2009
	Nonmajor	Nonmajor	Total	Total	Internal	Internal
	Enterprise	Enterprise	Enterprise	Enterprise	Service	Service
	Funds	Funds	Funds	Funds	Fund	Fund
Total Operating Revenues	\$ 747,837	476,595	1,948,609	1,554,808	1,800,443	2,499,316
Total Operating Expenditures	(3,567,013)	(850,573)	(5,541,883)	(2,797,879)	(2,145,211)	(2,789,676)
Net Income From Operations	(2,819,176)	(373,978)	(3,593,274)	(1,243,071)	(344,768)	(290,360)
Non-Operating Revenue (Expenses)	2,785,666	463,665	2,625,820	1,011,317	-	-
Net Income	(33,510)	89,687	(967,454)	(231,754)	(344,768)	(290,360)
Net Transfers in/(out)	(29,853)	32,951	163,192	(6,679,704)	250,000	250,000
Change in Net Assets	(63,363)	122,638	(804,262)	(6,911,458)	(94,768)	(40,360)
Net Assets-Beginning of year	15,839,430	15,718,312	50,172,441	60,855,167	732,164	629,412
Restatements of net assets	(387,003)	(1,520)	(328,269)	(3,771,268)	(4,156)	143,112
Net Assets-Beginning of year, restated	15,452,427	15,716,792	49,844,172	57,083,899	728,008	772,524
Net Assets-End of year	\$ 15,389,064	15,839,430	49,039,910	50,172,441	633,240	732,164

**GENERAL FUND BUDGETARY ANALYSIS**

- The General Fund revenue budget increased \$2,817,636 from \$70,237,568 to a final budget of \$73,055,204. With the economic pain felt across the county, the PILT (payment-in-lieu-of-taxes) program assisted local communities by distributing larger payments that reflect the results of annual inflationary adjustments to the per acre and population variables used in the formula to compute payment amounts. In addition, intergovernmental grant revenue increased due to the County's acceptance of a sub-grant agreement from the New Mexico Department of Homeland Security and Emergency Management.
- The County's General Fund actual revenues at fiscal year-end totaled \$70,860,042 versus a budget of \$73,055,204 for a shortfall of \$2,195,162. The County experienced a significant decrease in intergovernmental grant revenues as well as a decrease in charges for services.
- The General Fund expenditure budget increased approximately \$1,683,134 from \$79,461,226 to a final budget of \$81,144,360. This increase was due primarily to the County's acceptance of a sub-grant agreement from the New Mexico Department of Homeland Security and Emergency Management as well as an increase for contractual services to enhance detention center operations for the care of inmates who suffer from acute mental disabilities.

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010**

- The County's General Fund expenditure budget at fiscal year-end totaled \$81,144,360 while actual expenditures totaled \$71,224,550, or \$9,919,810 under budget. Due to the economic downturn, the County was forced to implement a freeze on filling vacant positions, limit travel for continuing education and cut back on capital purchases.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

Construction was completed on the Septage Facilities Project and the Casas del Quinto Sol project. The costs were transferred from the Business Type Construction-In-Progress account to the Infrastructure capital asset account in fiscal year 2010.

Construction was completed on the Chaparral Wastewater project, the Del Cerro Community Center project, Delores Wright Park, the Dona Ana Boxing Club, and various road projects. The costs were transferred from the Governmental Type Construction-In-Progress account to the Infrastructure account in fiscal year 2010.

Major capital asset events during fiscal year 2010 included:

- Reclassification of the Chaparral Wastewater Project from Construction-In-Progress to Infrastructure.
- Reclassification of Dona Ana County road projects donated or from Construction-In-Progress to Infrastructure.
- Continued construction on the County's Utility and Road projects

**Long-Term Debt**

The County's outstanding notes and bonded debt decreased by \$2,838,264 or 5.2% during the fiscal year 2010. Notes payable increased 2.6%; this increase is due to the addition of two promissory notes entered into by the Dona Ana County Housing Authority and the New Mexico Finance Authority. Bonded debt decreased by \$2,990,000 or 6.2% during the fiscal year.

At the end of fiscal year 2010, the County had total long-term debt outstanding to various agencies of \$51,237,008 or a 6.8% (\$3,735,809) decrease from the prior fiscal year.

Dona Ana County  
Condensed Schedule of Outstanding Debt  
As of June 30, 2010 and 2009

	Governmental Activities		Business-Type Activities		Total Activity	
	2010	2009	2010	2009	2010	2009
Revenue Bonds	\$ 30,280,000	32,450,000	6,665,000	6,665,000	36,945,000	39,115,000
Special Assessment Bonds	6,160,000	6,490,000	-	-	6,160,000	6,490,000
General Obligation Bonds	2,085,000	2,575,000	-	-	2,085,000	2,575,000
Notes Payable	990,026	1,155,258	5,056,982	4,740,014	6,047,008	5,895,272
Capital Leases	-	897,545	-	-	-	897,545
Total Outstanding Debt	\$ 39,515,026	43,567,803	11,721,982	11,405,014	51,237,008	54,972,817

Additional information on the County's debt can be found in Note 6 beginning on page 48 of this report.

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
MANAGEMENT DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2010**

**Economic Outlook**

The County was slower to enter a recession than most parts of the country. Some states entered recession in late 2007 and others throughout 2008. According to Moody's Economy, the State of New Mexico was slow to feel the impact of the national downturn and Dona Ana County did not enter recession until Spring of 2009. Moody's Economy reported that the County moved from recession to recovery in November 2009. Single family housing starts began to show positive growth again in the fall of 2009 and employment figures showed positive growth beginning in June 2010.

Property taxes, a major revenue for the County, have continued to experience growth, though at a slower rate than in recent years. Assessed value grew a little over 4% from 2009 to 2010. Gross Receipts Taxes have started to show recovery and grew 1.7% in the last quarter of the fiscal year over the same period in the prior year.

**REQUEST FOR INFORMATION**

The financial report is designed to present users with a general overview of the County's finances and to demonstrate the County's accountability. If you have questions concerning any of the information provided in this report or need additional information, contact the County's Financial Services Director, 845 N Motel Blvd., Las Cruces, New Mexico, 88007.

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF NET ASSETS  
AS OF JUNE 30, 2010**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 33,134,077	5,339,479	38,473,556
Investments	54,280,568	51,507	54,332,075
Receivables, net	3,040,007	400,000	3,440,007
Taxes receivables	8,045,073	-	8,045,073
Intergovernmental receivables	5,503,873	-	5,503,873
Other receivables	199,415	95,936	295,351
Inventory and prepaid expenses	89,027	-	89,027
Other assets	-	17,450	17,450
Total current assets	<u>104,292,040</u>	<u>5,904,372</u>	<u>110,196,412</u>
Non-current assets:			
Restricted cash and cash equivalents	-	1,184,332	1,184,332
Land and construction in progress	18,524,487	8,848,297	27,372,784
Other capital assets, net of accumulated depreciation	176,539,934	47,164,672	223,704,606
Total non-current assets	<u>195,064,421</u>	<u>57,197,301</u>	<u>252,261,722</u>
Total assets	<u>\$ 299,356,461</u>	<u>63,101,673</u>	<u>362,458,134</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	\$ 1,147,722	50,204	1,197,926
Accrued payroll liabilities	1,117,263	839	1,118,102
Accrued interest payable	439,484	64,574	504,058
Bonds and notes payable	3,291,235	711,036	4,002,271
Deposits	-	1,239	1,239
Compensated absences	2,649,713	51,399	2,701,112
Deferred revenue	3,470,306	2,123,931	5,594,237
Other liabilities	69,454	16,754	86,208
Total current liabilities	<u>12,185,177</u>	<u>3,019,976</u>	<u>15,205,153</u>
Long-term liabilities:			
Compensated absences - long-term portion	1,589,828	30,840	1,620,668
Bonds and notes payable - long-term portion	36,223,791	11,010,946	47,234,737
Total long-term liabilities	<u>37,813,619</u>	<u>11,041,786</u>	<u>48,855,405</u>
Total liabilities	<u>49,998,796</u>	<u>14,061,762</u>	<u>64,060,558</u>
<b>Net assets</b>			
Invested in capital assets, net of related debt	155,549,395	44,290,987	199,840,382
Restricted for:			
Other purposes	-	1,201,782	1,201,782
Unrestricted	93,808,270	3,547,142	97,355,412
Total net assets	<u>249,357,665</u>	<u>49,039,911</u>	<u>298,397,576</u>
Total liabilities and net assets	<u>\$ 299,356,461</u>	<u>63,101,673</u>	<u>362,458,134</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2010**

Functions/Program	Expenses	Program Revenues			Net (Expenses, Revenues, and Changes in Net Assets)		
		Charges for services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
<b>Primary government</b>							
<b>Governmental Activities:</b>							
General government	\$ 27,096,161	4,726,218	-	-	(22,369,943)	-	(22,369,943)
Public safety	48,468,172	9,861,862	6,456,710	1,614,833	(30,534,767)	-	(30,534,767)
Public works	21,477,074	1,915,408	562,071	8,755,904	(10,243,691)	-	(10,243,691)
Health and welfare	17,308,464	-	9,526,443	1,929,634	(5,852,387)	-	(5,852,387)
Cultural and recreation	165,338	-	-	-	(165,338)	-	(165,338)
Debt service interest	2,264,423	-	-	-	(2,264,423)	-	(2,264,423)
Fiscal agent's fees	30,580	-	-	-	(30,580)	-	(30,580)
Total governmental activities	<u>116,810,212</u>	<u>16,503,488</u>	<u>16,545,224</u>	<u>12,300,371</u>	<u>(71,461,129)</u>	<u>-</u>	<u>(71,461,129)</u>
<b>Business-Type Activities:</b>							
Wastewater services	2,585,904	1,112,811	-	-	-	(1,473,093)	(1,473,093)
Water services	211,788	161,383	-	-	-	(50,405)	(50,405)
Other utility services	228,769	-	-	-	-	(228,769)	(228,769)
Public housing assistance	2,730,008	13,441	2,715,455	38,484	-	37,372	37,372
Total Business-type activities	<u>5,756,469</u>	<u>1,287,635</u>	<u>2,715,455</u>	<u>38,484</u>	<u>-</u>	<u>(1,714,895)</u>	<u>(1,714,895)</u>
Total primary government	<u>\$ 122,566,681</u>	<u>17,791,123</u>	<u>19,260,679</u>	<u>12,338,855</u>	<u>(71,461,129)</u>	<u>(1,714,895)</u>	<u>(73,176,024)</u>
<b>General Revenues:</b>							
<b>Taxes:</b>							
Property taxes, levied for general purposes				\$ 34,034,639	-		34,034,639
State shared taxes and fees				31,662,799	-		31,662,799
Payments in lieu of taxes				3,714,366	-		3,714,366
License and permits				337,627	-		337,627
Penalties and Interest				1,120,918	-		1,120,918
Miscellaneous				1,400,123	660,974		2,061,097
Gain/loss on disposition of capital assets				-	45,604		45,604
Investment earnings				1,392,986	40,864		1,433,850
Operating transfers, net				(163,192)	163,192		-
Total general revenues and transfers				<u>73,500,266</u>	<u>910,634</u>		<u>74,410,900</u>
Change in net assets				2,039,137	(804,261)		1,234,876
Net Assets, beginning				245,243,974	50,172,441		295,416,415
Restatements				2,074,554	(328,269)		1,746,285
Net Assets, beginning restated				<u>247,318,528</u>	<u>49,844,172</u>		<u>297,162,700</u>
Net assets, ending				<u>\$ 249,357,665</u>	<u>49,039,911</u>		<u>298,397,576</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
GOVERNMENTAL FUNDS  
BALANCE SHEET  
AS OF JUNE 30, 2010**

	General Fund	Special Revenue Funds			Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
		Health Services (SLIAG)	Colonia's Initiative	State Appropriations			
<b>ASSETS</b>							
Cash and cash equivalents	\$ 3,267,390	5,258,434	-	-	4,780	24,568,202	33,098,806
Investments	48,280,568	-	-	-	6,000,000	-	54,280,568
Receivables, net	2,226,306	-	-	282,047	-	266,002	2,774,355
Taxes receivable	5,609,311	-	-	-	60,759	2,375,003	8,045,073
Intergovernmental receivables	438,873	91,580	1,809,101	2,176,838	-	987,481	5,503,873
Interest receivable	170,289	1,015	-	-	23,562	4,549	199,415
Due from other funds	4,085,770	-	-	-	-	343	4,086,113
Prepaid expenses & inventories	8,668	-	-	-	-	-	8,668
Total assets	\$ 64,087,175	5,351,029	1,809,101	2,458,885	6,089,101	28,201,580	107,996,871
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ 638,387	249,785	-	184,291	4,276	70,983	1,147,722
Accrued payroll liabilities	1,054,520	1,198	-	-	-	49,444	1,105,162
Accrued interest payable	297	-	-	-	433,866	5,321	439,484
Due to other funds	-	-	1,621,151	1,736,850	343	727,769	4,086,113
Deferred revenues	6,305,129	72,408	-	-	55,421	552,778	6,985,736
Other liabilities	69,508	-	-	-	-	(54)	69,454
Total Liabilities	8,067,841	323,391	1,621,151	1,921,141	493,906	1,406,241	13,833,671
<b>FUND BALANCES</b>							
Reserved for:							
Capital projects	-	-	-	-	-	387,695	387,695
Debt service	-	-	-	-	5,595,195	-	5,595,195
Other purposes	8,668	-	-	-	-	-	8,668
Unreserved designated for:							
Healthcare	22,611,370	-	-	-	-	-	22,611,370
Unreserved and Undesignated reported in:							
General fund	33,399,296	-	-	-	-	-	33,399,296
Special revenue funds	-	5,027,638	187,950	537,744	-	26,407,644	32,160,976
Total fund balances	56,019,334	5,027,638	187,950	537,744	5,595,195	26,795,339	94,163,200
Total liabilities and fund balances	\$ 64,087,175	5,351,029	1,809,101	2,458,885	6,089,101	28,201,580	107,996,871

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE  
TO STATEMENT OF NET ASSETS  
AS OF JUNE 30, 2010**

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

Total fund balance - total governmental funds	\$ 94,163,200
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet (less Internal Service Funds).	194,756,508
Internal service funds are used by management to charge the cost of certain activities, such as insurance and fleet management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the government-wide statement of net assets. Internal Service Fund balances not included in other reconciling items:	633,240
Long-term liabilities are not due and payable in the current period and, therefore, they are not reported in the governmental funds balance sheet:	
Bonds and notes payable	(36,223,791)
Compensated absences (less Internal Service Funds)	(1,573,383)
Other current liabilities (bonds payable) are not available to pay for current period expenditures and therefore are deferred in the funds:	
Bonds payable	(3,291,235)
Compensated absences (less Internal Service Funds)	(2,622,304)
In order to convert to the full accrual basis of accounting, it is necessary to recognize deferred revenue as revenue.	3,515,430
Net assets of governmental activities	\$ <u><u>249,357,665</u></u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Special Revenue Funds						
	General Fund	Health Services (SLIAG)	Colonia's Initiative	State Appropriations	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>							
Taxes:							
Property taxes	\$ 33,290,869	-	-	-	540,585	-	33,831,454
General sales and use taxes	14,612,154	2,161,103	-	-	-	14,800,844	31,574,101
Payment in lieu of tax	2,831,960	-	-	-	882,406	-	3,714,366
Penalties and interest	1,195,672	-	-	-	-	504	1,196,176
Licenses and permits	337,627	-	-	-	-	-	337,627
Intergovernmental revenue and grants	2,745,424	74,974	1,929,634	5,911,019	-	4,828,093	15,489,144
Charges for services	13,567,808	-	-	-	-	1,042,157	14,609,965
Contributions/donations private services	480	9,339,400	-	-	-	810	9,340,690
Investment earnings	837,388	79,056	-	-	192,095	284,441	1,392,980
Rents and royalties	309,672	-	-	-	-	6,700	316,372
Other revenue	1,796,297	159,664	-	20,078	-	679,279	2,655,318
Total revenues	<u>71,525,351</u>	<u>11,814,197</u>	<u>1,929,634</u>	<u>5,931,097</u>	<u>1,615,086</u>	<u>21,642,828</u>	<u>114,458,193</u>
<b>EXPENDITURES</b>							
Current:							
General government	21,797,483	-	-	-	-	-	21,797,483
Public safety	37,140,185	-	-	910,665	-	7,416,720	45,467,570
Public works	8,875,031	-	82,992	1,669,422	-	1,449,805	12,077,250
Health and welfare	451,027	9,219,228	-	-	-	7,205,849	16,876,104
Culture and recreation	104,825	-	-	-	-	-	104,825
Debt Service:							
Principal payments	41,912	-	-	-	2,990,000	123,320	3,155,232
Interest payments	9,120	-	-	-	2,232,707	22,596	2,264,423
Fiscal agent's fees	-	-	-	-	30,580	-	30,580
Capital Outlay:							
Capital Outlay	2,707,480	95,348	1,863,491	2,924,959	-	3,471,956	11,063,234
Total Expenditures	<u>\$ 71,127,063</u>	<u>9,314,576</u>	<u>1,946,483</u>	<u>5,505,046</u>	<u>5,253,287</u>	<u>19,690,246</u>	<u>112,836,701</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	General Fund	Special Revenue Funds			Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
		Health Services (SLIAG)	Colonia's Initiative	State Appropriations			
Excess (deficiency) of revenues over expenditures	\$ 398,288	2,499,621	(16,849)	426,051	(3,638,201)	1,952,582	1,621,492
<b>OTHER FINANCING SOURCES (USES)</b>							
Proceeds from issuance of long-term capital-related debt	-	-	-	-	-	-	-
Transfers in	44,525,960	-	-	75,000	3,831,732	5,048,964	53,481,656
Transfers out	(41,574,013)	(7,588,832)	-	-	(13,370)	(4,718,634)	(53,894,849)
Total other financing sources (uses)	<u>2,951,947</u>	<u>(7,588,832)</u>	<u>-</u>	<u>75,000</u>	<u>3,818,362</u>	<u>330,330</u>	<u>(413,193)</u>
Net change in fund balance	3,350,235	(5,089,211)	(16,849)	501,051	180,161	2,282,912	1,208,299
Fund balances-beginning of year	51,817,695	10,116,849	204,799	(76,969)	5,415,034	24,807,803	92,285,211
Restatements	851,404	-	-	113,662	-	(295,376)	669,690
Fund balances-beginning of year, as restated	<u>52,669,099</u>	<u>10,116,849</u>	<u>204,799</u>	<u>36,693</u>	<u>5,415,034</u>	<u>24,512,427</u>	<u>92,954,901</u>
Fund balances-end of the year	<u>\$ 56,019,334</u>	<u>5,027,638</u>	<u>187,950</u>	<u>537,744</u>	<u>5,595,195</u>	<u>26,795,339</u>	<u>94,163,200</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2010**

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

Net change in fund balance - total governmental funds	\$	1,208,299
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital expenditures recorded in capital outlay		11,063,234
Capital assets received as donations		2,537,278
Capital expenditures recorded in other expense lines		1,798,257

Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net assets, but they do not require the use of current financial resources. Therefore depreciation expense is not reported as expenditure in governmental funds.		(17,709,856)
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Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet management to individual funds. The net change of the internal service funds resulting from transactions not recorded with governmental funds.		(94,768)
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The issuance of long-term debt (e.g. bonds, notes, capital leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of premiums and similar items when debt is first issued, whereas the amounts are deferred and amortized in the statement of activities.

Increase in noncurrent and current accrued compensated absences		(135,163)
Principal payments on long-term debt payable		3,154,932

Other reclassifications are necessary to convert from the modified accrual basis of accounting to the accrual basis of accounting to show the revenue earned from the current year's tax levy.		216,924
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Change in net assets of governmental activities	\$	2,039,137
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**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ 45,797,814	47,047,814	47,437,824	390,010
Payment-in-Lieu-of-taxes	2,500,000	2,775,000	2,831,960	56,960
Licenses and permits	310,000	310,000	337,627	27,627
Intergovernmental revenue and grants	3,845,248	4,495,790	2,920,977	(1,574,813)
Charges for services	14,235,136	14,687,256	13,462,683	(1,224,573)
Investment earnings	505,120	664,274	704,613	40,339
Other revenue	3,044,250	3,075,070	3,164,358	89,288
Total revenues	<u>70,237,568</u>	<u>73,055,204</u>	<u>70,860,042</u>	<u>(2,195,162)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	43,779,161	43,081,886	40,046,732	3,035,154
Operating costs	31,943,840	34,040,257	28,426,497	5,613,760
Capital outlay	3,686,225	3,970,217	2,700,230	1,269,987
Debt Service:				
Principal payments	52,000	52,000	51,091	909
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>79,461,226</u>	<u>81,144,360</u>	<u>71,224,550</u>	<u>9,919,810</u>
Excess (deficiency) of revenues over (under) expenditures	(9,223,658)	(8,089,156)	(364,508)	(7,724,648)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	33,755,685	44,525,960	44,525,960	-
Transfers out	(35,122,923)	(41,574,013)	(41,574,013)	-
Total other financing sources (uses)	<u>(1,367,238)</u>	<u>2,951,947</u>	<u>2,951,947</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(10,590,896)	(5,137,209)	<u>2,587,439</u>	<u>(7,724,648)</u>
Budgeted cash carryover	<u>10,590,896</u>	<u>5,137,209</u>		
Total	<u>\$ -</u>	<u>-</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ 2,587,439
To adjust applicable revenue accruals and deferrals	665,308
To adjust applicable expenditure accruals	<u>97,488</u>
Change in net assets (GAAP basis)	<u>\$ 3,350,235</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
HEALTH SERVICES (SLIAG) - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ 1,846,712	1,846,712	2,161,103	314,391
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	573,738	573,738	55,802	(517,936)
Charges for services	-	-	-	-
Investment earnings	72,732	72,732	80,908	8,176
Other revenue	9,450,260	9,450,260	9,499,064	48,804
Total revenues	<u>11,943,442</u>	<u>11,943,442</u>	<u>11,796,877</u>	<u>(146,565)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	1,495,600	1,496,100	1,243,149	252,951
Operating costs	8,999,643	8,856,143	7,788,999	1,067,144
Capital outlay	25,000	168,000	95,348	72,652
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>10,520,243</u>	<u>10,520,243</u>	<u>9,127,496</u>	<u>1,392,747</u>
Excess (deficiency) of revenues over (under) expenditures	1,423,199	1,423,199	2,669,381	(1,246,182)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt				
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(4,357,898)	(7,588,832)	(7,588,832)	-
Total other financing sources (uses)	<u>(4,357,898)</u>	<u>(7,588,832)</u>	<u>(7,588,832)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(2,934,699)	(6,165,633)	<u>(4,919,451)</u>	<u>(1,246,182)</u>
Budgeted cash carryover	<u>2,934,699</u>	<u>6,165,633</u>		
Total	<u>\$ -</u>	<u>-</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ (4,919,451)
To adjust applicable revenue accruals and deferrals	17,319
To adjust applicable expenditure accruals	<u>(187,079)</u>
Change in net assets (GAAP basis)	<u>\$ (5,089,211)</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COLONIA'S INITIATIVE - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	2,434,023	2,434,023	1,313,232	(1,120,791)
Charges for services	-	-	-	-
Investment earnings	11,192	11,192	-	(11,192)
Other revenue	-	-	-	-
Total revenues	<u>2,445,215</u>	<u>2,445,215</u>	<u>1,313,232</u>	<u>(1,131,983)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	101,540	97,069	82,989	14,080
Capital outlay	2,332,483	2,336,954	2,031,777	305,177
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>2,434,023</u>	<u>2,434,023</u>	<u>2,114,766</u>	<u>319,257</u>
Excess (deficiency) of revenues over (under) expenditures	11,192	11,192	(801,534)	812,726
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	11,192	11,192	<u>(801,534)</u>	<u>812,726</u>
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	<u>\$ 11,192</u>	<u>11,192</u>		
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in net assets (Budget Basis)			\$ (801,534)	
To adjust applicable revenue accruals and deferrals			616,402	
To adjust applicable expenditure accruals			<u>168,283</u>	
Change in net assets (GAAP basis)			<u>\$ (16,849)</u>	

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
STATE APPROPRIATIONS - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	15,459,957	17,939,940	6,169,638	(11,770,302)
Charges for services	-	-	-	-
Investment earnings	2,991	2,991	-	(2,991)
Other revenue	-	20,017	20,078	61
Total revenues	<u>15,462,948</u>	<u>17,962,948</u>	<u>6,189,716</u>	<u>(11,773,232)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	6,277,094	8,783,284	2,877,463	5,905,821
Capital outlay	8,993,264	8,987,074	2,894,401	6,092,673
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>15,270,358</u>	<u>17,770,358</u>	<u>5,771,864</u>	<u>11,998,494</u>
Excess (deficiency) of revenues over (under) expenditures	192,590	192,590	417,852	(225,262)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt				
capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	75,000	75,000	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	192,590	267,590	<u>492,852</u>	<u>(225,262)</u>
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	\$ <u>192,590</u>	<u>267,590</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ 492,852
To adjust applicable revenue accruals and deferrals	(258,619)
To adjust applicable expenditure accruals	<u>266,818</u>
Change in net assets (GAAP basis)	<u>\$ 501,051</u>

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

**DONA ANA COUNTY  
PROPRIETARY FUNDS  
STATEMENTS OF NET ASSETS  
AS OF JUNE 30, 2010**

	Business-Type Activities Enterprise Funds			
	Border	Border	NMED	South
	Wastewater	Water System	County Utilities	Central Wastewater
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 946,641	563,786	1,965,449	415,843
Investments	-	-	-	-
Receivable, net	6,500	12,039	-	36,851
Interest receivables	6,806	109	187	73
Other receivables	-	-	-	-
Deposits	-	-	-	-
Inventory	-	-	-	-
Due from other funds	-	-	-	-
Total current assets	<u>959,947</u>	<u>575,934</u>	<u>1,965,636</u>	<u>452,767</u>
Non-current assets:				
Restricted cash and cash equivalents	-	-	-	-
Restricted cash held in investments	-	-	-	-
Capital assets, net	<u>6,757,750</u>	<u>9,958,613</u>	<u>2,056,564</u>	<u>23,408,726</u>
Total non-current assets	<u>6,757,750</u>	<u>9,958,613</u>	<u>2,056,564</u>	<u>23,408,726</u>
Total assets	<u>\$ 7,717,697</u>	<u>10,534,547</u>	<u>4,022,200</u>	<u>23,861,493</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	\$ -	-	-	2,572
Due to other funds	-	-	-	-
Bonds and notes payable	-	-	198,985	-
Accrued interest payable	25,529	-	9,238	13,233
Accrued payroll liabilities	-	282	-	326
Compensated absences	-	318	-	36,149
Other liabilities	694	2,850	-	7,115
Deposits	-	-	-	-
Deferred revenues	<u>495,200</u>	<u>624,270</u>	<u>1,004,461</u>	<u>-</u>
Total current liabilities	<u>521,423</u>	<u>627,720</u>	<u>1,212,684</u>	<u>59,395</u>
Non-current liabilities:				
Bonds and notes payable	6,665,000	-	1,156,245	2,220,742
Compensated absences	-	191	-	21,690
Total non-current liabilities	<u>6,665,000</u>	<u>191</u>	<u>1,156,245</u>	<u>2,242,432</u>
Total liabilities	<u>7,186,423</u>	<u>627,911</u>	<u>2,368,929</u>	<u>2,301,827</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	92,750	9,958,613	701,334	21,187,984
Restricted for:				
Customer Deposits	-	-	-	-
Other purposes	-	-	-	-
Unrestricted	<u>438,524</u>	<u>(51,977)</u>	<u>951,937</u>	<u>371,682</u>
Total net assets	<u>531,274</u>	<u>9,906,636</u>	<u>1,653,271</u>	<u>21,559,666</u>
Total liabilities and net assets	<u>\$ 7,717,697</u>	<u>10,534,547</u>	<u>4,022,200</u>	<u>23,861,493</u>

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

**DONA ANA COUNTY  
PROPRIETARY FUNDS  
STATEMENTS OF NET ASSETS  
AS OF JUNE 30, 2010**

	Business-Type Activities		Governmental Activities
	Total Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Fund Fleet
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 1,447,760	5,339,479	35,271
Investments	51,507	51,507	-
Receivable, net	344,610	400,000	265,652
Interest receivables	44	7,219	-
Other receivables	88,717	88,717	-
Deposits	17,450	17,450	-
Inventory and prepaids	-	-	80,359
Due from other funds	-	-	-
Total current assets	<u>1,950,088</u>	<u>5,904,372</u>	<u>381,282</u>
Non-current assets:			
Restricted cash and cash equivalents	1,184,332	1,184,332	-
Restricted cash held in investments	-	-	-
Capital assets, net	<u>13,831,316</u>	<u>56,012,969</u>	<u>307,913</u>
Total non-current assets	<u>15,015,648</u>	<u>57,197,301</u>	<u>307,913</u>
Total assets	<u>\$ 16,965,736</u>	<u>63,101,673</u>	<u>689,195</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 47,632	50,204	-
Due to other funds	-	-	-
Bonds and notes payable	512,051	711,036	-
Accrued interest payable	16,574	64,574	-
Accrued payroll liabilities	231	839	12,101
Compensated absences	14,932	51,399	27,409
Other liabilities	6,095	16,754	-
Deposits	1,239	1,239	-
Deferred revenues	-	2,123,931	-
Total current liabilities	<u>598,754</u>	<u>3,019,976</u>	<u>39,510</u>
Non-current liabilities:			
Bonds and notes payable	968,959	11,010,946	-
Compensated absences	8,959	30,840	16,445
Total non-current liabilities	<u>977,918</u>	<u>11,041,786</u>	<u>16,445</u>
Total liabilities	1,576,672	14,061,762	55,955
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	12,350,306	44,290,987	307,913
Restricted for:			
Customer Deposits	17,450	17,450	-
Other purposes	1,184,332	1,184,332	-
Unrestricted	<u>1,836,976</u>	<u>3,547,142</u>	<u>325,327</u>
Total net assets	<u>15,389,064</u>	<u>49,039,911</u>	<u>633,240</u>
Total liabilities and net assets	<u>\$ 16,965,736</u>	<u>63,101,673</u>	<u>689,195</u>

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

**DONA ANA COUNTY  
PROPRIETARY FUNDS  
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Business-Type Activities Enterprise Funds			
	Border Wastewater	Border Water System	NMED County Utilities	South Central Wastewater
<b>OPERATING REVENUES</b>				
Charges for services	\$ 1,300	2,205	-	41,610
Charges for water services	27,533	167,383	-	65,067
Charges for sewerage service	55,623	(8,205)	-	501,521
Rents and royalties	-	-	-	-
Other revenue	10,011	-	289,884	46,840
Total operating revenues	<u>94,467</u>	<u>161,383</u>	<u>289,884</u>	<u>655,038</u>
<b>OPERATING EXPENSES</b>				
Personnel services -salaries and wages	-	28,302	-	186,998
Personnel services -employee benefits	-	8,034	-	84,946
Purchased professional and technical services	9,783	63,732	-	9,715
Utilities	40,739	58,670	-	113,333
Other operating expenses	7,327	(74,859)	-	369,588
Depreciation	95,323	127,909	129,959	715,370
Total operating expenses	<u>153,172</u>	<u>211,788</u>	<u>129,959</u>	<u>1,479,950</u>
Operating income (loss)	(58,705)	(50,405)	159,925	(824,912)
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Gain (loss) on sale of property	-	-	-	-
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	7,674	7,724	11,237	5,363
Interest expense -non-operating	(87,248)	-	(98,810)	(5,786)
Total non-operating revenues (expenses)	<u>(79,574)</u>	<u>7,724</u>	<u>(87,573)</u>	<u>(423)</u>
Income (loss) before transfers	(138,279)	(42,681)	72,352	(825,335)
Transfers in	13,370	-	66,900	160,675
Capital transfer in	-	-	-	-
Capital transfer out	-	-	-	-
Transfers out	-	-	-	(47,900)
Total transfers in (out)	<u>13,370</u>	<u>-</u>	<u>66,900</u>	<u>112,775</u>
Change in net assets	(124,909)	(42,681)	139,252	(712,560)
Beginning net assets	656,183	9,949,317	1,733,534	21,993,977
Restatement	-	-	(219,515)	278,249
Beginning net assets-as restated	<u>656,183</u>	<u>9,949,317</u>	<u>1,514,019</u>	<u>22,272,226</u>
Net assets-end of the year	<u>\$ 531,274</u>	<u>9,906,636</u>	<u>1,653,271</u>	<u>21,559,666</u>

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

**DONA ANA COUNTY  
PROPRIETARY FUNDS  
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Business-Type Activities		Governmental
	Total Non-major	Total	Activities
	Enterprise Funds	Enterprise Funds	Internal Service Fund Fleet
<b>OPERATING REVENUES</b>			
Charges for services	\$ 59,124	104,239	1,800,443
Charges for water services	-	259,983	-
Charges for sewerage service	361,033	909,972	-
Rents and royalties	13,441	13,441	-
Other revenue	314,239	660,974	-
Total operating revenues	<u>747,837</u>	<u>1,948,609</u>	<u>1,800,443</u>
<b>OPERATING EXPENSES</b>			
Personnel services -salaries and wages	117,279	332,579	383,217
Personnel services -employee benefits	66,904	159,884	193,132
Purchased professional and technical services	234,576	317,806	-
Utilities	58,149	270,891	15,746
Other operating expenses	2,624,095	2,926,151	1,517,686
Depreciation	466,010	1,534,571	35,430
Total operating expenses	<u>3,567,013</u>	<u>5,541,882</u>	<u>2,145,211</u>
Operating income (loss)	(2,819,176)	(3,593,273)	(344,768)
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Gain (loss) on sale of property	45,604	45,604	-
Grants (not capital grants)	2,715,455	2,715,455	-
Grants -capital	38,484	38,484	-
Investment earnings	8,866	40,864	-
Interest expense -non-operating	(22,743)	(214,587)	-
Total non-operating revenues (expenses)	<u>2,785,666</u>	<u>2,625,820</u>	<u>-</u>
Income (loss) before transfers	(33,510)	(967,453)	(344,768)
Transfers in	-	240,945	250,000
Capital transfer in	-	-	-
Capital transfer out	-	-	-
Transfers out	(29,853)	(77,753)	-
Total transfers in (out)	<u>(29,853)</u>	<u>163,192</u>	<u>250,000</u>
Change in net assets	(63,363)	(804,261)	(94,768)
Beginning net assets	16,900,363	51,233,374	732,164
Restatement	(1,447,936)	(1,389,202)	(4,156)
Beginning net assets-as restated	<u>15,452,427</u>	<u>49,844,172</u>	<u>728,008</u>
Net assets-end of the year	<u>\$ 15,389,064</u>	<u>49,039,911</u>	<u>633,240</u>

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

**DONA ANA COUNTY  
PROPRIETARY FUNDS  
STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Business-Type Activities Enterprise Funds			
	Border Wastewater	Border Water System	NMED County Utilities	South Central Wastewater
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers	\$ 78,385	230,909	1,004,531	609,228
Payments to employees	-	(35,827)	-	(266,479)
Payments to suppliers	(104,129)	(133,831)	4,009	(444,426)
Other receipts/(payments)	10,011	-	289,884	46,840
<i>Net cash provided (used) by operating activities</i>	<u>(15,733)</u>	<u>61,251</u>	<u>1,298,424</u>	<u>(54,837)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>				
Intergovernmental HUD subsidy	-	-	-	-
Transfers from other funds	13,370	-	66,900	160,675
Operating subsidies and transfers to other funds	-	-	-	(47,900)
<i>Net cash provided by (used for) noncapital financing activities</i>	<u>13,370</u>	<u>-</u>	<u>66,900</u>	<u>112,775</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Capital contributions	-	-	-	-
Purchase of capital assets	(21,000)	(197,553)	-	(172,907)
Proceeds from sale of capital assets	-	-	-	-
Proceeds from issuance of debt	-	-	-	-
Principal payments	-	-	(195,083)	-
Interest payments	(87,248)	-	(98,810)	(5,786)
Due to HACLC	-	-	-	-
Grant revenue	-	-	-	-
Utility deposit	-	-	-	-
<i>Net cash provided by (used for) capital and related financing activities</i>	<u>(108,248)</u>	<u>(197,553)</u>	<u>(293,893)</u>	<u>(178,693)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Proceeds from sales and maturities of investments	-	-	-	-
Issuance of mortgages to homeowners	-	-	-	-
Repayment of mortgages received	-	-	-	-
Purchase of investments	-	-	-	-
Interest and dividends	7,681	7,722	11,248	5,368
<i>Net cash provided by (used for) investing activities</i>	<u>7,681</u>	<u>7,722</u>	<u>11,248</u>	<u>5,368</u>
Net increase/(decrease) in cash and cash equivalents	(102,930)	(128,580)	1,082,679	(115,387)
Balances - beginning of year	<u>1,049,571</u>	<u>692,366</u>	<u>882,770</u>	<u>531,230</u>
Balances - end of year	<u>\$ 946,641</u>	<u>563,786</u>	<u>1,965,449</u>	<u>415,843</u>

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

**DONA ANA COUNTY  
 PROPRIETARY FUNDS  
 STATEMENTS OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 2010**

	Business-Type Activities			
	Enterprise Funds			
	Border Wastewater	Border Water System	NMED County Utilities	South Central Wastewater
Reconciliation of operating income/(loss) to net cash provided/(used) by operating activities:				
Operating income/(loss)	\$ (58,705)	(50,405)	159,925	(824,912)
Adjustments:				
Depreciation expense	95,323	127,909	129,959	715,370
Bad debt expense	-	20	-	47,248
Change in assets and liabilities:				
Receivables	(6,071)	4,301	70	1,030
Due from other funds	-	-	-	-
Inventories and prepaid expenses	-	-	-	-
Deposits held for others	-	-	-	-
Accounts Payable	-	(86,517)	-	(6,108)
Accrued expenses and other liabilities	(46,280)	209	4,009	7,070
Compensated absences	-	509	-	5,465
Deposits	-	-	-	-
Deferred revenue	-	65,225	1,004,461	-
Due to other funds	-	-	-	-
Net cash provided by (used for) operating activities	<u>\$ (15,733)</u>	<u>61,251</u>	<u>1,298,424</u>	<u>(54,837)</u>

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

**DONA ANA COUNTY  
PROPRIETARY FUNDS  
STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Business-Type Activities		Governmental Activities
	Nonmajor Total	Total	Internal
	Enterprise Funds	Enterprise Funds	Service Fund Fleet
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers	\$ 491,880	2,414,933	1,534,791
Payments to employees	(173,061)	(475,367)	(583,171)
Payments to suppliers	(2,751,241)	(3,429,618)	(1,571,626)
Other receipts/(payments)	314,239	660,974	-
<i>Net cash provided (used) by operating activities</i>	<u>(2,118,183)</u>	<u>(829,078)</u>	<u>(620,006)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>			
Intergovernmental HUD subsidy	2,715,455	2,715,455	-
Transfers from other funds	-	240,945	250,000
Operating subsidies and transfers to other funds	<u>(29,853)</u>	<u>(77,753)</u>	<u>-</u>
<i>Net cash provided by (used for) noncapital financing activities</i>	<u>2,685,602</u>	<u>2,878,647</u>	<u>250,000</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Capital contributions	-	-	-
Purchase of capital assets	(38,297)	(429,757)	(154,051)
Proceeds from sale of capital assets	166,000	166,000	-
Proceeds from issuance of debt	608,964	608,964	-
Principal payments	(655,595)	(850,678)	-
Interest payments	(22,743)	(214,587)	-
Due to HACLC	-	-	-
Intergovernmental HUD subsidy	38,399	38,399	-
Utility deposit	-	-	-
<i>Net cash provided by (used for) capital and related financing activities</i>	<u>96,728</u>	<u>(681,659)</u>	<u>(154,051)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Proceeds from sales and maturities of investments	-	-	-
Issuance of mortgages to homeowners	(93,900)	(93,900)	-
Repayment of mortgages received	384	384	-
Purchase of investments	(645)	(645)	-
Interest and dividends	8,863	40,882	-
<i>Net cash provided by (used for) investing activities</i>	<u>(85,298)</u>	<u>(53,279)</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	578,849	1,314,631	(524,057)
Balances - beginning of year	<u>2,053,243</u>	<u>5,209,180</u>	<u>559,328</u>
Balances - end of year	<u>\$ 2,632,092</u>	<u>6,523,811</u>	<u>35,271</u>

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

**DONA ANA COUNTY  
 PROPRIETARY FUNDS  
 STATEMENTS OF CASH FLOWS  
 FOR THE YEAR ENDED JUNE 30, 2010**

	Business-Type Activities		Governmental
	Nonmajor Total	Total	Activities
	Enterprise	Enterprise	Internal
	Funds	Funds	Service Fund
			Fleet
Reconciliation of operating income/(loss) to net cash provided/(used) by operating activities:			
Operating income/(loss)	\$ (2,819,176)	(3,593,273)	(344,768)
Adjustments:			
Depreciation expense	466,010	1,534,571	35,430
Bad debt expense	37,773	85,041	-
Change in assets and liabilities:			
Receivables	58,282	57,612	(265,652)
Due from other funds	-	-	-
Inventories and prepaid expenses	184,599	184,599	8,518
Deposits held for others	-	-	-
Accounts Payable	(44,285)	(136,910)	(46,968)
Accrued expenses and other liabilities	(12,508)	(47,500)	256
Compensated absences	11,122	17,096	(6,822)
Deposits	-	-	-
Deferred revenue	-	1,069,686	-
Due to other funds	-	-	-
Net cash provided by (used for) operating activities	<u>\$ (2,118,183)</u>	<u>(829,078)</u>	<u>(620,006)</u>

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

**STATE OF NEW MEXICO**  
**DONA ANA COUNTY**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS**  
**FIDUCIARY FUNDS**  
**AS OF JUNE 30, 2010**

	Agency Funds
<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,427,697
Taxes receivable, net of allowance	6,721,696
Other receivables	63,784
<b>Total assets</b>	<b>\$ 8,213,177</b>
 <b>LIABILITIES</b>	
Accounts payable	\$ 973
Overpayments	1,715
Taxes paid in advance	191,777
Taxes in suspense -bankruptcies	246,117
Taxes in suspense -mortgages	-
Due to others	1,671,108
Notes payable	-
Deferred revenue	6,101,487
<b>Total Liabilities</b>	<b>\$ 8,213,177</b>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES**

**Description and Reporting Entity**

The function of Dona Ana County is briefly addressed in the grant of powers provided to all New Mexico counties pursuant to state statute 4-37-1 NMSA 1978. The function is "...to provide for the safety, preserve the health, promote the prosperity, and improve the morals, order, comfort, and convenience of the county or its inhabitants..." The County operates under a Commission form of government rule, which oversees:

- the assessment, collection, and distribution of ad valorem taxes by an elected assessor and treasurer;
- law enforcement by an elected sheriff;
- recording and filing by an elected county clerk and elected probate judge;
- fire protection by volunteer fire departments;
- road maintenance by an appointed road superintendent;
- purchasing by an appointed purchasing agent;
- indigent hospital care by an appointed indigent coordinator;
- administrative services by an appointed county manager; and,
- planning, health, welfare, recreation, and cultural affairs by appointed citizen advisory boards.

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The County's most significant accounting policies are described below.

*A. Reporting Entity*

The financial statements of the County encompass the activities of the County Commission, County Clerk, Tax Assessor, County Treasurer, Sheriff; and Probate Judge. The commission activity includes the function of the County Manager's office, the County Road Superintendent, the County Purchasing Agent, the Indigent Claims Coordinator, and the volunteer fire districts throughout the county.

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

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity. Based upon the

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

application of these criteria, the following is a brief review of each potential component unit addressed in defining the County's reporting entity.

The Housing Authority of Dona Ana County is determined to be a department of the County whose governing body is substantively the same as the Board of County Commissioners. Accordingly, the Housing Authority is reported as part of the primary government. A separate report is also issued by the Dona Ana County Public Housing Authority that describes their operations and activity in more detail. This report can be obtained by contacting the Housing Authority's administrative office by writing to Dona Ana County Public Housing Authority, 926 S San Pedro Street, Las Cruces, New Mexico, 88001-3637.

There were no other component units identified as needing to be disclosed or presented as part of the reporting entity.

*B. Basis of Presentation*

*Government-Wide Statements* – The Statement of Net Assets and the Statement of Activities display information about the government (the County). These statements include the financial activities of the overall government, except for fiduciary activities. The statements also distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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

*Fund Financial Statements* – The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category (governmental, proprietary, and fiduciary) are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

The County reports the *general fund* as a major governmental fund. This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

In addition, the County reports the following other major funds:

*Governmental funds*

- Special Revenue Fund - The *Health Services Fund* accounts for the activities of the County's indigent health care, which provides services to the residents of the County for local health services.
- Special Revenue Fund - The *Colonia's Initiative* fund accounts for the activities of the County to improve the quality of life for residents of the colonias of Dona Ana County. Colonias are defined as communities within 150 miles of the U.S./Mexico border that lack one or more of the following: potable water, centralized sewer system, safe, sanitary, and decent housing, and improved roads.
- Special Revenue Fund - The *State Appropriations* fund is used to account for various appropriations from the State Legislature for various projects.
- Debt Service Fund - The *Debt Service Fund* accounts for the County's accumulation of resources for, and the payment of governmental fund debt principal and interest.

*Proprietary funds*

- Enterprise Fund - The *Border Wastewater* fund accounts for wastewater system activities for residents in a portion of the southern part of the County.
- Enterprise Fund - The *Border Water* fund accounts for the service activities of this water system for residents in a portion of the southern part of the County.
- Enterprise Fund - The *NMED County Utilities* fund accounts for the service activities of the various County utility systems.
- Enterprise Fund - The *South Central Wastewater* fund accounts for the activities of the wastewater utility, which provides service to the residents in Vado/Del Cerro, Chamberino, Berino and south central areas of the County.

The County also reports the following fund types:

- *Internal Service Fund* accounts for fleet maintenance services provided to other departments of the government. Services are provided on a cost reimbursement basis.
- *Fiduciary Funds* account for monies held by the County in a custodial capacity. As a result, they do not report operations.

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

*C. Measurement Focus. Basis of Accounting*

*Government-Wide, Propriety, and Fiduciary Fund Financial Statements* – The government-wide, propriety, and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide and propriety fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are recognized as revenues in the year for which they are billed net of estimated refunds and uncollectible amounts.

Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

*Governmental Fund Financial Statements* – Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The County considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Revenue from derived taxes (sales taxes, gas taxes, and motor vehicle taxes) is recognized when the underlying transaction takes place (when the retail sale is generated). Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

All governmental and business-type activities of the County follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements. The County has also elected to apply FASB Statements and Interpretations issued after November 30, 1989, unless those pronouncements conflict with GASB pronouncements.

*D. Assets, Liabilities, and Equity*

Cash Equivalents

The County pools idle cash from all funds for the purpose of increasing income through investment activities. A "Pooled Cash" concept is used in maintaining the cash and investment accounts in the accounting records. Under this method, all cash is pooled for investment purposes and each fund has equity in the pooled amount. All amounts included in pooled cash and investments are considered to be cash equivalents for the purposes of the statement of cash flows, except for certificates of deposit or other investments that have original maturities of more than 90 days.

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Investments

The County's investments are regulated by state law as well as by guidelines and rules promulgated by the State Investment Council and the State Treasurer. All investments are generally highly liquid in nature and are integrated with cash on the financial statements with appropriate disclosure. Investments are stated at fair value, which is determined using selected bases. Certificates of deposit are reported at carrying amount, which reasonably estimates fair value. Investments in a U.S. Treasury Fund and repurchase agreements are valued at the last reported sales price at current exchange rates. Additional cash, investment information, and fair values are presented in Note 2.

The County also participates in the State Treasurer Local Government Investment Pool. State law and regulations regulate this pool. Investment in the pool is reported at carrying amount, which reasonably estimates fair value.

Receivables and Payables

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

Inventories and Prepaid Items

Inventories in governmental funds consist of expendable supplies held for consumption, and are valued at cost using a first-in, first-out (FIFO) method. Expendable supplies are accounted for using the consumption method. Proprietary fund inventories are recorded at the lower of cost or market on a first-in, first-out basis, and consist of operating supplies held for use in operations and are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Pursuant to the implementation of GASB Statement No. 34, the historical cost of infrastructure assets, (retroactive to 1979) are included as part of the governmental capital assets reported in the government wide statements. Information technology equipment including software is being capitalized and included in furniture, fixtures and equipment in accordance with NMAC 2.20.1.9 C (5). Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of

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the capitalized value of the assets constructed. The total interest expense capitalized by the County during the current fiscal year was \$0. No interest was included as part of the cost of capital assets under construction.

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

<u>Asset Type</u>	<u>Years</u>
Land	Perpetuity
Construction in progress	Perpetuity
Land Improvements	10 - 40
Buildings and Improvements	10 - 40
Furniture, fixtures, and equipment	3 - 10
Vehicles	5 - 10
Infrastructure	10 - 25

Deferred Revenue

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

The taxes receivable are an aggregate of uncollected amounts assessed for the current fiscal year, as well as delinquent balances carried forward from the nine preceding fiscal years. Except for taxes received in advance or under protest, tax revenue received is distributed within thirty days to other local governmental units and county funds. While some of the delinquent outstanding balances will eventually be eliminated through corrections, litigation, and other property tax administrative procedures, the majority of the balances will ultimately be realized through delinquent payment or tax sales. The aggregate amount of this ultimate realization is generally difficult to ascertain at any point in time. Thus, taxes not collected within sixty days official year end are carried in the liability section of the balance sheet as deferred revenue on the fund basis financial statements

Compensated Absences

Accrued annual leave, sick leave, and compensatory time are the components of accrued compensated absences. An employee may not carry over more than 288 hours of vacation leave into a new calendar year, nor receive payment for more than 288 hours upon separation. Under a human resources policy adopted November 27, 1999, employees retiring under PERA, with a minimum of 15 years of County service, shall be paid for accrued sick leave hours, limited to a maximum of 600 hours, subject to a maximum cash payment of \$15,000. In addition, such employees shall be compensated for any unused sick leave hours accrued as of November 27, 1999, at the employee's pay rate in effect on that date. Compensatory time is accrued in full for non-exempt employees under the Fair Labor Standards Act.

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Long-term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. For bonds issued after GASB 34 was implemented, bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. For fund financial reporting, bond premiums, discounts as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of the applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

Net Assets

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

Equity is classified as net assets and displayed in three components on the government-wide financial statements as well as the proprietary fund financial statements:

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

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

*D. Budgets and Budgetary Accounting*

The County adopts budgets for each individual fund (governmental and proprietary).

In late winter or early spring, the County prepares a budget calendar, thus starting the budgetary process for the upcoming July 1 fiscal year. Budget request forms are distributed to County departments and local service agencies with a specified completion date. Legally mandated advance notices are formally published for grant availability and other purposes once budget hearings have been scheduled. The budget hearings are then held with all County department heads and local service agency representatives. Generally, in late May or early June, a budget meeting is held for tentative approval of the completed budget. After tentative approval at the County level, the budget is submitted to the New Mexico Department of Finance and Administration (DFA) for approval of a temporary operational budget beginning July 1.

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Immediately after July 1, when ending cash balances for the preceding fiscal year have been accurately ascertained, a final hearing is convened for finalization of the budget, and it is resubmitted to DFA for formal approval. None of the above budgetary processes are legally required to occur at any specified time; however DFA requires that the time frame be such that they (DFA) render their final budget approval no later than September 1 of the budget year in question.

During the course of the fiscal year, the County prepares monthly budget reports. Under New Mexico State law, each year's budget appropriation legally lapses at year-end.

*Budgetary Compliance* – Budgetary control is required to be maintained at the individual fund level with the exception of the Housing Authority.

Actual fund revenues may be either over or under the budgeted amounts; however, the variance is required to be reasonable, particularly in the case of over-budgeted revenues. Major over-budgeted revenues require a budget amendment as soon as the extent of the shortage is reasonably ascertainable.

*Budget Amendments* – Budget increases and decreases can only be accomplished by Commission resolution, followed by DFA approval. Similarly, budget transfers must follow the same procedure.

*Budgetary Basis* – State law prescribes that the County's budget be prepared on the basis of cash receipts and cash expenditures. Therefore, budgetary comparisons shown in exhibits are prepared on a cash basis to compare actual revenues and expenditures with a cash basis budget as amended.

*Budget – Housing Authority* – The housing program budgets are established annually and approved by HUD (Housing and Urban Development). These housing budgets are used only as a guide. Should the housing programs incur expenditures over and above the original budgeted amount (predominantly housing assistance payments - section 8 program) additional funding will be requested and received from HUD. Therefore, the housing program budgets are a guide only and the grantor analyzes Housing Assistance Payments in relation to administrative costs to determine if additional funding is warranted.

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

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) a reconciliation of resultant basis, perspective, equity and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2010 is presented. Reconciliations between the Non-GAAP budgetary basis amounts and the financial statements on the GAAP basis by fund can be found on each individual budgetary statement.

*E. Income Taxes*

As a local government entity, the County is not subject to federal or state income taxes.

*F. Interfund Activity*

Interfund activity is reported as loans, services provided, reimbursements, or transfers.

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

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

**NOTE 2 – CASH AND INVESTMENTS**

The County's cash balances consist of demand deposits, interest bearing savings accounts, money market accounts and repurchase agreements. The repurchase agreements have varying interest rates and maturity dates. The majority of County's cash and investments are pooled. All interest income is accounted for in the related funds.

The County's investments consist of certificates of deposit, US government agency securities and investments in the NM State Treasurer's LGIP fund.

The County's cash and cash equivalents and investments are listed on pages 136-137 of this report.

The following is a summary of the County's cash and investment balances by fund type as of June 30, 2010:

<u>Fund Type</u>	<u>Amount</u>
Cash and equivalents	
Governmental funds	\$ 33,098,806
Internal service fund	35,271
Total governmental activities	<u>33,134,077</u>
Business-type activities	6,523,811
Fiduciary funds	1,427,697
Subtotal cash and cash equivalents	<u>41,085,585</u>
Investments	
Governmental funds	54,280,568
Internal service fund	-
Total governmental activities	<u>54,280,568</u>
Business-type activities	51,507
Fiduciary funds	-
Subtotal investments	<u>54,332,075</u>
Total cash and investments	<u>\$ 95,417,660</u>

State regulations require that uninsured demand deposits and deposit-type investments such as certificates of deposit be collateralized by the depository thrift or banking institution. At present, state statutes require that a minimum of fifty percent of uninsured balances on deposit with anyone institution must be collateralized, with higher requirements up to 100% for financially troubled institutions. Investments in repurchase agreements must be collateralized at 102% of the contract. In addition, some bond covenants require debt service reserve amounts to be collateralized at 105%. The County's Schedule of Collateral is presented on pages 138-139 of this report.

The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, County, or political subdivision of the State of New Mexico.

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As of June 30, 2010, certain amounts of the County's cash and investments were held in trust and directed by others as part of its debt service requirements. These amounts were as follows:

	<u>Cost</u>	<u>Market</u>	<u>Risk Rating</u>
Directed by NMFA			
Bank of Albuquerque:			
PILT 2004 Debt Service	\$ 2	2	Aaa
PILT 2004 Debt Service Reserve	986,812	986,812	Aaa
	<u>986,814</u>	<u>986,814</u>	
Bank of NY Mellon Trust:			
NMFA Reserve Account-Flood	\$ 174,659	174,659	N/A
Directed by third-party agent			
US Bank:			
First Union Combined Fds	\$ 2,412,000	2,412,000	Aaa
First American Treasury Obligation	34,618	34,618	Aaa
First American Treasury Obligation	128,504	128,504	Aaa
First American Treasury Obligation	72,863	72,863	Aaa
First American Treasury Obligation	196,138	196,138	Aaa
First American Treasury Obligation	8,517	8,517	Aaa
First American Treasury Obligation	21,379	21,379	Aaa
FGIC Capital Market Services			
Dated 2/16/2001 5.650%	221,500	221,500	Aaa
FGTC Capital Market Services			
Dated 2/16/2001 5.650%	556,000	556,000	Aaa
	<u>\$ 3,651,519</u>	<u>3,095,519</u>	

A summary of the County's investments as of June 30, 2010 is as follows:

<u>Investment Type</u>	<u>Cost Basis</u>	<u>Market Value</u>	<u>Credit Risk- Rating</u>	<u>Weighted Average Maturity Days</u>
U.S. Government Agencies	\$ 39,202,185	39,419,181	NR	N/A
Reserve Contingency Fund **	281,224	246,387	NR	◆
CD's	8,001,507	8,001,507	NR	228
DAC Water System Bonds	6,665,000	6,665,000	NR	N/A
	<u>\$ 54,149,916</u>	<u>54,332,075</u>		

\*\*The County's investment in Statement Investment Pool was not rated, although the securities within the pool are rated.

- a. The investments are valued at fair value based on quoted market prices as of the valuation date;
- b. The State Treasurer Local Government Investment Pool is not SEC registered. The State Treasurer is authorized to invest the short-term investment funds with the advice and consent of the State Board of Finance in accordance with Sections 6-10-10 I through 6-10-10 P and Sections 6-10-10 1A and E, NMSA 1978

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- c. The pool does not have unit shares. Per Section 6-10-10 1F, NMSA 1978, at the end of each month all interest earned is distributed by the State Treasurer to the contributing entities in amounts directly proportionate to the respective amounts deposited in the fund and the length of time the amounts fund were invested; and
- d. Participation in the local government investment pool is voluntary.

◆ The Reserve Contingency Fund was established from the State Investment Pool LGIP's remaining position in the Reserve Primary Fund. The Reserve Contingency Fund, which is not rated, is a non-performing asset and, as such, a WAM cannot be calculated. The remaining balance of the fund has been written down based on the estimated recoverable amount.

*Custodial Credit Risk Deposits* - Custodial credit risk is the risk that in the event of a bank failure, the County funds may not be returned. The County is required to obtain from each bank that is a deposit only for public funds pledged collateral in an aggregate amount equal to 50% of the public money in each account. The pledged securities must be in the name of the governmental entity and held by the entity or its agent. As of June 30, 2010, the County's bank and investment balances of \$99,054,841 were exposed to custodial credit risk as follows:

Uninsured, collateralized with securities held by pledging financial institution's trust department or agent in the County's name.	\$ 33,207,065
Uninsured and uncollateralized	<u>4,447,655</u>
Total deposits	\$ <u><u>37,654,720</u></u>

*Custodial Credit Risk Investments* - Custodial Credit Risk is the risk that, in the event of failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's investments are not exposed to custodial credit risk. All are fully collateralized and the collateral is held in the County's name.

*Concentration of Credit Risk* - Concentration of credit risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer. The County's investments are diversified to avoid including concentration of credit risk. With the exception of authorized pools, no more than 50% of the total investment portfolio is in one single security type or financial institution.

*Credit Risk* - The County'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 US Government securities which are backed by the full faith and credit of the U.S. Government. Negotiable securities of the State of New Mexico or any county, municipality, or school district with the advice and consent of the Board of Finance per 6-10-44 NMSA 1978, 6-10-10 NMSA 1978, 6-10-10 NMSA 1978.

*Interest Rate Risk* - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of the County investments. The County's investment policy follows New Mexico State Statute Section 6-10-36E (NMSA, 1978 Comp) requiring the interest rate on time deposits shall not be less than the rated fixed by the State Board of Finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States Treasury bills of the same maturity on the day of deposit.

*Foreign Currency Risk - Deposits and Investments* - The County is not exposed to the risk that changes in exchange rates will adversely affect the fair value of an investment as none of the investments pools nor certificates of deposit are dominated in a foreign currency.

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**NOTE 3 – RECEIVABLES**

Receivables at year-end of the County’s major individual funds and nonmajor and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

Governmental Activities						
	General Fund	Health Services	Colonia's Initiative	State Appropriations		
Accounts	\$ 2,427,797	-	-	282,047		
Taxes:						
Property	3,630,303	-	-	-		
State	1,979,008	-	-	-		
Other intergovernmental	438,873	91,580	1,809,101	2,176,838		
Interest	170,289	1,015	-	-		
Subtotal	<u>8,646,270</u>	<u>92,595</u>	<u>1,809,101</u>	<u>2,458,885</u>		
Less: Allowance for uncollectibles	(201,491)	-	-	-		
Net Receivables	<u>\$ 8,444,779</u>	<u>92,595</u>	<u>1,809,101</u>	<u>2,458,885</u>		
	Debt Service	Nonmajor Funds	Internal Service Fund	Total Receivables		
Accounts	\$ -	269,791	265,652	3,245,287		
Taxes:						
Property	61,684	246,614	-	3,938,601		
State	-	2,132,089	-	4,111,097		
Other intergovernmental	-	987,481	-	5,503,873		
Interest	23,562	4,549	-	199,415		
Subtotal	<u>85,246</u>	<u>3,640,524</u>	<u>265,652</u>	<u>16,998,273</u>		
Less: Allowance for uncollectibles	(925)	(7,489)	-	(209,905)		
Net Receivables	<u>\$ 84,321</u>	<u>3,633,035</u>	<u>265,652</u>	<u>16,788,368</u>		
Business-type Activities						
	Border Wastewater	Border Water System	NMED County Utilities	South Central Wastewater	Nonmajor Enterprise Funds	Total Receivables
Accounts	\$ 6,500	13,198	-	178,239	526,542	724,479
Interest	6,806	109	187	73	44	7,219
Other	-	-	-	-	218,584	218,584
Subtotal	<u>13,306</u>	<u>13,307</u>	<u>187</u>	<u>178,312</u>	<u>745,170</u>	<u>950,282</u>
Less: Allowance for uncollectibles	-	(1,159)	-	(141,388)	(311,799)	(454,346)
Net Receivables	<u>\$ 13,306</u>	<u>12,148</u>	<u>187</u>	<u>36,924</u>	<u>433,371</u>	<u>495,936</u>

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**NOTE 4 – PROPERTY TAXES**

Property taxes attach as an unsubordinated enforceable lien on property as of January 1 of the assessment year. Current year taxes are levied within five days of the rate setting order received from New Mexico Department of Finance and Administration (7-38-32 thru 7-38-36). Tax bills are mailed by November 1, unless the Dona Ana County Assessor obtains a formal extension of time from the New Mexico Property Tax Division. Taxpayers have the option to pay in two equal installments due by the close of business November 10<sup>th</sup> and April 10<sup>th</sup>. Penalty and interest will be accrued after the delinquency due dates of December 10<sup>th</sup> and May 10<sup>th</sup>. In the event of a formal extension, the respective dates are correspondingly extended.

The County bills and collects its own taxes, as well as taxes for the State of New Mexico, city governments (Las Cruces, Hatch, Mesilla and Sunland Park), Doña Ana Branch Community College, Public School Districts (Las Cruces, Hatch and Gadsden) and Flood Districts (Lower Rio Grande and Hueco). In tax year 2010, the County charged the following mil rates:

<u>Tax District</u>	<u>Residential</u>	<u>Non-residential</u>
02 (Las Cruces-In)	0.027868	0.032666
03 (Las Cruces-Out)	0.022812	0.026645
04 Mesilla	0.023508	0.028724
11 (Hatch-In)	0.030571	0.033945
12 (Hatch-Out)	0.025791	0.029642
16 (Sunland Park-In)	0.032465	0.037258
17 Unincorporated (Anthony/Chaparral)	0.029644	0.033483
18 Incorporated (Anthony)	0.029644	0.033483

The County's share of the property taxes equal approximately 33.9% of the total and is used for general governmental services and retirement of long term debt. The statutory maximum rate for servicing long-term debt with property tax revenue is unlimited, although the total amount of outstanding debt at any one time is restricted by other factors.

The County is required to report all real property delinquencies in excess of three years to the New Mexico Property Tax Division. The State, in turn administers all subsequent collection actions and proceedings.

**NOTE 5 – CAPITAL ASSETS**

A summary of capital assets and changes occurring during the year ended June 30, 2010 follows. Land and construction in progress are not subject to depreciation.

Beginning balances of the governmental activities capital assets were increased by \$189,290 to account for assets related to the County's internal service fund. Similarly, business-type assets were decreased by a like amount. Prior to this year, all assets and liabilities related to internal service funds were included as business-type activities and an internal balance line was reflected on the government-wide financial statements to "transfer" these amounts over to governmental activities from business-type activities.

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<b>GOVERNMENTAL ACTIVITIES</b> <i>includes Internal Service Funds</i>	Balance 06/30/09	Additions	Deletions	Adjustments	Balance 06/30/10
<b>Capital assets not being depreciated:</b>					
Land	\$ 7,595,544	66,496	-	-	7,662,040
Construction in progress	15,879,143	8,420,422	-	(13,437,118)	10,862,447
<b>Total capital assets not being depreciated</b>	<b>23,474,687</b>	<b>8,486,918</b>	<b>-</b>	<b>(13,437,118)</b>	<b>18,524,487</b>
<b>Capital assets being depreciated:</b>					
Land improvements	5,916,786	-	-	893,423	6,810,209
Buildings and improvements	76,164,734	302,996	-	1,532,583	78,000,313
Furniture, fixtures, & equipment	18,852,855	1,461,171	(105,892)	36,699	20,244,833
Vehicles	17,616,135	2,764,457	(271,776)	(3,828)	20,104,988
Infrastructure	255,421,578	2,537,278	-	10,994,507	268,953,363
<b>Total capital assets being depreciated</b>	<b>373,972,088</b>	<b>7,065,902</b>	<b>(377,668)</b>	<b>13,453,384</b>	<b>394,113,706</b>
<b>Less accumulated depreciation for:</b>					
Land improvements	(3,171,339)	(605,009)	-	171,012	(3,605,336)
Buildings and improvements	(22,597,936)	(3,115,764)	-	645,809	(25,067,891)
Furniture, fixtures, & equipment	(13,422,096)	(2,074,909)	105,892	32,094	(15,359,019)
Vehicles	(9,275,798)	(2,108,877)	271,776	88,165	(11,024,734)
Infrastructure	(153,295,127)	(9,840,727)	-	619,062	(162,516,792)
<b>Total accumulated depreciation</b>	<b>(201,762,296)</b>	<b>(17,745,286)</b>	<b>377,668</b>	<b>1,556,142</b>	<b>(217,573,772)</b>
<b>Total capital assets being depreciated</b>	<b>172,209,792</b>	<b>(10,679,384)</b>	<b>-</b>	<b>15,009,526</b>	<b>176,539,934</b>
<b>Total capital assets, net of depreciation</b>	<b>\$ 195,684,479</b>	<b>(2,192,466)</b>	<b>-</b>	<b>1,572,408</b>	<b>195,064,421</b>
<b>BUSINESS-TYPE ACTIVITIES</b>					
	Balance 06/30/09	Additions	Deletions	Adjustments	Balance 06/30/10
<b>Capital assets not being depreciated:</b>					
Land	\$ 7,296,201	-	(53,159)	-	7,243,042
Construction in progress	3,136,834	259,077	-	(1,800,656)	1,595,255
<b>Total capital assets not being depreciated</b>	<b>10,433,035</b>	<b>259,077</b>	<b>(53,159)</b>	<b>(1,800,656)</b>	<b>8,838,297</b>
<b>Capital assets being depreciated:</b>					
Land improvements	13,419	11,601	(3,535)	-	21,485
Buildings and improvements	482,002	19,391	(121,462)	-	379,931
Furniture, fixtures, & equipment	96,517	31,967	-	-	128,484
Vehicles	248,599	107,723	-	-	356,322
Infrastructure	54,569,210	-	(4,106)	962,874	55,527,978
<b>Total capital assets being depreciated</b>	<b>55,409,747</b>	<b>170,682</b>	<b>(129,103)</b>	<b>962,874</b>	<b>56,414,200</b>
<b>Less accumulated depreciation for:</b>					
Land improvements	(7,829)	(2,599)	3,535	-	(6,893)
Buildings and improvements	(361,143)	(77,288)	111,634	(100)	(326,897)
Furniture, fixtures, & equipment	(37,686)	(23,254)	-	-	(60,940)
Vehicles	(84,036)	(55,851)	-	(54,582)	(194,469)
Infrastructure	(7,278,856)	(1,375,579)	4,106	-	(8,650,329)
<b>Total accumulated depreciation</b>	<b>(7,769,550)</b>	<b>(1,534,571)</b>	<b>119,275</b>	<b>(54,682)</b>	<b>(9,239,528)</b>
<b>Total capital assets being depreciated</b>	<b>47,640,197</b>	<b>(1,363,889)</b>	<b>(9,828)</b>	<b>908,192</b>	<b>47,174,672</b>
<b>Total capital assets, net of depreciation</b>	<b>\$ 58,073,232</b>	<b>(1,104,812)</b>	<b>(62,987)</b>	<b>(892,464)</b>	<b>56,012,969</b>

There was a gain on disposal of assets totaling \$45,604 related to Housing Authority operations.

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Depreciation expense for the year ended June 30, 2010 was charged to the following functions and funds:

Governmental activities:	
General government	\$ 3,018,300
Public safety	3,000,602
Public works	11,198,081
Culture and recreation	60,513
Health and welfare	<u>432,360</u>
Total	<u>17,709,856</u>
Internal Service Fund	<u>35,430</u>
Total governmental activities	<u>\$ 17,745,286</u>
Business type activities	<u>\$ 1,534,571</u>

**NOTE 6 – LONG-TERM DEBT**

Long-term liability activity for the year ended June 30, 2010, was as follows:

	Balance June 30, 2009	Increases	Decreases	Balance June 30, 2010	Amount due within one year
Governmental funds debt					
Compensated absences	\$ 4,060,524	2,759,646	(2,624,483)	4,195,687	2,622,304
Notes payable	1,155,258	-	(165,232)	990,026	161,235
Capital lease payable	897,545	-	(897,545)	-	-
General obligation bonds	2,575,000	-	(490,000)	2,085,000	500,000
Special assessment district bonds	6,490,000	-	(330,000)	6,160,000	360,000
Revenue bond	<u>32,450,000</u>	-	<u>(2,170,000)</u>	<u>30,280,000</u>	<u>2,270,000</u>
Total	<u>47,628,327</u>	<u>2,759,646</u>	<u>(6,677,260)</u>	<u>43,710,713</u>	<u>5,913,539</u>
Internal service funds debt					
Compensated absences	<u>50,676</u>	<u>41,717</u>	<u>(48,539)</u>	<u>43,854</u>	<u>27,409</u>
Total	<u>50,676</u>	<u>41,717</u>	<u>(48,539)</u>	<u>43,854</u>	<u>27,409</u>
Total governmental activities	<u>\$ 47,679,003</u>	<u>2,801,363</u>	<u>(6,725,799)</u>	<u>43,754,567</u>	<u>5,940,948</u>
Business-type funds debt					
Compensated absences	\$ 65,143	28,938	(11,842)	82,239	51,399
Notes payable	5,298,697	608,964	(850,679)	5,056,982	711,036
Revenue bond	<u>6,665,000</u>	-	-	<u>6,665,000</u>	-
Total business-type activities	<u>\$ 12,028,840</u>	<u>637,902</u>	<u>(862,521)</u>	<u>11,804,221</u>	<u>762,435</u>

Bonds are liquidated from the debt service funds and other long-term liabilities are liquidated from the general fund and special revenue funds. No short-term debt was incurred during fiscal year 2010.

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The annual principal and interest requirements on long-term debt outstanding as of June 30, 2010 are as follows.

**Governmental Activities:**

General Obligation Bonds

On June 20, 2003, the County issued \$4,805,000 in General Obligation Bonds with an average interest rate of 2% to advance refund \$4,560,000 of outstanding 1993 and 1994 series bonds with an average interest rate of 5.3%. The net proceeds of \$4,682,569 after payment of bond issuance costs plus an additional \$339,487 of 1993 and 1994 sinking fund monies were used to fund an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1993 and 1994 series bonds. As a result, the 1993 and 1994 series bonds are considered to be defeased and the liability for these bonds have been removed from the debts of the County

Future payment requirements in the Series 2003 General Obligation Refunding Bonds are as follows.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 500,000	52,233	552,233
2012	515,000	38,651	553,651
2013	530,000	23,885	553,885
2014	540,000	8,100	548,100
Total	<u>\$ 2,085,000</u>	<u>122,869</u>	<u>2,207,869</u>

Revenue Bonds

The County has three series of revenue bonds to service in governmental activities.

<u>Description</u>	<u>Date</u>	<u>Due</u>	<u>Original Issue</u>	<u>Outstanding</u>	<u>Rates</u>
Gross Receipts Tax Refunding Improvement, Series 1998	4/1/1998	6/1/2016	\$ 27,890,000	12,785,000	4.5% to 5.59%
Gross receipts Tax Refunding and Improvement, Series 2003	10/1/2003	5/1/2028	7,145,000	5,650,000	2.5% to 5.2%
PILT Revenue Bonds, Series 2004A	6/1/2004	12/1/2028	13,800,000	11,845,000	4.0% to 5.5%
			<u>\$ 48,835,000</u>	<u>30,280,000</u>	

Gross Receipts Tax Refunding and Improvement Revenue Bonds, Subordinate Series 1998 (\$27,890,000) were issued by the County to provide funds for an advance refunding of outstanding debt and for making improvements to the existing County Jail and juvenile detention facility. Principal and interest are serviced from a non-exclusive first lien on Correctional System Revenues and a subordinate lien on the County's Gross Receipts Tax Revenues.

On October 1, 2003, the County issued Gross Receipts Tax Refunding and Improvement Revenue Bonds, Series 2003 in the amount of \$7,145,000 with interest rates ranging from 2.50% to 3.25%. The bonds mature serially on May 1 annually from 2004 through 2028 with term bonds, subject to mandatory redemption, maturing May 1, 2025 and May 1, 2028. The gross bond proceeds of \$7,189,428 were used for purchasing, constructing, or otherwise acquiring buildings, including but not limited to County administrative facilities and to refund a loan to the County from the New Mexico Finance Authority of \$822,552, which was deposited in an escrow account. The proceeds, after payment of issuance costs and the NMFA loan, of \$6,077,346 were deposited in an Acquisition Fund. The bonds are payable from revenues received by the New Mexico Department of Taxation and Revenue's Equalization Revenues.

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On June 1, 2004, the County issued New Mexico Payment-in-Lieu-of-Taxes (PILT) Revenue Bonds, Series 2004A in the amount of \$13,800,000 with interest rates ranging from 4.500% to 5.300%. The bond proceeds of \$13,857,148 were used for the purposes of providing funds for designing, acquiring, constructing, furnishing, and equipping County buildings, including but not limited to, County administrative facilities, purchasing, or improving any ground, including parking lots, or any combination thereof. Of the proceeds discussed above, \$986,874 was deposited in the Debt Service Reserve Fund to be used only to prevent deficiencies in the payment of the principal and interest on the bonds. The remaining proceeds, after payment of issuance costs and various deposits in other funds, of \$12,109,440 was deposited in an Acquisition Fund. The bond principal and interest will be paid from the PILT revenue received from the Bureau of Land Management on an annual basis.

Future payment requirements on the governmental activities revenue bonds are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2011	\$ 2,270,000	1,553,019	3,823,019
2012	2,380,000	1,441,469	3,821,469
2013	2,500,000	1,324,994	3,824,994
2014	2,680,000	1,199,087	3,879,087
2015	2,765,000	1,055,288	3,820,288
2016-2020	7,570,000	3,381,658	10,951,658
2021-2025	5,270,000	2,034,328	7,304,328
2026-2029	4,845,000	523,887	5,368,887
Total	<u>\$ 30,280,000</u>	<u>12,513,730</u>	<u>42,793,730</u>

**Special Assessment Debt**

In 2001, the County issued \$7,775,000 of Santa Teresa Improvement District bonds. Proceeds of the 2001 A Bonds were used to finance the acquisition of certain road improvements previously constructed in the Airport Road District. The 2001 A Bonds are secured by the pledge of certain special assessments secured by liens on property within the Airport Road District and money and securities on deposit in specified funds described in the 2001 A indenture. The 2001 B Bonds are secured by certain pledged property, including special assessments secured by liens on property with the Border Industrial Park District and money and securities on deposit in specified funds described in the 2001 B Indenture. The final maturity date is January 1, 2021. The interest rate for the 2001 A Bonds is 8.375% and 8.875% for the 2001 B Bonds.

Future payment requirements on the governmental activities special assessment bonds are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2011	\$ 360,000	538,000	898,000
2012	385,000	506,575	891,575
2013	420,000	472,956	892,956
2014	455,000	436,281	891,281
2015	495,000	396,550	891,550
2016-2020	3,220,000	1,250,431	4,470,431
2021-2025	825,000	72,069	897,069
Total	<u>\$ 6,160,000</u>	<u>3,672,862</u>	<u>9,832,862</u>

**Notes Payable**

Prior to fiscal year 2000, the County had drawn \$676,528 against proceeds available from a \$750,000 loan granted by the State of New Mexico Environment Department for the purpose of developing a consolidated liquid

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waste treatment and disposal system. On September 10, 1999, the loan agreement was amended. Accrued construction interest of \$147,663 was rolled into the total disbursements to become part of the principal. The terms of the loan were amended March 12, 2001 providing for annual payments \$51,091 including interest calculated at a rate of 2% per annum, with the final payment due June 17, 2019. As of June 30, 2010 the balance is \$417,016, with repayments to be provided from general fund sources. Net revenues from the operation of the septic disposal facilities and environmental services gross receipts tax revenues are pledged as security.

During fiscal year 1999, the County drew \$1,579,030 against proceeds available from a \$2,215,217 loan from the New Mexico Finance Authority for the purpose of providing flood protection. Of the net loan proceeds, \$165,374 was deposited into a reserve account. Upon completion of the project, \$485,000 that had not been drawn, including construction period interest earned, was applied as prepayment on the last four years' maturities. The terms of the loan, as revised, call for annual payments ranging from \$152,363 to \$135,006, including interest ranging from 4.05% to 5.05% per annum and an administrative fee 0.25% with the final payment due May 1, 2015. As of June 30, 2010, the balance is \$573,010 with repayments to be provided from the Flood Commission Special Revenue Fund. Revenues generated by the County Flood Fund ad valorem tax are pledged as security.

In November 1999, the County borrowed \$85,640 from the New Mexico Finance Authority for the acquisition and construction of an equipment building for the Chaparral Fire District. The terms of the loan call for annual payments of \$10,322 for 10 years, including interest ranging from 3.930% to 5.200% per annum and an administrative fee of 0.25%, with the final payment due May 1, 2010. As of June 30, 2010, this note was fully repaid.

The future payments required for notes payable accounted for in Governmental Activities funds are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 161,235	40,179	201,414
2012	167,598	33,549	201,147
2013	174,316	26,552	200,868
2014	181,388	19,186	200,574
2015	176,217	11,426	187,643
2016-2020	129,272	9,824	139,096
Total	<u>\$ 990,026</u>	<u>140,716</u>	<u>1,130,742</u>

Capital Leases Payable

During fiscal year 2004, the County entered into three capital leases for the purchase of voting machines. The lessor for these voting machines is the State of New Mexico in the amount of \$506,535. In addition, the County also entered into other capital leases for various office equipment and road equipment. The interest rate for these leases varies between 3.184% and 5.9%. During the year ended June 30, 2010, the above leases were terminated and there is no requirement for further payments.

In relation to the hospital lease described in Note 13, the County has designated \$22,611,370 for health care in the General Fund.

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**Business-type Activities:**

Water System Revenue Bond, Series 2008

In December 2008, the County issued refunding bonds to defease the Water System/Gross Receipts Tax Revenue Bonds, Series 1999 and payoff the Verde Group Liability with the issuance of \$7,765,000 in Bonds with variable rates of 2% to 3.5% to mature December 15, 2033. The 2008 bonds were purchased by the County with Dona Ana Hospital Lease Funds and are shown as an investment in that fund on the fund financial statements.

Upon issuance of the bonds, \$5,295,000 was placed in an escrow fund to defease the Series 1999 bonds. In addition, the County paid off a negotiated payoff balance to the Verde Group of \$1,200,000 including interest. This negotiated payoff resulted in income to the County of \$1,116,671.

As a result of the County's negotiated payoff of the Verde Group Liability an early principal payment totaling \$1,100,000 was made on the bonds resulting in a June 30, 2010 balance of \$6,665,000. The next principal payment is not due until December 2015.

Future payment requirements on the Water System-GRT Revenue Bond Series 2008 are as follows.

<b>Year Ended</b>			
<b>June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2011	\$ -	133,300	133,300
2012	-	133,300	133,300
2013	-	133,300	133,300
2014	-	133,300	133,300
2015	-	133,300	133,300
2016-2020	1,155,000	618,550	1,773,550
2021-2025	1,635,000	471,950	2,106,950
2026-2030	1,980,000	291,500	2,271,500
2031-2034	1,895,000	77,650	1,972,650
Total \$	<u>6,665,000</u>	<u>2,126,150</u>	<u>8,791,150</u>

Notes Payable

On June 30, 2003, the County entered into a loan agreement in the amount of \$5,400,000 with the New Mexico Environment Department. The loan proceeds are to be used to improve or construct a Sanitary Sewer System by constructing, extending, enlarging, repairing, and otherwise improving the County's wastewater collection system, conveyance, and treatment facilities. The loan calls for 20 annual payments of \$289,884 and interest is calculated at a rate of 2.0% per annum. As of June 30, 2010, the balance is \$4,544,931.

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The future payments required for the NMED note payable are as follows:

<b>Year Ended June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2011	\$ 198,985	90,899	289,884
2012	202,965	86,919	289,884
2013	207,024	82,860	289,884
2014	211,165	78,719	289,884
2015	215,388	74,496	289,884
2016-2020	1,143,305	306,113	1,449,418
2021-2025	1,262,301	187,118	1,449,419
2026-2029	1,103,798	55,736	1,159,534
<b>\$</b>	<b>4,544,931</b>	<b>962,860</b>	<b>5,507,791</b>

In March 2008, the Dona Ana County Housing Authority entered into two promissory notes with the New Mexico Finance Authority. The purpose of the notes were to provide funds related the Housing Authority's Casas Del Quinto Sol project for the acquisition, rehabilitation or construction of twenty-one home lots into affordable single family residences located in the Colonia of Vado, Dona Ana County.

The terms on Note 1 were for \$735,000 in the form of a non-amortizing loan with a 24 month term. The note was to be repaid at the earlier of the sale or refinancing of the project or March 26, 2010. As of June 30, 2010, the unpaid balance on the note was \$413,361.

The terms of Note 2 were for \$400,000 to be repaid proportionally as each lot was sold or upon maturity. The loan accrued interest at the rate of 2.00% per annum. While no principal monthly principal payments were required, the terms call for monthly interest payments throughout the life of the note. The final maturity date of the note was April 1, 2010. As of June 30, 2010, the unpaid balance on the note was \$98,690.

As of June 30, 2010, both notes were considered past due by NMFA, however no conclusion had been reached as to the disposition of the amounts owed. The future of the Casas Del Quinto Sol project is currently under review by Housing Authority management. If the project is terminated, it is the intent to repay the outstanding notes with the proceeds of the sale. As of the date of the financial, no conclusion had been reached on the resolution of the project. The entire outstanding balance of \$512,051 was shown as a current liability in the financial statements.

**Agency Fund Debt**

As of June 30, 2002, the County had drawn \$300,000 against proceeds available from \$300,000 granted by the New Mexico Department of Finance and Administration for a loan to 21st Century Grain Processing Cooperative. The funds were provided through the Community Development Block Grant program to install a railroad spur to the Rincon Mill. The terms of the loan call for semi-annual payments of \$18,347 for 10 years, including interest calculated at 4% per annum, with the final payment due June 30, 2010. As of June 30, 2010 this note payable was fully repaid.

**NOTE 7 – INTERFUND BALANCES AND TRANSFERS**

The County recorded interfund transfers to reflect activity occurring between funds. Transfers and payments within the County are substantially for the purpose of subsidizing operating functions and funding various projects within the County. All transfers made during the year were considered routine and were consistent with the general characteristics of the County's transfer policy.

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The composition of interfund transfers during the year ended June 30, 2010 was as follows:

	Transfers In								
	General	State Approp	Debt Service	Non-Major Govern- mental	Border Wastewater	NMED County Utilities	South Central Wastewater	Internal Service	Total
General	\$ 36,874,450	75,000	3,831,732	461,267	-	-	81,564	250,000	41,574,013
Health Services	7,508,750	-	-	80,082	-	-	-	-	7,588,832
Debt Service	-	-	-	-	13,370	-	-	-	13,370
Non-Major Governmental	142,761	-	-	4,507,615	-	-	68,258	-	4,718,634
South Central WW	-	-	-	-	-	47,900	-	-	47,900
Non-Major Enterprise	-	-	-	-	-	19,000	10,853	-	90,531
<b>Total</b>	<b>\$ 44,525,961</b>	<b>75,000</b>	<b>3,831,732</b>	<b>5,048,964</b>	<b>13,370</b>	<b>66,900</b>	<b>160,675</b>	<b>250,000</b>	<b>54,033,280</b>

Transfers totaling \$882,406 were made from the County's agency funds to the Debt Service Fund. These transfers were reclassified as incoming revenue for the Debt Service Fund in the accompanying financial statements.

The County recorded interfund receivables/payables to reflect temporary loans between funds. The purpose of the loans was to cover cash shortages until grant reimbursements or other funding measures could be obtained. All interfund receivables/payables are expected to be repaid within one year. Interfund balances as of June 30, 2010 are as follows:

<u>Due To Fund</u>	<u>Due From Fund</u>	<u>Amount</u>
General Fund	State Appropriations - Major fund	\$ 1,736,850
General Fund	Colonia's Initiative - Major fund	1,621,151
	Non-major Special Revenue Funds	
General Fund	Sheriff's Grant State	726,210
General Fund	Spaceport GRT	1,230
General Fund	Community Services	329
Non-major Cap Proj Fund		
Border Industrial Park	Debt Service Fund - Major fund	343
		<u>\$ 4,086,113</u>

**NOTE 8 – RESERVED AND DESIGNATED FUND EQUITY**

At June 30, 2010, the County had reserved fund balances of \$5,595,196 for debt service and \$387,695 for construction on capital projects. As further discussed in the significant accounting policy section, the County has reserved fund balances for inventory and prepaid expenses in the amount \$8,668.

In relation to the hospital lease described in Note 13, the County has designated \$22,611,370 for health care in the General Fund.

**NOTE 9 – COMMITMENTS, CONTINGENCIES, AND SUBSEQUENT EVENTS**

The County receives significant financial assistance from federal and state grants and entitlements. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The

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County believes that any liabilities resulting from disallowed amounts will not have a material effect on the County's financial statements.

The County is party to various legal proceedings, which are the unavoidable results of governmental operations. Specifically, the County is involved in three environmental issues that may result in clean up/remediation costs.

The County continues to cooperate fully with the Environmental Protection Agency (EPA) during their investigation related to a Superfund Site. The County and the City of Las Cruces have accepted shared responsibility for the remediation effort. In addition, the County believes that EPA will name another responsible party who will have significant responsibility to share in the costs. The County expended \$119,138 for fiscal year 2010. It is estimated that removing the contamination from the ground water will require approximately 15-20 years. The City and County have obtained a loan with the New Mexico Finance Authority for \$7 million to pay for costs of infrastructure. The County does not make any payments for the principal until the entire loan is drawn down, which is at the end of the construction phase. Revenues from the sale of treated water will partly offset operation costs during the remediation phase. The EPA may also seek to recover costs incurred during the Remedial Investigation and prior to naming the County, City and the potential third party as responsible parties. That cost is estimated to be \$5.3 million.

The County remains non-compliant with its state issued permits for the liquid waste facility at Mesquite, New Mexico. The New Mexico Environment Department is aware of this issue; however, as the County is aggressively trying to remedy the situation, it is not anticipated that any fines will be assessed. The County is currently completing the design phase of a construction project to remedy the situation. The County is seeking possible funding solutions for the construction phase.

There is also an issue with arsenic levels in southern Dona Ana County that could result in litigation between the state and the county. There may be EPA penalties, although an order has not been issued. The County believes their liability in this matter is minimal, but at this time is not determinable.

**NOTE 10 – DEFINED BENEFIT PENSION PLAN**

*Plan Description* – Substantially all of Dona Ana County's full-time employees participate in a public employee retirement system authorized under the Public Employees Retirement Act (Chapter 10, Article 11, NMSA 1978). The Public 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 supplement information for the plan. That report may be obtained by writing to PERA, P.O. Box 2123, Santa Fe, New Mexico 87504-2123. The report is also available on PERA's website at [www.pera.state.nm.us](http://www.pera.state.nm.us).

*Funding Policy* – For covered employees other than law enforcement personnel and fire fighters, participants are required to contribute 13.15 percent of their gross salary to the plan. The County contributes 75 percent of the 13.15 percent of employee required contribution as well as a required matching contribution of 9.15 percent of general participant's gross salary. The contribution rate is 16.3 percent of gross salaries for law enforcement participants (excluding detention employees). The County's portion of law enforcement participants is 18.50 percent of gross salaries. Detention employees are considered general participants. The contribution rate for fire fighter members is 16.20 percent, and the County is required to contribute 21.25 percent of their gross salaries. The contribution requirements of plan members and Dona Ana County are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature.

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Contributions to PERA for the following fiscal years were:

	<b>2010</b>	<b>2009</b>	<b>2008</b>
County contributions	\$ 5,241,395	4,980,794	4,409,645
Employee contributions	1,758,729	1,643,689	1,463,942
Total contributions	\$ 7,000,124	6,624,483	5,873,587

**NOTE 11 – DEFERRED COMPENSATION PLAN**

Dona Ana County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all permanent County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the National Association of Counties (without being restricted to the provisions of benefits under the plan), subject only to the claims of the National Association of Counties general creditors.

Participant's rights under the plan are equal to those of general creditors of the National Association of Counties in an amount equal to the fair market value of the deferred account for each participant. All amounts of deferred compensation have been remitted to the National Association of Counties, which administers the plan. Total employee contributions to the plan for the year ended June 30, 2010 were \$354,927.

**NOTE 12 – OPERATING LEASES**

The reporting entity has entered into a number of operating leases, which contain cancellation provisions and are subject to annual appropriations. The rent expenditures for these leases were primarily from the General Fund. Future minimum lease payments are:

<b>Fiscal Year Ending June 30,</b>	<b>Amount</b>
2011	\$ 136,778
2012	74,109
2013	50,620
2014	12,607
2015	280
Total \$	274,394

Rental payments charged to current operations for the year ended June 30, 2010 totaled \$198,645.

**NOTE 13 – HOSPITAL LEASE**

**MEDICAL CENTER-PROVINCE HOSPITAL (TELSHORE FACILITY)**

In 1966 the County and the City adopted a joint resolution to create a joint county-municipal hospital to provide medical services to all of the citizens of Dona Ana County. The hospital was constructed and operated by the City and County through a Board of Trustees until 1998, when it was leased to Memorial Medical Center, Inc. (MMCI), a New Mexico not-for-profit corporation.

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

On June 1, 2004, the City, the County and MMCI, jointly terminated the lease. On that date, the City and County executed a 40-year lease agreement for the hospital facilities and equipment with PHC-Las Cruces, Inc. (PHC), a New Mexico corporation and a wholly-owned subsidiary of Province Healthcare Corporation, a Delaware corporation. In accordance with the lease agreement, PHC has deposited certain amounts into escrow accounts to cover certain contingencies of the hospital and paid certain hospital liabilities, including outstanding bonds. The lease transaction was recorded during fiscal year 2004.

The proceeds of the PHC lease were reported in a sub-fund of the General Fund and the resulting equity has been reserved for health related programs and health related capital projects as disclosed in Note 8 *Reserved and Designated Fund Equity*.

Pursuant to the Termination Agreement, MMCI began distributing its cash and investments equally between the County and the City in July 2004. MMCI retained cash to pay certain liabilities; any cash remaining at the end of the liquidation process will be distributed equally between the County and the City.

In addition, PHC made a one-time grant of \$5 million to Dona Ana County to be distributed in the sole discretion of the County and City to improve the integration of services provided by the clinics in the County operated by the federally qualified health center organizations, the hospital, and the existing family residency program and to expand the service hours of the same clinics. The grant is accounted for as deferred revenue in the General Fund. The unexpended portion of the grant at June 30, 2010 is \$3,056,800.

**NOTE 14 – RESTATEMENTS OF BEGINNING FUND BALANCES/NET ASSETS**

Restatements were made as follows:

<u>Fund</u>	<u>Purpose/Reason</u>	<u>Amount</u>
Major governmental funds		
General fund	Prior year Due To Other Funds was overstated	\$ 143,015
General fund	Prior year Due From Other Funds was overstated	(3,180)
General fund	Prior year cash was understated	(192,520)
General fund	Prior year receivables were understated	642,815
General fund	Prior year investments were understated	261,274
Total General Fund		<u>851,404</u>
State Appropriations	Prior year receivables were overstated	(78,858)
State Appropriations	Prior year cash was overstated	192,520
Total State Appropriations Fund		<u>113,662</u>
Total major governmental funds		<u>965,066</u>
Non-major special revenue funds		
Community Services	Prior year Due To Other Funds was overstated	1,170
COPS Grants	Prior year Due From Other Funds was overstated	(1,170)
Correction Fees	Prior year receivables were overstated	(198,973)
DWI Grants	Prior year deferred revenue was overstated	43,432
Emergency Fund	Prior year Due From Other Funds was overstated	(27,599)
Sheriff's Grants State	Prior year Due To Other Funds was overstated	3,180
Total non-major special revenue funds		<u>\$ (179,960)</u>

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
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Non-major capital projects funds		
Airport FAA projects	Prior year Due From Other Funds was overstated	\$ (115,416)
Total non-major capital projects funds		<u>(115,416)</u>
Total governmental funds		<u>669,690</u>
Internal Service Fund	Beginning accumulated depreciation was understated	(4,156)
Major enterprise Funds		
NMED County Utilities	Construction in progress capitalized into incorrect fund in prior years	(278,249)
NMED County Utilities	Beginning accumulated depreciation was overstated	58,734
Total NMED County Utilities		<u>(219,515)</u>
South Central Wastewater System	Construction in progress capitalized into incorrect fund in prior years	278,249
Total major enterprise funds		<u>58,734</u>
Non-major enterprise funds		
La Union Wastewater System	Beginning accumulated depreciation was overstated	35,684
Dona Ana Wastewater System	Prior year accrued revenues were understated	(9,935)
Rincon Wastewater System	Prior year accrued revenues were understated	(1,195)
DAC Housing Authority	Beginning accumulated depreciation was understated	(67,389)
DAC Housing Authority	Revenues from previous years were overstated	<u>(1,405,101)</u>
Total DAC Housing Authority		<u>(1,472,490)</u>
Total non-major enterprise funds		<u>(1,447,936)</u>
Total enterprise funds		<u>(1,389,202)</u>
Total restatements - fund financials		\$ <u>(723,668)</u>
Governmental Activities	Prior year accumulated depreciation was overstated	\$ 1,572,408
	Reclassified Housing Authority fund from special revenue fund to enterprise fund.	(1,060,933)
	Prior year capital leases were overstated	897,545
	Governmental activities adjustments from above	<u>665,534</u>
Total governmental activities restatements		<u>2,074,554</u>
Business-type activities	Reclassified Housing Authority fund from special revenue fund to enterprise fund.	1,060,933
	Business-type activities adjustments from above	<u>(1,389,202)</u>
Total business-type activities restatements		\$ <u>(328,269)</u>

**NOTE 15 – OTHER REQUIRED DISCLOSURES**

The following funds incurred a deficit fund balance at June 30, 2010:

<u>Fund</u>	<u>Fund Type</u>	<u>Amount</u>
Wastewater Projects/Grants	Capital Projects Fund	\$ (2)
Substance Abuse Grants	Special Revenue Fund	\$ (8,226)

Management intends to transfer sufficient funds from General Fund to cover any deficits.

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

**NOTE 16 – RISK MANAGEMENT**

**Multi-line Risk Pool**

The County participates in the New Mexico Association of Counties insurance programs. The County's premium is re-determined every year, and is based on the County's loss experience over the previous three years. The deductibles at the County level are as follows:

\$1,000	per incident for accident/loss to County property
\$6,000	per incident for Civil Rights related claims
\$10,000	per incident for Law Enforcement related claims

Limits of coverage through the risk pool are as follows:

\$2,000,000	Employee Dishonesty
\$2,000,000	Worker's Compensation per accident or occupational disease
\$2,000,000	Crime Coverage
\$1,750,000	Tort and Law Enforcement related claims
\$150,000,000	per occurrence for property losses
\$4,000,000	additional coverage for Excess Foreign Jurisdiction claims
\$3,000,000	Environmental Liability Insurance
\$255,000	Volunteer Firefighters Accident
\$20,000	Land Use Coverage per occurrence and \$40,000 aggregate
\$30,000,000	Earthquake and Flood
\$6,000,000	Foreign Jurisdiction Liability

Contributions paid to the pool for the 2009/2010 fiscal year were \$3,779,758.

**Commercial Insurance**

Commercial liability insurance covers the County's airport operations up to \$10,000,000 per occurrence. There is no deductible. Premiums paid for 2009/2010 were \$6, 193. In addition, the County maintains commercial liability policies for Accidental Death and Dismemberment of the County's Independent Fire Districts (premium paid of \$74,142) and Pollution and Remediation Legal Liability (premium paid of \$43,376).

## **SUPPLEMENTAL INFORMATION**



**STATE OF NEW MEXICO  
DONA ANA COUNTY  
NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

**NON-MAJOR SPECIAL REVENUE FUNDS**

The special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Non-major special revenue funds consist of the following:

CDBG - Rio Grande Water – To account for federal grant funding for the Rio Grande Water Project.

Community Services – To provide funding for a variety of County construction and renovation projects. Financing is provided by special appropriation from the New Mexico State Legislature. This fund has been established to comply with the accountability requirements of the grant agreements.

Confiscated Assets – In accordance with NMSA Section 54-11-33 - To account for the Dona Ana County Sheriffs confiscated asset program related directly to its drug interdiction program, The program was established through a joint powers agreement between Dona Ana County Sheriff's department and the U.S. Drug Enforcement Agency. Required by Federal Equitable sharing agreement between the Sheriffs Department and U.S. Departments of Justice and Treasury.

COPS – To provide funding for the County to add full time officers to the Sheriffs Department. The funding runs for three years, at which time the County must make a good faith effort to retain the positions at the conclusion of the grant. Financing is provided by the U.S. Department of Justice, Office of Community Oriented Policing Services. This fund has been established in accordance with 28 CFR 66.20,

Correction Fees – To account for fees collected by the magistrate court and the motor vehicle division and distributed by the state Administrative Office of the Courts to the County, pursuant to NMSA 1978 Section 33-3-25. The fund restricted to paying costs of the county jailor juvenile detention facility,

County Flood Commission Fund – To account for the operations of the flood projects, in accordance with NMSA Compilation Section 7 Article 38-38-I. The funding is provided by charging an administrative fee on property taxes collected and distributed.

DOH - BHSD State Incentive – This program provides funding to fight substance abuse in Dona Ana County, Funding source of financing is the U.S. Department of Health and Human Services, passed through the State of New Mexico, The fund was established in accordance with 45 CFR 74.21.

DWI Grants – The DWI program partners with many entities that include law enforcement, MADD, National Guard, Safe Kids, private businesses and more, to combat the high DWI rate in Dona Ana County. Funding is provided by the U.S. Department of Justice. This fund has been established in accordance with 28 CFR 66.20.

Emergency Fund – This program provides for emergency funds that maybe required for any emergency within the County. The County Budget Resolution #2006-56 established the fund pursuant to the Board of County Commissioners.

Emergency Medical Services – In accordance with NMSA Section 7-24-10A -To account for the operation and maintenance of Rural Metro Ambulance Service, Hatch Clinic, and various volunteer fire districts. Funding is from the State Emergency Medical Fund Act. State Law requires that financing be provided in this manner.

Farm and Range – In accordance with NMSA Section 6-11-5/6 -To provide for the Fish and Wildlife Service in control of predator animals. Funding is from the Taylor Grazing Act.

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

Federal Reimbursement/Detention Center – To account for federal reimbursements related to the Detention Center.

Fire Districts – In accordance with NMSA 7-20E-I 5 - To account for the operation and maintenance of the sixteen volunteer fire districts throughout the County of Dona Ana. Funding is provided from the State Fire Fund.

Housing - Grant – NMFA - The Mortgage Finance Authority will facilitate the rehabilitation, reconstruction, or new construction of 17 homes in any New Mexico designated colonias neighborhood.

Indigent Hospital Care Fund – In accordance with NMSA Section 7-20E-9 to account for hospital expenditures for County indigents. Funds are provided through local gross receipts tax.

Law Enforcement Block Grant – This fund provides for purchase of equipment used in law enforcement.

Law Enforcement Grant – This program provides the County with funds to underwrite projects designed to reduce crime and improve public safety.

Law Enforcement Protection – In accordance with NMSA Section 29-13 - To account for expenditures of the sheriff's department. Financing is provided by the State.

Reappraisal Administrative Fees – In accordance with NMSA 7-38-38.1 - To account for countywide reappraisal funding and expenditures.

Sheriff's Grants State – Various grants to enable the Sheriff's Department in their goals to reduce crime and improve public safety.

Sheriff's GREAT Grant – To provide funding to allow the County to support New Mexico Intelligence Center initiatives at the S\VB New Mexico High Intensity Drug Trafficking Area. The Executive Office of the President, Office of National Drug Control Policy, provides financing. This fund has been established in accordance with grant agreements.

Spaceport Gross Receipts Tax – To provide funding to the regional Spaceport district for the financing, planning, designing, engineering and construction of a Spaceport or for projects or services of the district pursuant to the regional Spaceport district act by DAC Ordinance 227A-07.

Substance Abuse Grants – In accordance with 28 CFR 66.20, to account for a Drug-Free Communities Support Program grant from the U.S. Department of Justice Office of Juvenile Justice and Delinquency Prevention and for substance abuse programs funded by local and private sources.

TIDD – Tax Increment Development District - To Provide financing of public infrastructure serving the district, including without limitation: streets, utility infrastructure, parking facilities, and other public facilities.

Victims of Crime – The program, which is under the Office of Justice Programs, provides funds to raise awareness during National Crime Victim's Rights Week.

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

**NON-MAJOR CAPITAL PROJECTS FUNDS**

The capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Non-major capital projects funds consist of the following:

Airport FAA Projects – To account for the cost of the development of airports in the County.

Border Industrial Park Assessment Project – To account for costs related to the construction and acquisition of Industrial Park improvements.

Chaparral Wastewater – SAP – To account for costs of construction of the wastewater system with state funding.

Chaparral Wastewater – R.U.S. – To account for costs of the construction of the wastewater system with state funding.

Judicial Building Remodeling-Project – To account for the costs of remodeling the Judicial Building.

Griggs – Walnut Superfund – To account for the costs related to the clean up contaminated property.

Utility Projects – To account for the cost of constructing wastewater systems in several communities.

Wastewater Projects/Grants – To account for costs of the water system improvements.

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
NON-MAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
AS OF JUNE 30, 2010**

	Special Revenue Funds	Capital Projects Funds	Total Non-major Funds
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 24,134,334	433,868	24,568,202
Investments	-	-	-
Receivables, net	266,002	-	266,002
Taxes receivable	2,375,003	-	2,375,003
Intergovernmental receivables	965,558	21,923	987,481
Interest receivable	4,475	74	4,549
Due from other funds	-	343	343
Prepays	-	-	-
Other assets	-	-	-
Total assets	<u>\$ 27,745,372</u>	<u>456,208</u>	<u>28,201,580</u>
 <b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 70,983	-	70,983
Accrued payroll liabilities	49,444	-	49,444
Accrued interest payable	5,321	-	5,321
Due to other funds	727,769	-	727,769
Deposits	-	-	-
Deferred revenues	484,265	68,513	552,778
Other liabilities	(54)	-	(54)
Total Liabilities	<u>1,337,728</u>	<u>68,513</u>	<u>1,406,241</u>
 <b>FUND BALANCES</b>			
Reserved for:			
Capital projects	-	387,695	387,695
Debt service	-	-	-
Other purposes	-	-	-
Unreserved and Undesignated reported in:			
Special revenue funds	26,407,644	-	26,407,644
Capital projects funds	-	-	-
Debt service funds	-	-	-
Total fund balances	<u>26,407,644</u>	<u>387,695</u>	<u>26,795,339</u>
 Total liabilities and fund balances	 <u>\$ 27,745,372</u>	 <u>456,208</u>	 <u>28,201,580</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Special Revenue Funds	Capital Projects Funds	Total Non-major Funds
<b>REVENUES</b>			
Taxes:			
Property taxes	\$ -	-	-
General sales and use taxes	14,800,844	-	14,800,844
Payment in lieu of tax	-	-	-
Penalties and interest	504	-	504
Licenses and permits	-	-	-
Intergovernmental revenue and grants	4,682,371	145,722	4,828,093
Charges for services	1,042,157	-	1,042,157
Contributions/donations private services	810	-	810
Investment earnings	279,328	5,113	284,441
Rents and royalties	6,700	-	6,700
Other revenue	679,279	-	679,279
Total revenues	21,491,993	150,835	21,642,828
<b>EXPENDITURES</b>			
Current:			
General government	-	-	-
Public safety	7,416,720	-	7,416,720
Public works	1,330,665	119,140	1,449,805
Health and welfare	7,205,849	-	7,205,849
Culture and recreation	-	-	-
Debt Service:			
Principal payments	123,320	-	123,320
Interest payments	22,596	-	22,596
Fiscal agent's fees	-	-	-
Capital Outlay:			
Capital Outlay	3,310,507	161,449	3,471,956
Total Expenditures	19,409,657	280,589	19,690,246
Excess (deficiency) of revenues over expenditures	2,082,336	(129,754)	1,952,582
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from issuance of long-term capital-related debt	-	-	-
Transfers in	4,923,488	125,476	5,048,964
Transfers out	(4,638,785)	(79,849)	(4,718,634)
Total other financing sources (uses)	284,703	45,627	330,330
Net change in fund balance	2,367,039	(84,127)	2,282,912
Fund balances-beginning of year	24,220,565	587,238	24,807,803
Restatements	(179,960)	(115,416)	(295,376)
Fund balances-beginning of year, as restated	24,040,605	471,822	24,512,427
Fund balances-end of the year	\$ 26,407,644	387,695	26,795,339

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
NON-MAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEETS  
AS OF JUNE 30, 2010**

	CDBG Rio Grande Water	Community Services	Confiscated Assets	COPS	Correction Fees
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	-	417,676	-	957,403
Investments	-	-	-	-	-
Receivables, net	-	2,445	13,870	-	177,342
Taxes receivable	-	-	-	-	-
Intergovernmental receivables	-	-	-	-	-
Interest receivable	-	-	-	-	186
Due from other funds	-	-	-	-	-
Prepays	-	-	-	-	-
Other assets	-	-	-	-	-
Total assets	<u>\$ -</u>	<u>2,445</u>	<u>431,546</u>	<u>-</u>	<u>1,134,931</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ -	-	-	-	8,540
Accrued payroll liabilities	-	-	36	-	-
Accrued interest payable	-	-	-	-	-
Due to other funds	-	329	-	-	-
Deposits	-	-	-	-	-
Deferred revenues	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>329</u>	<u>36</u>	<u>-</u>	<u>8,540</u>
<b>FUND BALANCES</b>					
Reserved for:					
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Other purposes	-	-	-	-	-
Unreserved and Undesignated reported in:					
Special revenue funds	-	2,116	431,510	-	1,126,391
Capital projects funds	-	-	-	-	-
Debt service funds	-	-	-	-	-
Total fund balances	<u>-</u>	<u>2,116</u>	<u>431,510</u>	<u>-</u>	<u>1,126,391</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>2,445</u>	<u>431,546</u>	<u>-</u>	<u>1,134,931</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
NON-MAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEETS  
AS OF JUNE 30, 2010**

	County Flood Commission	DOH- BHSD State Incentive	DWI Grants	Emergency Fund	Emergency Medical Services
<b>ASSETS</b>					
Cash and cash equivalents	\$ 6,489,156	-	645,146	633,727	31,999
Investments	-	-	-	-	-
Receivables, net	-	-	-	417	-
Taxes receivable	242,914	-	-	-	-
Intergovernmental receivables	-	-	168,066	-	-
Interest receivable	1,262	-	-	124	6
Due from other funds	-	-	-	-	-
Prepays	-	-	-	-	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 6,733,332</u>	<u>-</u>	<u>813,212</u>	<u>634,268</u>	<u>32,005</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ -	-	62,235	-	-
Accrued payroll liabilities	13,008	-	12,102	-	-
Accrued interest payable	5,321	-	-	-	-
Due to other funds	-	-	-	-	-
Deposits	-	-	-	-	-
Deferred revenues	219,911	-	245,913	-	-
Other liabilities	-	-	-	-	-
Total Liabilities	<u>238,240</u>	<u>-</u>	<u>320,250</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Reserved for:					
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Other purposes	-	-	-	-	-
Unreserved and Undesignated reported in:					
Special revenue funds	6,495,092	-	492,962	634,268	32,005
Capital projects funds	-	-	-	-	-
Debt service funds	-	-	-	-	-
Total fund balances	<u>6,495,092</u>	<u>-</u>	<u>492,962</u>	<u>634,268</u>	<u>32,005</u>
Total liabilities and fund balances	<u>\$ 6,733,332</u>	<u>-</u>	<u>813,212</u>	<u>634,268</u>	<u>32,005</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
NON-MAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEETS  
AS OF JUNE 30, 2010**

	Farm and Range	Federal Reimburs./ Detention Center	Fire Districts	Housing Grant - NMFA	Indigent Hospital Care
<b>ASSETS</b>					
Cash and cash equivalents	\$ 31,197	-	8,810,961	-	3,786,790
Investments	-	-	-	-	-
Receivables, net	-	-	357	-	-
Taxes receivable	-	-	644,859	-	1,487,230
Intergovernmental receivables	-	-	-	-	-
Interest receivable	6	-	1,705	-	739
Due from other funds	-	-	-	-	-
Prepays	-	-	-	-	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 31,203</u>	<u>-</u>	<u>9,457,882</u>	<u>-</u>	<u>5,274,759</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ -	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Deposits	-	-	-	-	-
Deferred revenues	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Reserved for:					
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Other purposes	-	-	-	-	-
Unreserved and Undesignated reported in:					
Special revenue funds	31,203	-	9,457,882	-	5,274,759
Capital projects funds	-	-	-	-	-
Debt service funds	-	-	-	-	-
Total fund balances	<u>31,203</u>	<u>-</u>	<u>9,457,882</u>	<u>-</u>	<u>5,274,759</u>
Total liabilities and fund balances	<u>\$ 31,203</u>	<u>-</u>	<u>9,457,882</u>	<u>-</u>	<u>5,274,759</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
NON-MAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEETS  
AS OF JUNE 30, 2010**

	Law Enforcement Grant	Law Enforcement Protection	Reappraisal Administrative Fees	Sheriff's Grants State	Sheriff's GREAT Grant
<b>ASSETS</b>					
Cash and cash equivalents	\$ 191	48,270	2,252,061	-	7,373
Investments	-	-	-	-	-
Receivables, net	-	-	(3)	70,344	-
Taxes receivable	-	-	-	-	-
Intergovernmental receivables	-	-	-	796,656	836
Interest receivable	-	9	438	-	-
Due from other funds	-	-	-	-	-
Prepays	-	-	-	-	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 191</u>	<u>48,279</u>	<u>2,252,496</u>	<u>867,000</u>	<u>8,209</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ -	-	-	208	-
Accrued payroll liabilities	-	-	186	1,669	-
Accrued interest payable	-	-	-	-	-
Due to other funds	-	-	-	726,210	-
Deposits	-	-	-	-	-
Deferred revenues	-	18,441	-	-	-
Other liabilities	-	-	-	(54)	-
Total Liabilities	<u>-</u>	<u>18,441</u>	<u>186</u>	<u>728,033</u>	<u>-</u>
<b>FUND BALANCES</b>					
Reserved for:					
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Other purposes	-	-	-	-	-
Unreserved and Undesignated reported in:					
Special revenue funds	191	29,838	2,252,310	138,967	8,209
Capital projects funds	-	-	-	-	-
Debt service funds	-	-	-	-	-
Total fund balances	<u>191</u>	<u>29,838</u>	<u>2,252,310</u>	<u>138,967</u>	<u>8,209</u>
Total liabilities and fund balances	<u>\$ 191</u>	<u>48,279</u>	<u>2,252,496</u>	<u>867,000</u>	<u>8,209</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
NON-MAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEETS  
AS OF JUNE 30, 2010**

	Spaceport Gross Receipts	Substance Abuse Grants	TIDD Development District	Victims of Crime	Total
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	14,217	8,167	-	24,134,334
Investments	-	-	-	-	-
Receivables, net	1,230	-	-	-	266,002
Taxes receivable	-	-	-	-	2,375,003
Intergovernmental receivables	-	-	-	-	965,558
Interest receivable	-	-	-	-	4,475
Due from other funds	-	-	-	-	-
Prepays	-	-	-	-	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 1,230</u>	<u>14,217</u>	<u>8,167</u>	<u>-</u>	<u>27,745,372</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ -	-	-	-	70,983
Accrued payroll liabilities	-	22,443	-	-	49,444
Accrued interest payable	-	-	-	-	5,321
Due to other funds	1,230	-	-	-	727,769
Deposits	-	-	-	-	-
Deferred revenues	-	-	-	-	484,265
Other liabilities	-	-	-	-	(54)
Total Liabilities	<u>1,230</u>	<u>22,443</u>	<u>-</u>	<u>-</u>	<u>1,337,728</u>
<b>FUND BALANCES</b>					
Reserved for:					
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Other purposes	-	-	-	-	-
Unreserved and Undesignated reported in:					
Special revenue funds	-	(8,226)	8,167	-	26,407,644
Capital projects funds	-	-	-	-	-
Debt service funds	-	-	-	-	-
Total fund balances	<u>-</u>	<u>(8,226)</u>	<u>8,167</u>	<u>-</u>	<u>26,407,644</u>
Total liabilities and fund balances	<u>\$ 1,230</u>	<u>14,217</u>	<u>8,167</u>	<u>-</u>	<u>27,745,372</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
NON-MAJOR CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEETS  
AS OF JUNE 30, 2010**

	Airport FAA Projects	Border Industrial Park Assessment Project	Chaparral Wastewater System - SAP	Chaparral Wastewater USDA	Griggs/ Walnut Superfund
<b>ASSETS</b>					
Cash and cash equivalents	\$ 332,803	-	-	100	100,958
Investments	-	-	-	-	-
Receivables, net	-	-	-	-	-
Taxes receivable	-	-	-	-	-
Intergovernmental receivables	21,923	-	-	-	-
Interest receivable	69	-	-	-	-
Due from other funds	-	343	-	-	-
Prepays	-	-	-	-	-
Other assets	-	-	-	-	-
Total assets	<u>\$ 354,795</u>	<u>343</u>	<u>-</u>	<u>100</u>	<u>100,958</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ -	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Accrued interest payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Deposits	-	-	-	-	-
Deferred revenues	68,513	-	-	-	-
Other liabilities	-	-	-	-	-
Total Liabilities	<u>68,513</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>					
Reserved for:					
Capital projects	286,282	343	-	100	100,958
Debt service	-	-	-	-	-
Other purposes	-	-	-	-	-
Unreserved and Undesignated reported in:					
Special revenue funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Debt service funds	-	-	-	-	-
Total fund balances	<u>286,282</u>	<u>343</u>	<u>-</u>	<u>100</u>	<u>100,958</u>
Total liabilities and fund balances	<u>\$ 354,795</u>	<u>343</u>	<u>-</u>	<u>100</u>	<u>100,958</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
NON-MAJOR CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEETS  
AS OF JUNE 30, 2010**

	Judicial Building Remodeling Project	Utility Projects	Wastewater Projects/ Grants	Total
<b>ASSETS</b>				
Cash and cash equivalents	\$ 2	5	-	433,868
Investments	-	-	-	-
Receivables, net	-	2	(2)	-
Taxes receivable	-	-	-	-
Intergovernmental receivables	-	-	-	21,923
Interest receivable	2	3	-	74
Due from other funds	-	-	-	343
Prepays	-	-	-	-
Other assets	-	-	-	-
Total assets	<u>\$ 4</u>	<u>10</u>	<u>(2)</u>	<u>456,208</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ -	-	-	-
Accrued payroll liabilities	-	-	-	-
Accrued interest payable	-	-	-	-
Due to other funds	-	-	-	-
Deposits	-	-	-	-
Deferred revenues	-	-	-	68,513
Other liabilities	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>68,513</u>
<b>FUND BALANCES</b>				
Reserved for:				
Capital projects	4	10	(2)	387,695
Debt service	-	-	-	-
Other purposes	-	-	-	-
Unreserved and Undesignated reported in:				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Debt service funds	-	-	-	-
Total fund balances	<u>4</u>	<u>10</u>	<u>(2)</u>	<u>387,695</u>
Total liabilities and fund balances	<u>\$ 4</u>	<u>10</u>	<u>(2)</u>	<u>456,208</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	CDBG Rio Grande Water	Community Services	Confiscated Assets	COPS	Correction Fees
<b>REVENUES</b>					
Taxes:					
Property taxes	\$ -	-	-	-	-
General sales and use taxes	-	-	-	-	-
Payment in lieu of tax	-	-	-	-	-
Penalties and interest	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue and grants	416,645	9,789	-	-	-
Charges for services	-	-	-	-	669,464
Contributions/donations private services	-	-	-	-	-
Investment earnings	-	-	5,347	-	11,115
Rents and royalties	-	-	-	-	-
Other revenue	69,288	-	212,112	-	-
Total revenues	<u>485,933</u>	<u>9,789</u>	<u>217,459</u>	<u>-</u>	<u>680,579</u>
<b>EXPENDITURES</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	-	150,911	-	426,947
Public works	-	-	-	-	-
Health and welfare	-	9,789	-	-	-
Culture and recreation	-	-	-	-	-
Debt Service:					
Principal payments	-	-	-	-	-
Interest payments	-	-	-	-	-
Fiscal agent's fees	-	-	-	-	-
Capital Outlay:					
Capital Outlay	485,933	-	57,084	-	-
Total Expenditures	<u>485,933</u>	<u>9,789</u>	<u>207,995</u>	<u>-</u>	<u>426,947</u>
Excess (deficiency) of revenues over expenditures	-	-	9,464	-	253,632
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from issuance of long-term capital-related debt	-	-	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	(7,615)	(42,042)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(7,615)</u>	<u>(42,042)</u>	<u>-</u>
Net change in fund balance	-	-	1,849	(42,042)	253,632
Fund balances-beginning of year	-	946	429,661	43,212	1,071,732
Restatements	-	1,170	-	(1,170)	(198,973)
Fund balances-beginning of year, as restated	<u>-</u>	<u>2,116</u>	<u>429,661</u>	<u>42,042</u>	<u>872,759</u>
Fund balances-end of the year	<u>\$ -</u>	<u>2,116</u>	<u>431,510</u>	<u>-</u>	<u>1,126,391</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	County Flood Commission	DOH- BHSD State Incentive	DWI Grants	Emergency Fund	Emergency Medical Services
<b>REVENUES</b>					
Taxes:					
Property taxes	\$ -	-	-	-	-
General sales and use taxes	1,808,045	-	-	-	-
Payment in lieu of tax	-	-	-	-	-
Penalties and interest	-	-	504	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue and grants	-	-	931,787	-	167,261
Charges for services	-	-	360,938	-	-
Contributions/donations private services	-	-	-	-	810
Investment earnings	81,078	-	-	7,671	1,629
Rents and royalties	-	-	-	2,500	-
Other revenue	31,669	-	103	50,000	-
Total revenues	<u>1,920,792</u>	<u>-</u>	<u>1,293,332</u>	<u>60,171</u>	<u>169,700</u>
<b>EXPENDITURES</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	-	1,229,265	177,522	238,310
Public works	1,330,665	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt Service:					
Principal payments	113,322	-	-	-	-
Interest payments	22,473	-	-	-	-
Fiscal agent's fees	-	-	-	-	-
Capital Outlay:					
Capital Outlay	179,985	-	11,013	-	-
Total Expenditures	<u>1,646,445</u>	<u>-</u>	<u>1,240,278</u>	<u>177,522</u>	<u>238,310</u>
Excess (deficiency) of revenues over expenditures	274,347	-	53,054	(117,351)	(68,610)
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from issuance of long-term capital-related debt	-	-	-	-	-
Transfers in	-	15,100	-	-	-
Transfers out	-	(15,100)	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	274,347	-	53,054	(117,351)	(68,610)
Fund balances-beginning of year	6,220,745	-	396,476	779,218	100,615
Restatements	-	-	43,432	(27,599)	-
Fund balances-beginning of year, as restated	<u>6,220,745</u>	<u>-</u>	<u>439,908</u>	<u>751,619</u>	<u>100,615</u>
Fund balances-end of the year	<u>\$ 6,495,092</u>	<u>-</u>	<u>492,962</u>	<u>634,268</u>	<u>32,005</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Farm and Range	Federal Reimbursement Detention Center	Fire Districts	Housing Grant - NMFA	Indigent Hospital Care
<b>REVENUES</b>					
Taxes:					
Property taxes	\$ -	-	-	-	-
General sales and use taxes	-	-	2,114,178	-	8,405,987
Payment in lieu of tax	-	-	-	-	-
Penalties and interest	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue and grants	-	-	1,453,894	102,281	-
Charges for services	11,755	-	-	-	-
Contributions/donations private services	-	-	-	-	-
Investment earnings	358	-	112,521	-	33,288
Rents and royalties	-	-	4,200	-	-
Other revenue	-	-	866	-	17,661
Total revenues	<u>12,113</u>	<u>-</u>	<u>3,685,659</u>	<u>102,281</u>	<u>8,456,936</u>
<b>EXPENDITURES</b>					
Current:					
General government	-	-	-	-	-
Public safety	11,999	-	1,199,275	-	-
Public works	-	-	-	-	-
Health and welfare	-	-	-	102,281	7,050,459
Culture and recreation	-	-	-	-	-
Debt Service:					
Principal payments	-	-	9,998	-	-
Interest payments	-	-	123	-	-
Fiscal agent's fees	-	-	-	-	-
Capital Outlay:					
Capital Outlay	-	-	1,713,816	-	-
Total Expenditures	<u>11,999</u>	<u>-</u>	<u>2,923,212</u>	<u>102,281</u>	<u>7,050,459</u>
Excess (deficiency) of revenues over expenditures	114	-	762,447	-	1,406,477
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from issuance of long-term capital-related debt	-	-	-	-	-
Transfers in	-	-	4,500,000	-	397,823
Transfers out	-	(62,589)	(4,500,000)	-	-
Total other financing sources (uses)	<u>-</u>	<u>(62,589)</u>	<u>-</u>	<u>-</u>	<u>397,823</u>
Net change in fund balance	114	(62,589)	762,447	-	1,804,300
Fund balances-beginning of year	31,089	62,589	8,695,435	-	3,470,459
Restatements	-	-	-	-	-
Fund balances-beginning of year, as restated	<u>31,089</u>	<u>62,589</u>	<u>8,695,435</u>	<u>-</u>	<u>3,470,459</u>
Fund balances-end of the year	<u>\$ 31,203</u>	<u>-</u>	<u>9,457,882</u>	<u>-</u>	<u>5,274,759</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Law Enforcement Grant	Law Enforcement Protection	Reappraisal Administrative Fees	Sheriff's Grants State	Sheriff's GREAT Grant
<b>REVENUES</b>					
Taxes:					
Property taxes	\$ -	-	-	-	-
General sales and use taxes	-	-	918,803	-	-
Payment in lieu of tax	-	-	-	-	-
Penalties and interest	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue and grants	-	-	-	1,547,608	53,106
Charges for services	-	-	-	-	-
Contributions/donations private services	-	-	-	-	-
Investment earnings	2	1,140	25,175	-	-
Rents and royalties	-	-	-	-	-
Other revenue	-	111,600	5,109	180,871	-
Total revenues	<u>2</u>	<u>112,740</u>	<u>949,087</u>	<u>1,728,479</u>	<u>53,106</u>
<b>EXPENDITURES</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	31,208	497,366	920,983	57,193
Public works	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt Service:					
Principal payments	-	-	-	-	-
Interest payments	-	-	-	-	-
Fiscal agent's fees	-	-	-	-	-
Capital Outlay:					
Capital Outlay	-	54,616	21,913	786,147	-
Total Expenditures	<u>-</u>	<u>85,824</u>	<u>519,279</u>	<u>1,707,130</u>	<u>57,193</u>
Excess (deficiency) of revenues over expenditures	2	26,916	429,808	21,349	(4,087)
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from issuance of long-term capital-related debt	-	-	-	-	-
Transfers in	-	2,350	-	-	8,215
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>2,350</u>	<u>-</u>	<u>-</u>	<u>8,215</u>
Net change in fund balance	2	29,266	429,808	21,349	4,128
Fund balances-beginning of year	189	572	1,822,502	114,438	4,081
Restatements	-	-	-	3,180	-
Fund balances-beginning of year, as restated	<u>189</u>	<u>572</u>	<u>1,822,502</u>	<u>117,618</u>	<u>4,081</u>
Fund balances-end of the year	<u>\$ 191</u>	<u>29,838</u>	<u>2,252,310</u>	<u>138,967</u>	<u>8,209</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Spaceport Gross Receipts	Substance Abuse Grants	TIDD Development District	Victims of Crime	Total
<b>REVENUES</b>					
Taxes:					
Property taxes	\$ -	-	-	-	-
General sales and use taxes	1,553,831	-	-	-	14,800,844
Payment in lieu of tax	-	-	-	-	-
Penalties and interest	-	-	-	-	504
Licenses and permits	-	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-	4,682,371
Charges for services	-	-	-	-	1,042,157
Contributions/donations private services	-	-	-	-	810
Investment earnings	-	-	4	-	279,328
Rents and royalties	-	-	-	-	6,700
Other revenue	-	-	-	-	679,279
Total revenues	<u>1,553,831</u>	<u>-</u>	<u>4</u>	<u>-</u>	<u>21,491,993</u>
<b>EXPENDITURES</b>					
Current:					
General government	-	-	-	-	-
Public safety	2,475,741	-	-	-	7,416,720
Public works	-	-	-	-	1,330,665
Health and welfare	-	43,320	-	-	7,205,849
Culture and recreation	-	-	-	-	-
Debt Service:					
Principal payments	-	-	-	-	123,320
Interest payments	-	-	-	-	22,596
Fiscal agent's fees	-	-	-	-	-
Capital Outlay:					
Capital Outlay	-	-	-	-	3,310,507
Total Expenditures	<u>2,475,741</u>	<u>43,320</u>	<u>-</u>	<u>-</u>	<u>19,409,657</u>
Excess (deficiency) of revenues over expenditures	(921,910)	(43,320)	4	-	2,082,336
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from issuance of long-term capital-related debt	-	-	-	-	-
Transfers in	-	-	-	-	4,923,488
Transfers out	-	-	-	(11,439)	(4,638,785)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,439)</u>	<u>284,703</u>
Net change in fund balance	(921,910)	(43,320)	4	(11,439)	2,367,039
Fund balances-beginning of year	921,910	35,094	8,163	11,439	24,220,565
Restatements	-	-	-	-	(179,960)
Fund balances-beginning of year, as restated	<u>921,910</u>	<u>35,094</u>	<u>8,163</u>	<u>11,439</u>	<u>24,040,605</u>
Fund balances-end of the year	<u>\$ -</u>	<u>(8,226)</u>	<u>8,167</u>	<u>-</u>	<u>26,407,644</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Airport FAA Projects	Border Industrial Park Assessment Project	Chaparral Wastewater System - SAP	Chaparral Wastewater USDA	Griggs/ Walnut Superfund Projects
<b>REVENUES</b>					
Taxes:					
Property taxes	\$ -	-	-	-	-
General sales and use taxes	-	-	-	-	-
Payment in lieu of tax	-	-	-	-	-
Penalties and interest	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental revenue and grants	123,246	-	-	22,476	-
Charges for services	-	-	-	-	-
Contributions/donations private services	-	-	-	-	-
Investment earnings	4,503	-	-	-	-
Rents and royalties	-	-	-	-	-
Other revenue	-	-	-	-	-
Total revenues	<u>127,749</u>	<u>-</u>	<u>-</u>	<u>22,476</u>	<u>-</u>
<b>EXPENDITURES</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	119,138
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Debt Service:					
Principal payments	-	-	-	-	-
Interest payments	-	-	-	-	-
Fiscal agent's fees	-	-	-	-	-
Capital Outlay:					
Capital Outlay	154,730	-	(15,757)	22,476	-
Total Expenditures	<u>154,730</u>	<u>-</u>	<u>(15,757)</u>	<u>22,476</u>	<u>119,138</u>
Excess (deficiency) of revenues over expenditures	(26,981)	-	15,757	-	(119,138)
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from issuance of long-term capital-related debt	-	-	-	-	-
Transfers in	-	-	76	-	125,400
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>76</u>	<u>-</u>	<u>125,400</u>
Net change in fund balance	(26,981)	-	15,833	-	6,262
Fund balances-beginning of year	428,679	343	(15,833)	100	94,696
Restatements	(115,416)	-	-	-	-
Fund balances-beginning of year, as restated	<u>313,263</u>	<u>343</u>	<u>(15,833)</u>	<u>100</u>	<u>94,696</u>
Fund balances-end of the year	<u>\$ 286,282</u>	<u>343</u>	<u>-</u>	<u>100</u>	<u>100,958</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NON-MAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Judicial Building Remodeling Project Project	Utility Projects SAP	Wastewater Projects/ Grants USDA	Total
<b>REVENUES</b>				
Taxes:				
Property taxes	\$ -	-	-	-
General sales and use taxes	-	-	-	-
Payment in lieu of tax	-	-	-	-
Penalties and interest	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	145,722
Charges for services	-	-	-	-
Contributions/donations private services	-	-	-	-
Investment earnings	140	470	-	5,113
Rents and royalties	-	-	-	-
Other revenue	-	-	-	-
Total revenues	<u>140</u>	<u>470</u>	<u>-</u>	<u>150,835</u>
<b>EXPENDITURES</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	2	119,140
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Capital Outlay:				
Capital Outlay	-	-	-	161,449
Total Expenditures	<u>-</u>	<u>-</u>	<u>2</u>	<u>280,589</u>
Excess (deficiency) of revenues over expenditures	140	470	(2)	(129,754)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Transfers in	-	-	-	125,476
Transfers out	(11,591)	(68,258)	-	(79,849)
Total other financing sources (uses)	<u>(11,591)</u>	<u>(68,258)</u>	<u>-</u>	<u>45,627</u>
Net change in fund balance	(11,451)	(67,788)	(2)	(84,127)
Fund balances-beginning of year	11,455	67,798	-	587,238
Restatements	-	-	-	(115,416)
Fund balances-beginning of year, as restated	<u>11,455</u>	<u>67,798</u>	<u>-</u>	<u>471,822</u>
Fund balances-end of the year	<u>\$ 4</u>	<u>10</u>	<u>(2)</u>	<u>387,695</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CDBG - RIO GRANDE WATER - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	500,000	569,288	500,000	(69,288)
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	69,288	69,288
Total revenues	<u>500,000</u>	<u>569,288</u>	<u>569,288</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	-	-	-
Capital outlay	500,000	569,288	569,288	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>500,000</u>	<u>569,288</u>	<u>569,288</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	-	-	-
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	<u>\$ -</u>	<u>-</u>		
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in net assets (Budget Basis)			\$ -	
To adjust applicable revenue accruals and deferrals			(83,355)	
To adjust applicable expenditure accruals			<u>83,355</u>	
Change in net assets (GAAP basis)			<u>\$ -</u>	

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COMMUNITY SERVICES - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	13,000	13,000	14,313	1,313
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	13,000	13,000	14,313	1,313
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	13,000	13,000	9,789	3,211
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	13,000	13,000	9,789	3,211
Excess (deficiency) of revenues over (under) expenditures	-	-	4,524	(4,524)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	-	4,524	(4,524)
Budgeted cash carryover	-	-		
Total	\$ -	-		
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in net assets (Budget Basis)			\$ 4,524	
To adjust applicable revenue accruals and deferrals			(4,524)	
To adjust applicable expenditure accruals			-	
Change in net assets (GAAP basis)			\$ -	

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CONFISCATED ASSETS - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	3,462	3,462	5,347	1,885
Other revenue	200,000	210,000	211,328	1,328
Total revenues	203,462	213,462	216,675	3,213
<b>EXPENDITURES</b>				
Current:				
Personnel costs	53,083	23,512	20,906	2,606
Operating costs	174,629	143,545	130,006	13,539
Capital outlay	-	60,655	57,084	3,571
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	227,712	227,712	207,996	19,716
Excess (deficiency) of revenues over (under) expenditures	(24,250)	(14,250)	8,679	(22,929)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(7,615)	(7,615)	-
Total other financing sources (uses)	-	(7,615)	(7,615)	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(24,250)	(21,865)	1,064	(22,929)
Budgeted cash carryover	24,250	21,865		
Total	\$ -	-		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)		\$ 1,064
To adjust applicable revenue accruals and deferrals		785
To adjust applicable expenditure accruals		-
Change in net assets (GAAP basis)		\$ 1,849

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COPS GRANTS - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(42,042)	(42,042)	(42,042)	-
Total other financing sources (uses)	<u>(42,042)</u>	<u>(42,042)</u>	<u>(42,042)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(42,042)	(42,042)	(42,042)	-
Budgeted cash carryover	<u>42,042</u>	<u>42,042</u>		
Total	<u>\$ -</u>	<u>-</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ (42,042)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditure accruals	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ (42,042)</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CORRECTION FEES - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	782,000	782,000	699,179	(82,821)
Investment earnings	10,168	10,168	11,122	954
Other revenue	-	-	-	-
Total revenues	<u>792,168</u>	<u>792,168</u>	<u>710,301</u>	<u>(81,867)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	570,000	570,000	418,948	151,052
Capital outlay	85,000	85,000	-	85,000
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>655,000</u>	<u>655,000</u>	<u>418,948</u>	<u>236,052</u>
Excess (deficiency) of revenues over (under) expenditures	137,168	137,168	291,353	(154,185)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	137,168	137,168	291,353	(154,185)
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	<u>\$ 137,168</u>	<u>137,168</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ 291,353
To adjust applicable revenue accruals and deferrals	(29,721)
To adjust applicable expenditure accruals	<u>(8,000)</u>
Change in net assets (GAAP basis)	<u>\$ 253,632</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
COUNTY FLOOD COMMISSION FUND - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ 1,550,000	1,717,800	1,808,560	90,760
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	88,831	88,831	81,609	(7,222)
Other revenue	40,100	40,100	31,669	(8,431)
Total revenues	<u>1,678,931</u>	<u>1,846,731</u>	<u>1,921,838</u>	<u>75,107</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	641,396	641,396	537,685	103,711
Operating costs	1,383,041	1,379,054	929,469	449,585
Capital outlay	266,000	269,987	179,985	90,002
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>2,290,437</u>	<u>2,290,437</u>	<u>1,647,139</u>	<u>643,298</u>
Excess (deficiency) of revenues over (under) expenditures	(611,506)	(443,706)	274,699	(718,405)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(611,506)	(443,706)	274,699	(718,405)
Budgeted cash carryover	<u>611,506</u>	<u>443,706</u>		
Total	\$ <u><u>-</u></u>	<u><u>-</u></u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ 274,699
To adjust applicable revenue accruals and deferrals	(1,045)
To adjust applicable expenditure accruals	<u>693</u>
Change in net assets (GAAP basis)	<u><u>\$ 274,347</u></u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DOH - BHSO STATE INCENTIVE - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	15,100	15,100	15,100	-
Transfers out	-	(15,100)	(15,100)	-
Total other financing sources (uses)	15,100	-	-	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	15,100	-	-	-
Budgeted cash carryover	-	-		
Total	\$ 15,100	-		
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in net assets (Budget Basis)			\$ -	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			-	
Change in net assets (GAAP basis)			\$ -	

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DWI GRANT - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	937,879	1,167,111	1,009,635	(157,476)
Charges for services	358,650	358,650	360,938	2,288
Investment earnings	-	-	-	-
Other revenue	-	-	607	607
Total revenues	<u>1,296,529</u>	<u>1,525,761</u>	<u>1,371,180</u>	<u>(154,581)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	897,776	912,395	710,530	201,865
Operating costs	677,359	969,074	684,115	284,959
Capital outlay	32,742	21,220	11,013	10,207
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>1,607,877</u>	<u>1,902,689</u>	<u>1,405,658</u>	<u>497,031</u>
Excess (deficiency) of revenues over (under) expenditures	(311,348)	(376,928)	(34,478)	(342,450)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(311,348)	(376,928)	(34,478)	(342,450)
Budgeted cash carryover	<u>311,348</u>	<u>376,928</u>		
Total	<u>\$ -</u>	<u>-</u>		
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in net assets (Budget Basis)			\$ (34,478)	
To adjust applicable revenue accruals and deferrals			(77,848)	
To adjust applicable expenditure accruals			<u>165,380</u>	
Change in net assets (GAAP basis)			<u>\$ 53,054</u>	

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
EMERGENCY FUND - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	5,360	7,750	7,548	(202)
Other revenue	-	52,500	52,500	-
Total revenues	<u>5,360</u>	<u>60,250</u>	<u>60,048</u>	<u>(202)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	400,000	400,000	177,524	222,476
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>400,000</u>	<u>400,000</u>	<u>177,524</u>	<u>222,476</u>
Excess (deficiency) of revenues over (under) expenditures	(394,640)	(339,750)	(117,476)	(222,274)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(394,640)	(339,750)	(117,476)	(222,274)
Budgeted cash carryover	<u>394,640</u>	<u>339,750</u>		
Total	<u>\$ -</u>	<u>-</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ (117,476)
To adjust applicable revenue accruals and deferrals	125
To adjust applicable expenditure accruals	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ (117,351)</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
EMERGENCY MEDICAL SERVICES - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	218,700	167,261	167,261	-
Charges for services	-	-	-	-
Investment earnings	5,378	1,600	1,647	47
Other revenue	-	810	810	-
Total revenues	<u>224,078</u>	<u>169,671</u>	<u>169,718</u>	<u>47</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	328,845	264,705	242,482	22,223
Capital outlay	-	9,732	-	9,732
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>328,845</u>	<u>274,437</u>	<u>242,482</u>	<u>31,955</u>
Excess (deficiency) of revenues over (under) expenditures	(104,767)	(104,766)	(72,764)	(32,002)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(104,767)	(104,766)	(72,764)	(32,002)
Budgeted cash carryover	<u>104,767</u>	<u>104,766</u>		
Total	\$ <u>-</u>	<u>-</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ (72,764)
To adjust applicable revenue accruals and deferrals	(18)
To adjust applicable expenditure accruals	<u>4,172</u>
Change in net assets (GAAP basis)	<u>\$ (68,610)</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FARM AND RANGE - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	11,500	11,755	11,755	-
Investment earnings	-	369	362	(7)
Other revenue	-	-	-	-
Total revenues	<u>11,500</u>	<u>12,124</u>	<u>12,117</u>	<u>(7)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	12,000	12,000	12,000	-
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>12,000</u>	<u>12,000</u>	<u>12,000</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	(500)	124	117	7
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(500)	124	117	7
Budgeted cash carryover	<u>500</u>	<u>-</u>		
Total	<u>\$ -</u>	<u>124</u>		
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in net assets (Budget Basis)			\$ 117	
To adjust applicable revenue accruals and deferrals			(3)	
To adjust applicable expenditure accruals			<u>-</u>	
Change in net assets (GAAP basis)			<u>\$ 114</u>	

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FEDERAL REIMBURSEMENTS/DETENTION CENTER - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(62,589)	(62,589)	(62,589)	-
Total other financing sources (uses)	(62,589)	(62,589)	(62,589)	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(62,589)	(62,589)	(62,589)	-
Budgeted cash carryover	62,589	62,589		
Total	\$ -	-		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)		\$ (62,589)
To adjust applicable revenue accruals and deferrals		-
To adjust applicable expenditure accruals		-
Change in net assets (GAAP basis)		\$ (62,589)

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FIRE DISTRICTS - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ 2,020,115	2,020,115	1,755,237	(264,878)
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	1,147,724	1,443,675	1,443,675	-
Charges for services	-	-	-	-
Investment earnings	137,965	155,298	113,240	(42,058)
Other revenue	4,200	5,066	5,066	-
Total revenues	<u>3,310,004</u>	<u>3,624,154</u>	<u>3,317,218</u>	<u>(306,936)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	3,940,385	2,412,577	1,221,331	1,191,246
Capital outlay	1,680,504	3,484,250	1,713,816	1,770,434
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>5,620,889</u>	<u>5,896,827</u>	<u>2,935,147</u>	<u>2,961,680</u>
Excess (deficiency) of revenues over (under) expenditures	(2,310,885)	(2,272,673)	382,071	(2,654,744)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	4,900,000	4,500,000	4,500,000	-
Transfers out	(4,900,000)	(4,500,000)	(4,500,000)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(2,310,885)	(2,272,673)	382,071	(2,654,744)
Budgeted cash carryover	<u>2,310,885</u>	<u>2,272,673</u>		
Total	\$ <u>-</u>	<u>-</u>		
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in net assets (Budget Basis)			\$ 382,071	
To adjust applicable revenue accruals and deferrals			368,440	
To adjust applicable expenditure accruals			<u>11,936</u>	
Change in net assets (GAAP basis)			<u>\$ 762,447</u>	

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
HOUSING GRANT - NMFA - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	97,410	102,281	102,281	-
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	97,410	102,281	102,281	-
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	97,410	102,281	102,281	-
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	97,410	102,281	102,281	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	-	-	-
Budgeted cash carryover	-	-		
Total	\$ -	-		
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in net assets (Budget Basis)			\$ -	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			-	
Change in net assets (GAAP basis)			\$ -	

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
INDIGENT HOSPITAL CARE FUND - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ 8,587,130	8,587,130	8,324,111	(263,019)
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	27,423	27,423	33,355	5,932
Other revenue	-	-	17,661	17,661
Total revenues	<u>8,614,553</u>	<u>8,614,553</u>	<u>8,375,127</u>	<u>(239,426)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	9,620,000	9,620,000	7,050,459	2,569,541
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>9,620,000</u>	<u>9,620,000</u>	<u>7,050,459</u>	<u>2,569,541</u>
Excess (deficiency) of revenues over (under) expenditures	(1,005,447)	(1,005,447)	1,324,668	(2,330,115)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	266,023	397,823	397,823	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>266,023</u>	<u>397,823</u>	<u>397,823</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(739,424)	(607,624)	1,722,491	(2,330,115)
Budgeted cash carryover	<u>739,424</u>	<u>607,624</u>		
Total	<u>\$ -</u>	<u>-</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ 1,722,491
To adjust applicable revenue accruals and deferrals	81,809
To adjust applicable expenditure accruals	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ 1,804,300</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
LAW ENFORCEMENT BLOCK GRANTS - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Original Approved Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	-	-	2	2
Other revenue	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	2	(2)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt				
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	-	2	(2)
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	<u>\$ -</u>	<u>-</u>		
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in net assets (Budget Basis)			\$ 2	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			<u>-</u>	
Change in net assets (GAAP basis)			<u>\$ 2</u>	

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
LAW ENFORCEMENT PROTECTION - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	1,500	1,500	1,169	(331)
Other revenue	111,600	111,600	111,600	-
Total revenues	<u>113,100</u>	<u>113,100</u>	<u>112,769</u>	<u>(331)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	83,197	84,591	36,008	48,583
Capital outlay	56,010	54,616	54,616	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>139,207</u>	<u>139,207</u>	<u>90,624</u>	<u>48,583</u>
Excess (deficiency) of revenues over (under) expenditures	(26,107)	(26,107)	22,145	(48,252)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	2,350	2,350	2,350	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>2,350</u>	<u>2,350</u>	<u>2,350</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(23,757)	(23,757)	24,495	(48,252)
Budgeted cash carryover	<u>23,757</u>	<u>23,757</u>		
Total	<u>\$ -</u>	<u>-</u>		
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in net assets (Budget Basis)			\$ 24,495	
To adjust applicable revenue accruals and deferrals			(29)	
To adjust applicable expenditure accruals			<u>4,800</u>	
Change in net assets (GAAP basis)			<u>\$ 29,266</u>	

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
REAPPRAISAL ADMINISTRATIVE FEES - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ 820,000	860,000	918,803	58,803
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	25,550	25,550	25,263	(287)
Other revenue	-	4,312	5,109	797
Total revenues	<u>845,550</u>	<u>889,862</u>	<u>949,175</u>	<u>59,313</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	159,315	159,315	123,141	36,174
Operating costs	561,175	661,175	395,175	266,000
Capital outlay	130,000	30,000	21,913	8,087
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>850,490</u>	<u>850,490</u>	<u>540,229</u>	<u>310,261</u>
Excess (deficiency) of revenues over (under) expenditures	(4,940)	39,372	408,946	(369,574)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(4,940)	39,372	408,946	(369,574)
Budgeted cash carryover	<u>4,940</u>	<u>-</u>		
Total	<u>\$ -</u>	<u>39,372</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ 408,946
To adjust applicable revenue accruals and deferrals	(88)
To adjust applicable expenditure accruals	<u>20,950</u>
Change in net assets (GAAP basis)	<u>\$ 429,808</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SHERIFF'S GRANTS STATE - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	1,333,047	4,170,559	1,327,749	(2,842,810)
Charges for services	-	-	-	-
Investment earnings	4,752	4,752	-	(4,752)
Other revenue	311,985	311,985	161,502	(150,483)
Total revenues	<u>1,649,784</u>	<u>4,487,296</u>	<u>1,489,251</u>	<u>(2,998,045)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	779,991	1,621,406	710,120	911,286
Operating costs	215,369	1,151,704	218,021	933,683
Capital outlay	472,641	1,532,402	786,147	746,255
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>1,468,001</u>	<u>4,305,512</u>	<u>1,714,288</u>	<u>2,591,224</u>
Excess (deficiency) of revenues over (under) expenditures	181,783	181,784	(225,037)	406,821
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt				
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	181,783	181,784	(225,037)	406,821
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	\$ <u>181,783</u>	<u>181,784</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ (225,037)
To adjust applicable revenue accruals and deferrals	239,228
To adjust applicable expenditure accruals	<u>7,158</u>
Change in net assets (GAAP basis)	<u>\$ 21,349</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SHERIFF'S GREAT GRANT - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Original Approved Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	52,626	119,895	52,270	(67,625)
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	<u>52,626</u>	<u>119,895</u>	<u>52,270</u>	<u>(67,625)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	8,121	14,778	4,231	10,547
Operating costs	49,088	117,315	52,962	64,353
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>57,209</u>	<u>132,093</u>	<u>57,193</u>	<u>74,900</u>
Excess (deficiency) of revenues over (under) expenditures	(4,583)	(12,198)	(4,923)	(7,275)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt				
	-	-	-	-
Sale of real and personal property				
	-	-	-	-
Transfers in	600	8,215	8,215	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>600</u>	<u>8,215</u>	<u>8,215</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(3,983)	(3,983)	3,292	(7,275)
Budgeted cash carryover	<u>3,983</u>	<u>3,983</u>		
Total	<u>\$ -</u>	<u>-</u>		
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in net assets (Budget Basis)			\$ 3,292	
To adjust applicable revenue accruals and deferrals			836	
To adjust applicable expenditure accruals			<u>-</u>	
Change in net assets (GAAP basis)			<u>\$ 4,128</u>	

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SPACEPORT GRT - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ 7,284,017	2,900,000	2,813,467	(86,533)
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	<u>7,284,017</u>	<u>2,900,000</u>	<u>2,813,467</u>	<u>(86,533)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	7,891,018	3,507,001	3,420,468	86,533
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>7,891,018</u>	<u>3,507,001</u>	<u>3,420,468</u>	<u>86,533</u>
Excess (deficiency) of revenues over (under) expenditures	(607,001)	(607,001)	(607,001)	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(607,001)	(607,001)	(607,001)	-
Budgeted cash carryover	<u>607,001</u>	<u>607,001</u>		
Total	<u>\$ -</u>	<u>-</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ (607,001)
To adjust applicable revenue accruals and deferrals	(1,259,636)
To adjust applicable expenditure accruals	<u>944,727</u>
Change in net assets (GAAP basis)	<u>\$ (921,910)</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SUBSTANCE ABUSE GRANTS - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Current:				
Personnel costs	21,870	21,870	21,744	126
Operating costs	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	21,870	21,870	21,744	126
Excess (deficiency) of revenues over (under) expenditures	(21,870)	(21,870)	(21,744)	(126)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(21,870)	(21,870)	(21,744)	(126)
Budgeted cash carryover	21,870	21,870		
Total	\$ -	-		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ (21,744)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditure accruals	(21,576)
Change in net assets (GAAP basis)	\$ (43,320)

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
TIDD DEVELOPMENT DISTRICT - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Original Approved Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	-	-	6	6
Other revenue	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>6</u>	<u>6</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	8,161	8,161	-	8,161
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>8,161</u>	<u>8,161</u>	<u>-</u>	<u>8,161</u>
Excess (deficiency) of revenues over (under) expenditures	(8,161)	(8,161)	6	(8,167)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt				
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(8,161)	(8,161)	6	(8,167)
Budgeted cash carryover	<u>8,161</u>	<u>8,161</u>		
Total	<u>\$ -</u>	<u>-</u>		
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in net assets (Budget Basis)			\$ 6	
To adjust applicable revenue accruals and deferrals			(2)	
To adjust applicable expenditure accruals			<u>-</u>	
Change in net assets (GAAP basis)			<u>\$ 4</u>	

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
VICTIMS OF CRIME - SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(11,438)	(11,438)	(11,438)	-
Total other financing sources (uses)	<u>(11,438)</u>	<u>(11,438)</u>	<u>(11,438)</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(11,438)	(11,438)	(11,438)	-
Budgeted cash carryover	<u>11,438</u>	<u>11,438</u>		
Total	<u>\$ -</u>	<u>-</u>		
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in net assets (Budget Basis)			\$ (11,438)	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals and rounding			<u>(1)</u>	
Change in net assets (GAAP basis)			<u>\$ (11,439)</u>	

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
AIRPORT FAA PROJECTS - CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	5,678,328	2,683,751	121,865	(2,561,886)
Charges for services	-	-	-	-
Investment earnings	26,066	26,066	4,547	(21,519)
Other revenue	-	-	-	-
Total revenues	<u>5,704,394</u>	<u>2,709,817</u>	<u>126,412</u>	<u>(2,583,405)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	-	-	-
Capital outlay	2,650,000	2,650,000	158,561	2,491,439
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>2,650,000</u>	<u>2,650,000</u>	<u>158,561</u>	<u>2,491,439</u>
Excess (deficiency) of revenues over (under) expenditures	3,054,394	59,817	(32,149)	91,966
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	3,054,394	59,817	(32,149)	91,966
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	<u>\$ 3,054,394</u>	<u>59,817</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ (32,149)
To adjust applicable revenue accruals and deferrals	1,337
To adjust applicable expenditure accruals	<u>3,831</u>
Change in net assets (GAAP basis)	<u>\$ (26,981)</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
BORDER INDUSTRIAL PARK ASSESSMENT PROJECT - CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	-	-	-
Budgeted cash carryover	-	-		
Total	\$ -	-		
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in net assets (Budget Basis)			\$ -	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			-	
Change in net assets (GAAP basis)			\$ -	

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CHAPARRAL WASTEWATER SYSTEM - SAP - CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	261,293	261,293	146,614	(114,679)
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	<u>261,293</u>	<u>261,293</u>	<u>146,614</u>	<u>(114,679)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	-	-	-
Capital outlay	261,293	261,293	146,614	114,679
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>261,293</u>	<u>261,293</u>	<u>146,614</u>	<u>114,679</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt				
Sale of real and personal property	-	-	-	-
Transfers in	-	76	76	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>76</u>	<u>76</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	76	76	-
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	<u>\$ -</u>	<u>76</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ 76
To adjust applicable revenue accruals and deferrals	(146,614)
To adjust applicable expenditure accruals	<u>162,371</u>
Change in net assets (GAAP basis)	<u>\$ 15,833</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CHAPARRAL WASTEWATER - USDA - CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	22,464	22,476	22,476	-
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	22,464	22,476	22,476	-
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	-	-	-
Capital outlay	22,464	22,476	22,476	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	22,464	22,476	22,476	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	-	-	-
Budgeted cash carryover	-	-		
Total	\$ -	-		
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in net assets (Budget Basis)			\$ -	
To adjust applicable revenue accruals and deferrals			-	
To adjust applicable expenditure accruals			-	
Change in net assets (GAAP basis)			\$ -	

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GRIGGS/WALNUT SUPERFUND PROJECT - CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	220,000	220,000	119,138	100,862
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>220,000</u>	<u>220,000</u>	<u>119,138</u>	<u>100,862</u>
Excess (deficiency) of revenues over (under) expenditures	(220,000)	(220,000)	(119,138)	(100,862)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	125,400	125,400	125,400	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>125,400</u>	<u>125,400</u>	<u>125,400</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(94,600)	(94,600)	6,262	(100,862)
Budgeted cash carryover	<u>94,600</u>	<u>94,600</u>		
Total	<u>\$ -</u>	<u>-</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ 6,262
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditure accruals	<u>-</u>
Change in net assets (GAAP basis)	<u>\$ 6,262</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
JUDICIAL BUILDING REMODELING PROJECT - CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	-	140	141	1
Other revenue	-	-	-	-
Total revenues	-	140	141	1
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	140	141	(1)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	(11,591)	(11,591)	-
Total other financing sources (uses)	-	(11,591)	(11,591)	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	(11,451)	(11,450)	(1)
Budgeted cash carryover	-	11,451		
Total	\$ -	-		
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in net assets (Budget Basis)			\$ (11,450)	
To adjust applicable revenue accruals and deferrals			(1)	
To adjust applicable expenditure accruals			-	
Change in net assets (GAAP basis)			\$ (11,451)	

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
UTILITY PROJECTS - CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	-	514	485	(29)
Other revenue	-	-	-	-
Total revenues	-	514	485	(29)
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	-	-	-	-
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	514	485	29
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(67,778)	(68,258)	(68,258)	-
Total other financing sources (uses)	(67,778)	(68,258)	(68,258)	-
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(67,778)	(67,744)	(67,773)	29
Budgeted cash carryover	67,778	67,744		
Total	\$ -	-		
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in net assets (Budget Basis)			\$ (67,773)	
To adjust applicable revenue accruals and deferrals			(15)	
To adjust applicable expenditure accruals			-	
Change in net assets (GAAP basis)			\$ (67,788)	

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
WASTEWATER PROJECTS / GRANTS - CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Original Approved Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
<b>REVENUES</b>				
Taxes	\$ -	-	-	-
Payment-in-Lieu-of-taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	37,332	37,332	1	(37,331)
Charges for services	-	-	-	-
Investment earnings	-	-	-	-
Other revenue	-	-	-	-
Total revenues	<u>37,332</u>	<u>37,332</u>	<u>1</u>	<u>(37,331)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	6,982	6,982	-	6,982
Capital outlay	30,350	30,350	-	30,350
Debt Service:				
Principal payments	-	-	-	-
Interest payments	-	-	-	-
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>37,332</u>	<u>37,332</u>	<u>-</u>	<u>37,332</u>
Excess (deficiency) of revenues over (under) expenditures	-	-	1	(1)
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt				
Sale of real and personal property	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	-	-	1	(1)
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	<u>\$ -</u>	<u>-</u>		
<b>RECONCILIATION FROM BUDGET/ACTUAL TO GAAP</b>				
Change in net assets (Budget Basis)			\$ 1	
To adjust applicable revenue accruals and deferrals			(1)	
To adjust applicable expenditure accruals			<u>(2)</u>	
Change in net assets (GAAP basis)			<u>\$ (2)</u>	

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DEBT SERVICE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable)
<b>REVENUES</b>				
Taxes	\$ 545,000	545,000	541,418	(3,582)
Payment-in-Lieu-of-taxes	882,406	882,406	882,406	-
Licenses and permits	-	-	-	-
Intergovernmental revenue and grants	-	-	-	-
Charges for services	-	-	-	-
Investment earnings	26,651	197,455	192,130	(5,325)
Other revenue	-	-	-	-
Total revenues	<u>1,454,057</u>	<u>1,624,861</u>	<u>1,615,954</u>	<u>(8,907)</u>
<b>EXPENDITURES</b>				
Current:				
Personnel costs	-	-	-	-
Operating costs	30,537	30,911	30,580	331
Capital outlay	-	-	-	-
Debt Service:				
Principal payments	2,990,000	2,990,000	2,990,000	-
Interest payments	2,272,608	2,287,013	2,287,011	2
Fiscal agent's fees	-	-	-	-
Total expenditures	<u>5,293,145</u>	<u>5,307,924</u>	<u>5,307,591</u>	<u>333</u>
Excess (deficiency) of revenues over (under) expenditures	(3,839,088)	(3,683,063)	(3,691,637)	8,574
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from issuance of long-term capital-related debt	-	-	-	-
Sale of real and personal property	-	-	-	-
Transfers in	3,831,732	3,831,732	3,831,732	-
Transfers out	(13,370)	(13,370)	(13,370)	-
Total other financing sources (uses)	<u>3,818,362</u>	<u>3,818,362</u>	<u>3,818,362</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures and other financing sources (uses)	(20,726)	135,299	126,725	8,574
Budgeted cash carryover	<u>20,726</u>	<u>-</u>		
Total	\$ <u><u>-</u></u>	<u><u>135,299</u></u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ 126,725
To adjust applicable revenue accruals and deferrals	(866)
To adjust applicable expenditure accruals	<u>54,302</u>
Change in net assets (GAAP basis)	<u><u>\$ 180,161</u></u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
NON-MAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010**

**NON-MAJOR ENTERPRISE FUNDS**

Dona Ana Public Housing Authority – To account for activities related to the County’s Public Housing Authority.

Chaparral Wastewater System - To account for the service activities of the wastewater system.

Dona Ana Wastewater System - To account for the service activities of the wastewater system.

La Union Wastewater- To account for the service activities of the wastewater system.

Las Palmeras/Montana Vista Wastewater - To account for the service activities of the wastewater system.

Rincon Wastewater - To account for the service activities of the water system.

Salem/Ogas Wastewater - To account for the service activities of the wastewater system.

San Miguel Water System – To account for the service activities of the wastewater system.

**DONA ANA COUNTY  
NONMAJOR ENTERPRISE FUNDS  
COMBINING BALANCE SHEETS  
AS OF JUNE 30, 2010**

	Dona Ana Public Housing Authority	Chaparral Wastewater System	Dona Ana Wastewater System	La Union Wastewater System	Las Palmeras/ Montana Vista Wastewater
<b>ASSETS</b>					
Current assets:					
Cash and cash equivalents	\$ 1,199,638	3,770	49,691	88,061	-
Investments	51,507	-	-	-	-
Receivable, net	302,722	6,499	8,242	(10,662)	-
Interest receivables	-	-	10	17	-
Other receivables	88,717	-	-	-	-
Deposits	17,450	-	-	-	-
Inventory	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total current assets	<u>1,660,034</u>	<u>10,269</u>	<u>57,943</u>	<u>77,416</u>	<u>-</u>
Non-current assets:					
Restricted cash and cash equivalents	1,184,332	-	-	-	-
Restricted cash held in investments	-	-	-	-	-
Capital assets, net	<u>678,806</u>	<u>83,794</u>	<u>2,870,195</u>	<u>5,125,560</u>	<u>739,270</u>
Total non-current assets	<u>1,863,138</u>	<u>83,794</u>	<u>2,870,195</u>	<u>5,125,560</u>	<u>739,270</u>
Total assets	<u>\$ 3,523,172</u>	<u>94,063</u>	<u>2,928,138</u>	<u>5,202,976</u>	<u>739,270</u>
<b>LIABILITIES</b>					
Current liabilities:					
Accounts payable	\$ 7,202	-	-	-	-
Due to other funds	-	-	-	-	-
Bonds and notes payable	512,051	-	-	-	-
Accrued interest payable	-	-	-	3,140	-
Accrued payroll liabilities	-	-	-	77	-
Compensated absences	-	1,744	-	7,636	-
Other liabilities	-	1,569	814	720	1,600
Deposits	1,239	-	-	-	-
Deferred revenues	-	-	-	-	-
Total current liabilities	<u>520,492</u>	<u>3,313</u>	<u>814</u>	<u>11,573</u>	<u>1,600</u>
Non-current liabilities:					
Bonds and notes payable	-	-	-	527,003	-
Compensated absences	-	1,047	-	4,581	-
Total non-current liabilities	<u>-</u>	<u>1,047</u>	<u>-</u>	<u>531,584</u>	<u>-</u>
Total liabilities	520,492	4,360	814	543,157	1,600
<b>NET ASSETS</b>					
Invested in capital assets, net of related debt	166,755	83,794	2,870,195	4,598,557	739,270
Restricted for:					
Customer Deposits	17,450	-	-	-	-
Other purposes	1,184,332	-	-	-	-
Unrestricted	<u>1,634,143</u>	<u>5,909</u>	<u>57,129</u>	<u>61,262</u>	<u>(1,600)</u>
Total net assets	<u>3,002,680</u>	<u>89,703</u>	<u>2,927,324</u>	<u>4,659,819</u>	<u>737,670</u>
Total liabilities and net assets	<u>\$ 3,523,172</u>	<u>94,063</u>	<u>2,928,138</u>	<u>5,202,976</u>	<u>739,270</u>

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

**DONA ANA COUNTY  
NONMAJOR ENTERPRISE FUNDS  
COMBINING BALANCE SHEETS  
AS OF JUNE 30, 2010**

	Rincon Wastewater System	Salem/Ogas Wastewater System	San Miguel Water System	Total Nonmajor Enterprise Funds
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 26,669	65,244	14,687	1,447,760
Investments	-	-	-	51,507
Receivable, net	3,292	8,593	25,924	344,610
Interest receivables	5	12	-	44
Other receivables	-	-	-	88,717
Deposits	-	-	-	17,450
Inventory	-	-	-	-
Due from other funds	-	-	-	-
Total current assets	<u>29,966</u>	<u>73,849</u>	<u>40,611</u>	<u>1,950,088</u>
Non-current assets:				
Capital assets, net	<u>1,380,464</u>	<u>2,953,227</u>	<u>-</u>	<u>13,831,316</u>
Total non-current assets	<u>1,380,464</u>	<u>2,953,227</u>	<u>-</u>	<u>15,015,648</u>
Total assets	<u>\$ 1,410,430</u>	<u>3,027,076</u>	<u>40,611</u>	<u>16,965,736</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	\$ 19	-	40,411	47,632
Due to other funds	-	-	-	-
Bonds and notes payable	-	-	-	512,051
Accrued interest payable	-	13,434	-	16,574
Accrued payroll liabilities	85	69	-	231
Compensated absences	3,521	2,031	-	14,932
Other liabilities	216	976	200	6,095
Deposits	-	-	-	1,239
Deferred revenues	-	-	-	-
Total current liabilities	<u>3,841</u>	<u>16,510</u>	<u>40,611</u>	<u>598,754</u>
Non-current liabilities:				
Bonds and notes payable	-	441,956	-	968,959
Compensated absences	<u>2,113</u>	<u>1,218</u>	<u>-</u>	<u>8,959</u>
Total non-current liabilities	<u>2,113</u>	<u>443,174</u>	<u>-</u>	<u>977,918</u>
Total liabilities	5,954	459,684	40,611	1,576,672
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	1,380,464	2,511,271	-	12,350,306
Restricted for:				
Customer Deposits	-	-	-	17,450
Other purposes	-	-	-	1,184,332
Unrestricted	<u>24,012</u>	<u>56,121</u>	<u>-</u>	<u>1,836,976</u>
Total net assets	<u>1,404,476</u>	<u>2,567,392</u>	<u>-</u>	<u>15,389,064</u>
Total liabilities and net assets	<u>\$ 1,410,430</u>	<u>3,027,076</u>	<u>40,611</u>	<u>16,965,736</u>

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

**DONA ANA COUNTY**  
**NONMAJOR ENTERPRISE FUNDS**  
**COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	Dona Ana Public Housing Authority	Chaparral Wastewater System	Dona Ana Wastewater System	La Union Wastewater System	Las Palmeras/ Montana Vista Wastewater
<b>OPERATING REVENUES</b>					
Charges for services	\$ -	57,894	-	1,230	-
Charges for water services	-	-	-	-	-
Charges for sewerage service	-	42,518	150,055	75,887	-
Rents and royalties	13,441	-	-	-	-
Other revenue	277,512	12,529	10,853	5,507	-
Total operating revenues	<u>290,953</u>	<u>112,941</u>	<u>160,908</u>	<u>82,624</u>	<u>-</u>
<b>OPERATING EXPENSES</b>					
Personnel services -salaries and wages	-	21,579	-	62,490	-
Personnel services -employee benefits	-	17,093	-	35,935	-
Purchased professional and technical services	120,810	-	113,766	-	-
Utilities	3,860	17,185	-	3,992	-
Other operating expenses	2,507,581	48,507	-	37,341	-
Depreciation	88,420	-	71,795	179,671	13,332
Total operating expenses	<u>2,720,671</u>	<u>104,364</u>	<u>185,561</u>	<u>319,429</u>	<u>13,332</u>
Operating income (loss)	(2,429,718)	8,577	(24,653)	(236,805)	(13,332)
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Gain (loss) on sale of property	45,604	-	-	-	-
Grants (not capital grants)	2,715,455	-	-	-	-
Grants -capital	38,484	-	-	-	-
Investment earnings	5,948	-	500	1,303	-
Interest expense -non-operating	(9,337)	-	-	(1,397)	-
Total non-operating revenues (expenses)	<u>2,796,154</u>	<u>-</u>	<u>500</u>	<u>(94)</u>	<u>-</u>
Income (loss) before transfers	366,436	8,577	(24,153)	(236,899)	(13,332)
Transfers in	-	-	-	-	-
Capital transfer in	-	-	-	-	-
Capital transfer out	-	-	-	-	-
Transfers out	-	(16,000)	(10,853)	-	-
Total transfers in (out)	<u>-</u>	<u>(16,000)</u>	<u>(10,853)</u>	<u>-</u>	<u>-</u>
Change in net assets	366,436	(7,423)	(35,006)	(236,899)	(13,332)
Beginning net assets	4,108,734	97,126	2,972,265	4,861,034	751,002
Restatement	(1,472,490)	-	(9,935)	35,684	-
Beginning net assets-as restated	<u>2,636,244</u>	<u>97,126</u>	<u>2,962,330</u>	<u>4,896,718</u>	<u>751,002</u>
Net assets-end of the year	<u>\$ 3,002,680</u>	<u>89,703</u>	<u>2,927,324</u>	<u>4,659,819</u>	<u>737,670</u>

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

**DONA ANA COUNTY**  
**NONMAJOR ENTERPRISE FUNDS**  
**COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN RETAINED EARNINGS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	Rincon Wastewater System	Salem/Ogas Wastewater System	San Miguel Water System	Total Nonmajor Enterprise Funds
<b>OPERATING REVENUES</b>				
Charges for services	\$ -	-	-	59,124
Charges for water services	-	-	-	-
Charges for sewerage service	30,763	61,810	-	361,033
Rents and royalties	-	-	-	13,441
Other revenue	2,165	5,673	-	314,239
Total operating revenues	<u>32,928</u>	<u>67,483</u>	<u>-</u>	<u>747,837</u>
<b>OPERATING EXPENSES</b>				
Personnel services -salaries and wages	20,296	12,914	-	117,279
Personnel services -employee benefits	8,122	5,754	-	66,904
Purchased professional and technical services	-	-	-	234,576
Utilities	6,916	26,196	-	58,149
Other operating expenses	14,390	16,276	-	2,624,095
Depreciation	33,124	79,668	-	466,010
Total operating expenses	<u>82,848</u>	<u>140,808</u>	<u>-</u>	<u>3,567,013</u>
Operating income (loss)	(49,920)	(73,325)	-	(2,819,176)
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Gain (loss) on sale of property	-	-	-	45,604
Grants (not capital grants)	-	-	-	2,715,455
Grants -capital	-	-	-	38,484
Investment earnings	387	728	-	8,866
Interest expense -non-operating	-	(12,009)	-	(22,743)
Total non-operating revenues (expenses)	<u>387</u>	<u>(11,281)</u>	<u>-</u>	<u>2,785,666</u>
Income (loss) before transfers	(49,533)	(84,606)	-	(33,510)
Transfers in	-	-	-	-
Capital transfer in	-	-	-	-
Capital transfer out	-	-	-	-
Transfers out	-	(3,000)	-	(29,853)
Total transfers in (out)	<u>-</u>	<u>(3,000)</u>	<u>-</u>	<u>(29,853)</u>
Change in net assets	(49,533)	(87,606)	-	(63,363)
Beginning net assets	1,455,204	2,654,998	-	16,900,363
Restatement	(1,195)	-	-	(1,447,936)
Beginning net assets-as restated	<u>1,454,009</u>	<u>2,654,998</u>	<u>-</u>	<u>15,452,427</u>
Net assets-end of the year	<u>\$ 1,404,476</u>	<u>2,567,392</u>	<u>-</u>	<u>15,389,064</u>

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

**DONA ANA COUNTY  
NONMAJOR ENTERPRISE FUNDS  
COMBINING STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Dona Ana Public Housing Authority	Chaparral Wastewater System	Dona Ana Wastewater System	La Union Wastewater System	Las Palmeras/ Montana Vista Wastewater
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Receipts from customers	\$ 112,729	94,470	141,811	87,978	-
Payments to employees	-	(36,789)	-	(91,115)	-
Payments to suppliers	(2,512,899)	(58,340)	(141,562)	(33,324)	-
Other receipts/(payments)	277,512	12,529	10,853	5,507	-
<i>Net cash provided (used) by operating activities</i>	<u>(2,122,658)</u>	<u>11,870</u>	<u>11,102</u>	<u>(30,954)</u>	<u>-</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>					
Intergovernmental HUD subsidy	2,715,455	-	-	-	-
Transfers from other funds	-	-	-	-	-
Operating subsidies and transfers to other funds	-	(16,000)	(10,853)	-	-
<i>Net cash provided by (used for) noncapital financing activities</i>	<u>2,715,455</u>	<u>(16,000)</u>	<u>(10,853)</u>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Capital contributions	-	-	-	-	-
Purchase of capital assets	(38,297)	-	-	-	-
Proceeds from sale of capital assets	166,000	-	-	-	-
Proceeds from issuance of debt	608,964	-	-	-	-
Principal payments	(655,595)	-	-	-	-
Interest payments	(9,337)	-	-	(1,397)	-
Due to HACLC	-	-	-	-	-
Grant revenues	38,399	-	-	-	-
Utility deposit	-	-	-	-	-
<i>Net cash provided by (used for) capital and related financing activities</i>	<u>110,134</u>	<u>-</u>	<u>-</u>	<u>(1,397)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Proceeds from sales and maturities of investments	-	-	-	-	-
Issuance of mortgages to homeowners	(93,900)	-	-	-	-
Repayment of mortgages received	384	-	-	-	-
Purchase of investments	(645)	-	-	-	-
Interest and dividends	5,948	-	501	1,304	-
<i>Net cash provided by (used for) investing activities</i>	<u>(88,213)</u>	<u>-</u>	<u>501</u>	<u>1,304</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	614,718	(4,130)	750	(31,047)	-
Balances - beginning of year	1,769,252	7,900	48,941	119,108	-
Balances - end of year	<u>\$ 2,383,970</u>	<u>3,770</u>	<u>49,691</u>	<u>88,061</u>	<u>-</u>

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

**DONA ANA COUNTY  
NONMAJOR ENTERPRISE FUNDS  
COMBINING STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Dona Ana Public Housing Authority</u>	<u>Chaparral Wastewater System</u>	<u>Dona Ana Wastewater System</u>	<u>La Union Wastewater System</u>	<u>Las Palmeras/ Montana Vista Wastewater</u>
Reconciliation of operating income/(loss) to net cash provided/(used) by operating activities:					
Operating income/(loss)	\$ (2,429,718)	8,577	(24,653)	(236,805)	(13,332)
Adjustments:					
Depreciation expense	88,420	-	71,795	179,671	13,332
Bad debt expense	16,400	6,526	-	6,550	-
Change in assets and liabilities:					
Receivables	99,288	(5,942)	(8,244)	10,861	-
Due from other funds	-	-	-	-	-
Inventories and prepaid expenses	184,599	-	-	-	-
Deposits held for others	-	-	-	-	-
Accounts Payable	(81,647)	-	(3,068)	-	-
Accrued expenses and other liabilities	-	826	(24,728)	1,459	-
Compensated absences	-	1,883	-	7,310	-
Deposits	-	-	-	-	-
Deferred revenue	-	-	-	-	-
Due to other funds	-	-	-	-	-
Net cash provided by (used for) operating activities	<u>\$ (2,122,658)</u>	<u>11,870</u>	<u>11,102</u>	<u>(30,954)</u>	<u>-</u>

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

**DONA ANA COUNTY  
NONMAJOR ENTERPRISE FUNDS  
COMBINING STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2010**

	Rincon Wastewater System	Salem/Ogas Wastewater System	San Miguel Water System	Total Nonmajor Enterprise Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers	\$ 26,809	54,007	(25,924)	491,880
Payments to employees	(26,802)	(18,355)	-	(173,061)
Payments to suppliers	(21,065)	(24,662)	40,611	(2,751,241)
Other receipts/(payments)	2,165	5,673	-	314,239
<i>Net cash provided (used) by operating activities</i>	<u>(18,893)</u>	<u>16,663</u>	<u>14,687</u>	<u>(2,118,183)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>				
Intergovernmental HUD subsidy	-	-	-	2,715,455
Transfers from other funds	-	-	-	-
Operating subsidies and transfers to other funds	-	(3,000)	-	(29,853)
<i>Net cash provided by (used for) noncapital financing activities</i>	<u>-</u>	<u>(3,000)</u>	<u>-</u>	<u>2,685,602</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Capital contributions	-	-	-	-
Purchase of capital assets	-	-	-	(38,297)
Proceeds from sale of capital assets	-	-	-	166,000
Proceeds from issuance of debt	-	-	-	608,964
Principal payments	-	-	-	(655,595)
Interest payments	-	(12,009)	-	(22,743)
Due to HACLC	-	-	-	-
Grant revenues	-	-	-	38,399
Utility deposit	-	-	-	-
<i>Net cash provided by (used for) capital and related financing activities</i>	<u>-</u>	<u>(12,009)</u>	<u>-</u>	<u>96,728</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Proceeds from sales and maturities of investments	-	-	-	-
Issuance of mortgages to homeowners	-	-	-	(93,900)
Repayment of mortgages received	-	-	-	384
Purchase of investments	-	-	-	(645)
Interest and dividends	384	726	-	8,863
<i>Net cash provided by (used for) investing activities</i>	<u>384</u>	<u>726</u>	<u>-</u>	<u>(85,298)</u>
Net increase/(decrease) in cash and cash equivalents	(18,509)	2,380	14,687	578,849
Balances - beginning of year	45,178	62,864	-	2,053,243
Balances - end of year	<u>\$ 26,669</u>	<u>65,244</u>	<u>14,687</u>	<u>2,632,092</u>

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

**DONA ANA COUNTY  
NONMAJOR ENTERPRISE FUNDS  
COMBINING STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Rincon Wastewater System</u>	<u>Salem/Ogas Wastewater System</u>	<u>San Miguel Water System</u>	<u>Total Nonmajor Enterprise Funds</u>
Reconciliation of operating income/(loss) to net cash provided/(used) by operating activities:				
Operating income/(loss)	\$ (49,920)	(73,325)	-	(2,819,176)
Adjustments:				
Depreciation expense	33,124	79,668	-	466,010
Bad debt expense	2,809	5,488	-	37,773
Change in assets and liabilities:				
Receivables	(3,954)	(7,803)	(25,924)	58,282
Due from other funds	-	-	-	-
Inventories and prepaid expenses	-	-	-	184,599
Deposits held for others	-	-	-	-
Accounts Payable	19	-	40,411	(44,285)
Accrued expenses and other liabilities	(2,587)	12,322	200	(12,508)
Compensated absences	1,616	313	-	11,122
Deposits	-	-	-	-
Deferred revenue	-	-	-	-
Due to other funds	-	-	-	-
Net cash provided by (used for) operating activities	<u>\$ (18,893)</u>	<u>16,663</u>	<u>14,687</u>	<u>(2,118,183)</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
BORDER WASTEWATER - ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
<b>OPERATING REVENUES</b>				
Charges for services	\$ 1,000	1,000	1,300	300
Charges for water services	26,000	26,000	27,533	1,533
Charges for sewerage service	56,000	56,000	60,956	4,956
Rents and royalties	-	-	-	-
Other revenue	-	-	10,011	10,011
Total operating revenues	<u>83,000</u>	<u>83,000</u>	<u>99,800</u>	<u>16,800</u>
<b>OPERATING EXPENSES</b>				
Personnel services -salaries and wages	-	-	-	-
Personnel services -employee benefits	-	-	-	-
Purchased professional and technical services	35,000	33,500	30,783	2,717
Utilities	40,650	41,150	40,739	411
Other operating expenses	<u>8,450</u>	<u>9,450</u>	<u>7,327</u>	<u>2,123</u>
Total operating expenses	<u>84,100</u>	<u>84,100</u>	<u>78,849</u>	<u>5,251</u>
Operating income (loss)	(1,100)	(1,100)	20,951	22,051
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Gain (loss) on sale of property	-	-	-	-
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	26,201	26,201	7,729	(18,472)
Interest expense -non-operating	<u>(133,300)</u>	<u>(133,300)</u>	<u>(133,300)</u>	<u>-</u>
Total non-operating revenues (expenses)	<u>(107,099)</u>	<u>(107,099)</u>	<u>(125,571)</u>	<u>(18,472)</u>
Income (loss) before transfers	(108,199)	(108,199)	(104,620)	3,579
Transfers in	13,370	13,370	13,370	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total transfers	<u>13,370</u>	<u>13,370</u>	<u>13,370</u>	<u>-</u>
Change in net assets	(94,829)	(94,829)	(91,250)	<u>3,579</u>
Budgeted cash carryover	<u>94,829</u>	<u>94,829</u>		
Total	<u>\$ -</u>	<u>-</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ (91,250)
To adjust applicable revenue accruals and deferrals	(5,388)
To adjust applicable expenditure accruals	67,052
Depreciaiton and other non-cash items	<u>(95,323)</u>
Change in net assets (GAAP basis)	<u>\$ (124,909)</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
BORDER WATER SYSTEM - ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
<b>OPERATING REVENUES</b>				
Charges for services	\$ 1,500	1,500	2,205	705
Charges for water services	250,000	250,000	232,348	(17,652)
Charges for sewerage service	-	-	-	-
Rents and royalties	-	-	-	-
Other revenue	-	-	-	-
Total operating revenues	<u>251,500</u>	<u>251,500</u>	<u>234,553</u>	<u>(16,947)</u>
<b>OPERATING EXPENSES</b>				
Personnel services -salaries and wages	28,268	28,268	27,830	438
Personnel services -employee benefits	7,648	11,004	8,034	2,970
Purchased professional and technical services	128,000	507,332	259,785	247,547
Utilities	78,000	74,500	58,670	15,830
Other operating expenses	15,065	18,065	13,101	4,964
Total operating expenses	<u>256,981</u>	<u>639,169</u>	<u>367,420</u>	<u>271,749</u>
Operating income (loss)	(5,481)	(387,669)	(132,867)	254,802
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	11,169	11,169	7,819	(3,350)
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	<u>11,169</u>	<u>11,169</u>	<u>7,819</u>	<u>(3,350)</u>
Income (loss) before transfers	5,688	(376,500)	(125,048)	251,452
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	5,688	(376,500)	(125,048)	<u>251,452</u>
Budgeted cash carryover	<u>-</u>	<u>376,500</u>		
Total	<u>\$ 5,688</u>	<u>-</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ (125,048)
To adjust applicable revenue accruals and deferrals	(73,266)
To adjust applicable expenditure accruals	283,562
Depreciaiton and other non-cash items	<u>(127,929)</u>
Change in net assets (GAAP basis)	<u>\$ (42,681)</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
NMED COUNTY UTILITIES - ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
<b>OPERATING REVENUES</b>				
Charges for services	\$ -	-	-	-
Charges for water services	-	-	-	-
Charges for sewerage service	-	-	-	-
Rents and royalties	-	-	-	-
Other revenue	289,885	289,885	289,873	(12)
Total operating revenues	<u>289,885</u>	<u>289,885</u>	<u>289,873</u>	<u>(12)</u>
<b>OPERATING EXPENSES</b>				
Personnel services -salaries and wages	-	-	-	-
Personnel services -employee benefits	-	-	-	-
Purchased professional and technical services	-	-	-	-
Utilities	-	-	-	-
Other operating expenses	-	-	-	-
Total operating expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating income (loss)	289,885	289,885	289,873	(12)
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	10,406	12,763	11,318	(1,445)
Interest expense -non-operating	(289,885)	(289,885)	(289,884)	1
Total non-operating revenues (expenses)	<u>(279,479)</u>	<u>(277,122)</u>	<u>(278,566)</u>	<u>(1,444)</u>
Income (loss) before transfers	10,406	12,763	11,307	(1,456)
Transfers in	66,900	66,900	66,900	-
Transfers out	-	-	-	-
Total transfers	<u>66,900</u>	<u>66,900</u>	<u>66,900</u>	<u>-</u>
Change in net assets	77,306	79,663	78,207	<u>(1,456)</u>
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	<u>\$ 77,306</u>	<u>79,663</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ 78,207
To adjust applicable revenue accruals and deferrals	(70)
To adjust applicable expenditure accruals	191,074
Depreciaton and other non-cash items	<u>(129,959)</u>
Change in net assets (GAAP basis)	<u>\$ 139,252</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SOUTH CENTRAL WASTEWATER - ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
<b>OPERATING REVENUES</b>				
Charges for services	\$ 20,000	20,000	41,610	21,610
Charges for water services	40,000	40,000	65,067	25,067
Charges for sewerage service	530,000	530,000	518,779	(11,221)
Rents and royalties	-	-	-	-
Other revenue	34,000	34,000	46,840	12,840
Total operating revenues	<u>624,000</u>	<u>624,000</u>	<u>672,296</u>	<u>48,296</u>
<b>OPERATING EXPENSES</b>				
Personnel services -salaries and wages	185,276	185,276	185,642	(366)
Personnel services -employee benefits	95,039	95,039	84,946	10,093
Purchased professional and technical services	9,500	9,500	9,715	(215)
Utilities	103,800	110,800	113,333	(2,533)
Other operating expenses	427,491	420,491	415,679	4,812
Total operating expenses	<u>821,106</u>	<u>821,106</u>	<u>809,315</u>	<u>11,791</u>
Operating income (loss)	(197,106)	(197,106)	(137,019)	60,087
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	4,956	4,956	5,447	491
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	<u>4,956</u>	<u>4,956</u>	<u>5,447</u>	<u>491</u>
Income (loss) before transfers	(192,150)	(192,150)	(131,572)	60,578
Transfers in	67,778	79,111	160,675	(81,564)
Transfers out	(47,900)	(47,900)	(47,900)	-
Total transfers	<u>19,878</u>	<u>31,211</u>	<u>112,775</u>	<u>(81,564)</u>
Change in net assets	(172,272)	(160,939)	<u>(18,797)</u>	<u>142,142</u>
Budgeted cash carryover	<u>172,272</u>	<u>160,939</u>		
Total	<u>\$ -</u>	<u>-</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ (18,797)
To adjust applicable revenue accruals and deferrals	(17,342)
To adjust applicable expenditure accruals	86,197
Depreciaton and other non-cash items	<u>(762,618)</u>
Change in net assets (GAAP basis)	<u>\$ (712,560)</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DONA ANA COUNTY PUBLIC HOUSING AUTHORITY - ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
<b>OPERATING REVENUES</b>				
Rents and royalties	\$ 20,390	14,790	13,441	(1,349)
Other revenue	293,802	273,007	277,008	4,001
Total operating revenues	<u>314,192</u>	<u>287,797</u>	<u>290,449</u>	<u>2,652</u>
<b>OPERATING EXPENSES</b>				
Personnel services -salaries and wages	142,526	124,386	86,903	37,483
Personnel services -employee benefits	57,805	44,942	33,888	11,054
Purchased professional and technical services	9,125	4,675	19	4,656
Utilities	4,170	4,676	3,944	732
Other operating expenses	2,712,433	2,449,984	2,434,000	15,984
Total operating expenses	<u>2,926,059</u>	<u>2,628,663</u>	<u>2,558,754</u>	<u>69,909</u>
Operating income (loss)	(2,611,867)	(2,340,866)	(2,268,305)	72,561
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Gain (loss) on sale of property	150,000	101,240	45,604	(55,636)
Grants (not capital grants)	2,660,045	2,751,095	2,753,939	2,844
Grants -capital	-	-	-	-
Investment earnings	13,233	3,900	5,302	1,402
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	<u>2,823,278</u>	<u>2,856,235</u>	<u>2,804,845</u>	<u>(51,390)</u>
Income (loss) before transfers	211,411	515,369	536,540	21,171
Transfers in	59,243	59,243	59,243	-
Transfers out	(59,243)	(59,243)	(59,243)	-
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	211,411	515,369	536,540	<u>21,171</u>
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	<u>\$ 211,411</u>	<u>515,369</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ 536,540
Change in net assets related to Casas Del Quinto Sol Fund	
No budget required for this fund	(81,249)
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditure accruals	(435)
Depreciaiton and other non-cash items	<u>(88,420)</u>
Change in net assets (GAAP basis)	<u>\$ 366,436</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CHAPARRAL WASTEWATER SYSTEM - ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
<b>OPERATING REVENUES</b>				
Charges for services	\$ 100,500	100,500	57,894	(42,606)
Charges for water services	-	-	-	-
Charges for sewerage service	54,000	54,000	42,822	(11,178)
Rents and royalties	-	-	-	-
Other revenue	-	-	12,529	12,529
Total operating revenues	154,500	154,500	113,245	(41,255)
<b>OPERATING EXPENSES</b>				
Personnel services -salaries and wages	19,307	19,307	19,894	(587)
Personnel services -employee benefits	17,865	17,865	17,093	772
Purchased professional and technical services	-	-	-	-
Utilities	33,700	33,500	17,185	16,315
Other operating expenses	69,900	70,100	41,783	28,317
Total operating expenses	140,772	140,772	95,955	44,817
Operating income (loss)	13,728	13,728	17,290	3,562
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	-	-	-	-
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	-	-	-	-
Income (loss) before transfers	13,728	13,728	17,290	3,562
Transfers in	-	-	-	-
Transfers out	(16,000)	(16,000)	(16,000)	-
Total transfers	(16,000)	(16,000)	(16,000)	-
Change in net assets	(2,272)	(2,272)	1,290	3,562
Budgeted cash carryover	2,272	2,272		
Total	\$ -	-		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$	1,290
To adjust applicable revenue accruals and deferrals		(304)
To adjust applicable expenditure accruals		(1,883)
Depreciaton and other non-cash items		(6,526)
Change in net assets (GAAP basis)	\$	(7,423)

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
DONA ANA WASTEWATER SYSTEM - ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
<b>OPERATING REVENUES</b>				
Charges for services	\$ -	-	-	-
Charges for water services	-	-	-	-
Charges for sewerage service	108,000	124,000	131,820	7,820
Rents and royalties	-	-	-	-
Other revenue	-	10,853	10,853	-
Total operating revenues	<u>108,000</u>	<u>134,853</u>	<u>142,673</u>	<u>7,820</u>
<b>OPERATING EXPENSES</b>				
Personnel services -salaries and wages	-	-	-	-
Personnel services -employee benefits	-	-	-	-
Purchased professional and technical services	110,000	135,000	116,834	18,166
Utilities	-	-	-	-
Other operating expenses	<u>3,000</u>	<u>3,000</u>	-	<u>3,000</u>
Total operating expenses	<u>113,000</u>	<u>138,000</u>	<u>116,834</u>	<u>21,166</u>
Operating income (loss)	(5,000)	(3,147)	25,839	28,986
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	-	480	498	18
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	<u>-</u>	<u>480</u>	<u>498</u>	<u>18</u>
Income (loss) before transfers	(5,000)	(2,667)	26,337	29,004
Transfers in	-	-	-	-
Transfers out	-	(10,853)	(10,853)	-
Total transfers	<u>-</u>	<u>(10,853)</u>	<u>(10,853)</u>	<u>-</u>
Change in net assets	(5,000)	(13,520)	15,484	<u>29,004</u>
Budgeted cash carryover	<u>5,000</u>	<u>13,520</u>		
Total	<u>\$ -</u>	<u>-</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ 15,484
To adjust applicable revenue accruals and deferrals	18,238
To adjust applicable expenditure accruals	3,067
Depreciaiton and other non-cash items	<u>(71,795)</u>
Change in net assets (GAAP basis)	<u>\$ (35,006)</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
LA UNION WASTEWATER SYSTEM - ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
<b>OPERATING REVENUES</b>				
Charges for services	\$ 1,500	1,500	1,230	(270)
Charges for water services	-	-	-	-
Charges for sewerage service	98,000	98,000	91,507	(6,493)
Rents and royalties	-	-	-	-
Other revenue	4,700	4,700	5,507	807
Total operating revenues	<u>104,200</u>	<u>104,200</u>	<u>98,244</u>	<u>(5,956)</u>
<b>OPERATING EXPENSES</b>				
Personnel services -salaries and wages	58,857	58,857	56,049	2,808
Personnel services -employee benefits	38,795	38,795	35,935	2,860
Purchased professional and technical services	-	-	-	-
Utilities	5,000	5,000	3,992	1,008
Other operating expenses	42,925	42,925	29,923	13,002
Total operating expenses	<u>145,577</u>	<u>145,577</u>	<u>125,899</u>	<u>19,678</u>
Operating income (loss)	(41,377)	(41,377)	(27,655)	13,722
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	-	-	1,322	1,322
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>1,322</u>	<u>1,322</u>
Income (loss) before transfers	(41,377)	(41,377)	(26,333)	15,044
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	(41,377)	(41,377)	(26,333)	<u>15,044</u>
Budgeted cash carryover	<u>41,377</u>	<u>41,377</u>		
Total	<u>\$ -</u>	<u>-</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ (26,333)
To adjust applicable revenue accruals and deferrals	(15,639)
To adjust applicable expenditure accruals	(8,706)
Depreciaton and other non-cash items	<u>(186,221)</u>
Change in net assets (GAAP basis)	<u>\$ (236,899)</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
LAS PALMERAS / MONTANA VISTA WASTEWATER - ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>OPERATING REVENUES</b>				
Charges for services	\$ -	-	-	-
Charges for water services	-	-	-	-
Charges for sewerage service	-	-	-	-
Rents and royalties	-	-	-	-
Other revenue	-	-	-	-
Total operating revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OPERATING EXPENSES</b>				
Personnel services -salaries and wages	-	-	-	-
Personnel services -employee benefits	-	-	-	-
Purchased professional and technical services	-	-	-	-
Utilities	-	-	-	-
Other operating expenses	-	-	-	-
Total operating expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating income (loss)	-	-	-	-
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	-	-	-	-
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income (loss) before transfers	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	-	-	-	<u>-</u>
Budgeted cash carryover	<u>-</u>	<u>-</u>		
Total	<u>\$ -</u>	<u>-</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ -
To adjust applicable revenue accruals and deferrals	-
To adjust applicable expenditure accruals	-
Depreciaiton and other non-cash items	<u>(13,332)</u>
Change in net assets (GAAP basis)	<u>\$ (13,332)</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
RINCON WASTEWATER SYSTEM - ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
<b>OPERATING REVENUES</b>				
Charges for services	\$ -	-	-	-
Charges for water services	-	-	-	-
Charges for sewerage service	39,000	39,000	29,509	(9,491)
Rents and royalties	-	-	-	-
Other revenue	2,400	2,400	2,165	(235)
Total operating revenues	<u>41,400</u>	<u>41,400</u>	<u>31,674</u>	<u>(9,726)</u>
<b>OPERATING EXPENSES</b>				
Personnel services -salaries and wages	19,043	19,043	19,081	(38)
Personnel services -employee benefits	8,358	8,358	8,122	236
Purchased professional and technical services	-	-	-	-
Utilities	8,500	7,383	6,916	467
Other operating expenses	11,326	12,443	11,181	1,262
Total operating expenses	<u>47,227</u>	<u>47,227</u>	<u>45,300</u>	<u>1,927</u>
Operating income (loss)	(5,827)	(5,827)	(13,626)	(7,799)
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	-	-	394	394
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>394</u>	<u>394</u>
Income (loss) before transfers	(5,827)	(5,827)	(13,232)	(7,405)
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	(5,827)	(5,827)	(13,232)	<u>(7,405)</u>
Budgeted cash carryover	<u>5,827</u>	<u>5,827</u>		
Total	<u>\$ -</u>	<u>-</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ (13,232)
To adjust applicable revenue accruals and deferrals	1,247
To adjust applicable expenditure accruals	(1,616)
Depreciaiton and other non-cash items	<u>(35,932)</u>
Change in net assets (GAAP basis)	<u>\$ (49,533)</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SALEM / OGAS WASTEWATER SYSTEM - ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
<b>OPERATING REVENUES</b>				
Charges for services	\$ -	-	-	-
Charges for water services	-	-	-	-
Charges for sewerage service	61,600	61,600	62,176	576
Rents and royalties	-	-	-	-
Other revenue	4,500	4,500	5,671	1,171
Total operating revenues	<u>66,100</u>	<u>66,100</u>	<u>67,847</u>	<u>1,747</u>
<b>OPERATING EXPENSES</b>				
Personnel services -salaries and wages	12,991	12,991	12,832	159
Personnel services -employee benefits	5,853	5,853	5,754	99
Purchased professional and technical services	-	-	-	-
Utilities	28,900	28,900	26,196	2,704
Other operating expenses	<u>15,425</u>	<u>15,425</u>	<u>10,555</u>	<u>4,870</u>
Total operating expenses	<u>63,169</u>	<u>63,169</u>	<u>55,337</u>	<u>7,832</u>
Operating income (loss)	2,931	2,931	12,510	9,579
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	-	-	733	733
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>733</u>	<u>733</u>
Income (loss) before transfers	2,931	2,931	13,243	10,312
Transfers in	-	-	-	-
Transfers out	<u>(3,000)</u>	<u>(3,000)</u>	<u>(3,000)</u>	<u>-</u>
Total transfers	<u>(3,000)</u>	<u>(3,000)</u>	<u>(3,000)</u>	<u>-</u>
Change in net assets	(69)	(69)	10,243	<u>10,312</u>
Budgeted cash carryover	<u>69</u>	<u>69</u>		
Total	<u>\$ -</u>	<u>-</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ 10,243
To adjust applicable revenue accruals and deferrals	(372)
To adjust applicable expenditure accruals	(12,322)
Depreciaton and other non-cash items	<u>(85,155)</u>
Change in net assets (GAAP basis)	<u>\$ (87,606)</u>

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SAN MIGUEL WATER SYSTEM - ENTERPRISE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
<b>OPERATING REVENUES</b>				
Charges for services	\$ -	-	-	-
Charges for water services	-	-	-	-
Charges for sewerage service	-	-	-	-
Rents and royalties	-	-	-	-
Other revenue	-	-	-	-
Total operating revenues	-	-	-	-
<b>OPERATING EXPENSES</b>				
Personnel services -salaries and wages	-	-	-	-
Personnel services -employee benefits	-	-	-	-
Purchased professional and technical services	-	-	-	-
Utilities	-	-	-	-
Other operating expenses	-	-	-	-
Total operating expenses	-	-	-	-
Operating income (loss)	-	-	-	-
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	-	-	-	-
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	-	-	-	-
Income (loss) before transfers	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total transfers	-	-	-	-
Change in net assets	-	-	-	-
Budgeted cash carryover	-	-		
Total	\$ -	-		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$	-
To adjust applicable revenue accruals and deferrals		-
To adjust applicable expenditure accruals		-
Depreciaiton and other non-cash items		-
Change in net assets (GAAP basis)	\$	-

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

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
STATEMENT OF REVENUES AND EXPENDITURES  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FLEET - INTERNAL SERVICE FUND  
FOR THE YEAR ENDED JUNE 30, 2010**

	Original Approved Budget	Final Approved Budget	Actual	Favorable (Unfavorable) Variance
<b>OPERATING REVENUES</b>				
Charges for services	\$ 2,872,174	2,872,174	1,534,791	(1,337,383)
Charges for water services	-	-	-	-
Charges for sewerage service	-	-	-	-
Rents and royalties	-	-	-	-
Other revenue	-	-	-	-
Total operating revenues	<u>2,872,174</u>	<u>2,872,174</u>	<u>1,534,791</u>	<u>(1,337,383)</u>
<b>OPERATING EXPENSES</b>				
Personnel services -salaries and wages	508,141	551,453	392,918	158,535
Personnel services -employee benefits	260,443	281,724	193,132	88,592
Purchased professional and technical services	1,000,000	208,487	-	208,487
Utilities	16,000	17,550	15,746	1,804
Other operating expenses	<u>2,998,980</u>	<u>2,614,350</u>	<u>1,707,072</u>	<u>907,278</u>
Total operating expenses	<u>4,783,564</u>	<u>3,673,564</u>	<u>2,308,868</u>	<u>1,364,696</u>
Operating income (loss)	(1,911,390)	(801,390)	(774,077)	27,313
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Grants (not capital grants)	-	-	-	-
Grants -capital	-	-	-	-
Investment earnings	2,111	2,111	-	(2,111)
Interest expense -non-operating	-	-	-	-
Total non-operating revenues (expenses)	<u>2,111</u>	<u>2,111</u>	<u>-</u>	<u>(2,111)</u>
Income (loss) before transfers	(1,909,279)	(799,279)	(774,077)	25,202
Transfers in	1,600,000	250,000	250,000	-
Transfers out	-	-	-	-
Total transfers	<u>1,600,000</u>	<u>250,000</u>	<u>250,000</u>	<u>-</u>
Change in net assets	(309,279)	(549,279)	(524,077)	<u>25,202</u>
Budgeted cash carryover	<u>309,279</u>	<u>549,279</u>		
Total	<u>\$ -</u>	<u>-</u>		

**RECONCILIATION FROM BUDGET/ACTUAL TO GAAP**

Change in net assets (Budget Basis)	\$ (524,077)
To adjust applicable revenue accruals and deferrals	265,652
To adjust applicable expenditure accruals	199,087
Depreciaiton and other non-cash items	<u>(35,430)</u>
Change in net assets (GAAP basis)	<u>\$ (94,768)</u>

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

**DONA ANA COUNTY**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Balance June 30, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2010</u>
<b>COST TO STATE/TREASURER</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 1,045	24,327	(23,832)	1,540
<b>Liabilities</b>				
Due to others	\$ 1,045	24,327	(23,832)	1,540
<b>INMATE WELFARE FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 160,470	160,409	(120,431)	200,448
Other receivables	-	3,094	-	3,094
Total assets	<u>160,470</u>	<u>163,503</u>	<u>(120,431)</u>	<u>203,542</u>
<b>Liabilities</b>				
Due to others	\$ 160,470	163,503	(120,431)	203,542
<b>INMATE TRUST FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 42,206	1,364,005	(1,365,161)	41,050
<b>Liabilities</b>				
Due to others	\$ 42,206	1,364,005	(1,365,161)	41,050
<b>CHILDREN'S TRUST FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 2,280	23,610	(23,655)	2,235
<b>Liabilities</b>				
Due to others	\$ 2,280	23,610	(23,655)	2,235
<b>CDBG LOAN FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ -	-	-	-
Other receivables	35,622	-	(35,622)	-
Total assets	<u>35,622</u>	<u>-</u>	<u>(35,622)</u>	<u>-</u>
<b>Liabilities</b>				
Notes payable	\$ 35,622	-	(35,622)	-
<b>FILLMORE SPECIAL ASSESSMENT</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ -	4,929	(4,929)	-
<b>Liabilities</b>				
Due to others	\$ -	4,929	(4,929)	-

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

**DONA ANA COUNTY**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

	<u>Balance June 30, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2010</u>
<b>PROPERTY TAX FUND</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 1,138,239	130,326,575	(130,221,700)	1,243,114
Taxes receivable, net	6,460,352	6,721,696	(6,460,352)	6,721,696
Total assets	<u>7,598,591</u>	<u>137,048,271</u>	<u>(136,682,052)</u>	<u>7,964,810</u>
<b>Liabilities</b>				
Accounts payable	67,733	70,776,914	(70,843,674)	973
Overpayments	1,325	596,385	(595,995)	1,715
Taxes paid in advance	201,143	362,550	(371,916)	191,777
Taxes in suspense -bankruptcies	237,342	35,837	(27,062)	246,117
Taxes in suspense -mortgages	-	28,646,910	(28,646,910)	-
Due to others	1,356,830	26,114,898	(26,048,987)	1,422,741
Deferred revenue	5,734,218	10,514,777	(10,147,508)	6,101,487
Total liabilities	<u>\$ 7,598,591</u>	<u>137,048,271</u>	<u>(136,682,052)</u>	<u>7,964,810</u>
<b>AIRPORT ROAD -SPECIAL ASSESSMENT -2001A</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ -	612,729	(673,419)	(60,690)
Receivable, net	-	60,690	-	60,690
Total assets	<u>-</u>	<u>673,419</u>	<u>(673,419)</u>	<u>-</u>
<b>Liabilities</b>				
Due to others	\$ -	673,419	(673,419)	-
<b>BORDER PARK -SPECIAL ASSESSMENT 2001 B</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ -	1,913,109	(1,913,109)	-
<b>Liabilities</b>				
Due to others	\$ -	1,913,109	(1,913,109)	-
<b>TOTALS - ALL AGENCY FUNDS</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 1,344,240	134,429,693	(134,346,236)	1,427,697
Taxes receivable	6,460,352	6,721,696	(6,460,352)	6,721,696
Other receivables	35,622	63,784	(35,622)	63,784
Total assets	<u>7,840,214</u>	<u>141,215,173</u>	<u>(140,842,210)</u>	<u>8,213,177</u>
<b>Liabilities</b>				
Accounts payable	67,733	70,776,914	(70,843,674)	973
Overpayments	1,325	596,385	(595,995)	1,715
Taxes paid in advance	201,143	362,550	(371,916)	191,777
Taxes in suspense -bankruptcies	237,342	35,837	(27,062)	246,117
Taxes in suspense -mortgages	-	28,646,910	(28,646,910)	-
Due to others	1,562,831	30,281,800	(30,173,523)	1,671,108
Notes payable	35,622	-	(35,622)	-
Deferred revenue	5,734,218	10,514,777	(10,147,508)	6,101,487
Total liabilities	<u>\$ 7,840,214</u>	<u>141,215,173</u>	<u>(140,842,210)</u>	<u>8,213,177</u>

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

STATE OF NEW MEXICO  
DONA ANA COUNTY  
SCHEDULE OF CASH AND INVESTMENTS  
AS OF JUNE 30, 2010

<u>Financial Institution</u>	<u>Account Type</u>	<u>Reconciled Balance</u>	<u>Balance Per Bank</u>	<u>Treasury Obligations or FDIC Coverage</u>	<u>Total Uninsured</u>	<u>Required Collateral Coverage</u>	<u>Collateral Requirement</u>	<u>Collateral Pledged</u>	<u>Over/ (Under) Collateralized</u>
Cash and cash equivalents									
Petty cash	Petty cash	\$ 8,862							
Bank of Albuquerque									
PILT 2004 Debt Service	Debt service reserve	2	2						
PILT 2004 Debt Service Reserve	Debt service reserve	986,812	986,812						
Total Bank of Albuquerque		986,814	986,814	986,814	-	50%	-	-	-
Bank of New York Mellon	Debt service reserve	174,659	174,659	174,659	-	50%	-	-	-
Bank of The West									
Confiscated Assets	Checking	561,798	561,860						
Seizures	Checking	71,706	71,706						
Money market	Money market	1,512,367	1,512,367						
Total Bank of The West		2,145,871	2,145,933	500,000	1,645,933	50%	822,967	1,581,443	758,477
Citizen's Bank County	Money market	3,037,471	3,037,471	250,000	2,787,471	50%	1,393,736	1,588,890	195,155
Citizen's Bank Housing	Checking	2,383,970	2,383,970	250,000	2,133,970	102%	2,176,649	2,549,096	372,447
First Community Bank	Money market	10,099,213	10,099,213	10,099,213	-	100%	-	-	-
First Savings Bank	Money market	7,081,675	7,081,675	-	7,081,675	50%	3,540,838	3,897,091	356,254
Wells Fargo Bank									
Dona Ana County - Main Acct	Checking	9,457,199	13,243,487						
Inmate Trust Fund	Checking	41,050	83,636						
DAC - Chaparral Wastewater Grant	Checking	100	100						
Money market	Money market	722,103	722,103						
US EPA Transition Funds Escrow	Checking	1,294,345	1,294,345						
Total Wells Fargo Bank		11,514,797	15,343,671	500,000	14,843,671	50%	7,421,836	31,114,670	23,692,835
US Bank									
FGIC Cap Mrkt Services - 02/16/01 5.650%	Debt service reserve	221,500	221,500						
FGIC Cap Mrkt Services - 02/16/01 5.650%	Debt service reserve	556,000	556,000						
First American Treasury obligation	Debt service reserve	34,618	34,618						
First Union Combined funds	Debt service reserve	2,412,000	2,412,000						
First American Treasury obligation	Debt service reserve	128,504	128,504						
First American Treasury obligation	Debt service reserve	72,863	72,863						
First American Treasury obligation	Debt service reserve	196,138	196,138						
First American Treasury obligation	Debt service reserve	8,517	8,517						
First American Treasury obligation	Debt service reserve	21,379	21,379						
Total US Bank		3,651,519	3,651,519	1,239,519	2,412,000	105%	2,532,600	3,522,000	989,400
Total cash and cash equivalents		\$ 41,084,851	44,904,925	14,000,205	30,904,720		17,888,624	44,253,190	26,364,566
Cash and cash equivalents									
		\$ 36,271,859	40,091,933						
Debt service reserves - held by Trustee									
		4,812,992	4,812,992						
Total cash and cash equivalents									
		\$ 41,084,851	44,904,925						

STATE OF NEW MEXICO  
DONA ANA COUNTY  
SCHEDULE OF CASH AND INVESTMENTS  
AS OF JUNE 30, 2010

<u>Financial Institution</u>	<u>Account Type</u>	<u>Fair Market Value</u>	<u>Cost Basis</u>	<u>FDIC Coverage</u>	<u>Total Uninsured</u>	<u>Required Collateral Coverage</u>	<u>Collateral Requirement</u>	<u>Collateral Pledged</u>	<u>Over/ (Under) Collateralized</u>
Investments									
Citizen's Bank Housing	Certificate of deposit	51,507	51,507	51,507	-	50%	-	-	-
First Community Bank	Certificate of deposit	7,000,000	7,000,000	250,000	6,750,000	100%	6,750,000	6,854,950	104,950
First New Mexico Bank	Certificate of deposit	100,000	100,000	100,000	-	50%	-	-	-
First Savings Bank	Certificate of deposit	250,000	250,000	250,000	-	50%	-	-	-
First Federal Bank	Certificate of deposit	250,000	250,000	250,000	-	50%	-	-	-
Wells Fargo Bank	US Gov't Securities	39,419,181	39,202,185	39,202,185	-	50%	-	-	-
Western Heritage	Certificate of deposit	250,000	250,000	250,000	-	50%	-	-	-
White Sands FCU	Certificate of deposit	100,000	100,000	100,000	-	50%	-	-	-
NM State Treasurer - LGIP									
Reserve Contingencies Fund	LGIP Pool	246,387	281,224						
Dona Ana County Finance									
DAC Waste Systems Bonds	County bonds	6,665,000	6,665,000						
		<u>54,332,075</u>	<u>54,149,916</u>	<u>40,453,692</u>	<u>6,750,000</u>		<u>6,750,000</u>	<u>6,854,950</u>	<u>104,950</u>

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
SCHEDULE OF COLLATERAL  
AS OF JUNE 30, 2010**

<b>BANK</b>	<b>CUSIP</b>	<b>MARKET VALUE</b>	<b>MATURITY DATE</b>
<b>BANK OF THE WEST</b>			
FHLMC FG # D82572(14)	3128FR2D1	\$ 187,497	9/1/2010
UNIVERSITY OF NM-GALLUP BRANCH	914684CL7	197,026	8/1/2014
FHLMC FHR 2890 AB	31395JR65	89,170	12/15/2011
GNMA	36225CW28	204,071	1/20/2033
DOÑA ANA BRANCH COMMUNITY COLLEGE	257578CP7	300,936	8/1/2010
UNIVERSITY OF NM-GALLUP BRANCH	914684CP8	79,116	8/1/2017
FNMA FN #775320(24)	31404QK99	465,439	5/1/2034
FNMA FN 128776	31365H6M3	17,314	2/1/2031
GNMA G2 #8371(19)	36202KJQ9	21,335	2/20/2024
GNMA G2 #80602(19)	36225CU46	19,539	5/20/2032
Total Bank of the West		<u>1,581,443</u>	
<b>CITIZENS BANK-HOUSING</b>			
FHLB	3133CHPH9	1,032,820	11/18/2011
FHLB	3133XE1X3	529,630	3/11/2011
FFCB	3133IVCA2	433,256	10/11/2012
FHLB	3133XHW57	553,390	12/13/2013
Total Citizen's Bank - Housing		<u>2,549,096</u>	
<b>CITIZENS BANK-COUNTY</b>			
FHLB	3133XHPH9	1,588,890	11/18/2011
Total Citizen's Bank - County		<u>1,588,890</u>	
<b>FIRST COMMUNITY BANK</b>			
MONEY MARKET FULLY INSURED BY FDIC		<u>10,099,213</u>	
MBS GNMA 1 15YR SF	3620A6FL6	486,411	8/15/2024
GNR 2009-65 CB	38373AHC3	40,365	9/16/2024
GNR 2007-7 PB	38375JJB2	265,951	6/16/2032
GNR 2009-17AB	38374TLJ1	4,928,112	10/20/2032
GNR 2004-28PB	38374GCT7	229,619	11/20/2033
GNR 2009-67LA	38373AYM2	290,148	12/16/2036
MBS GNMA II 1YR TREAS ARM 5/1	36225ELT7	219,805	8/20/2038
GNR 2009-42 MA	38374UWL1	94,500	1/20/2036
GNR 2009-87 CA	38379KNR8	300,039	1/20/2033
Total First Community Bank		<u>6,854,950</u>	
<b>FIRST SAVINGS BANK</b>			
USBK: US BANK LAKE SUPERIOR MN	510897EL1	101,779	1/12/2015
USBK: US BANK ROCKVILLE MINN	774255BJ1	117,811	2/1/2013
USBK:US BANK WALDWICK NJ	93137DU9	669,138	4/15/2016
USBK:US BANK BREEZY POINT MN	106767BT2	266,215	12/15/2016
FNBP: FIRST NATIONAL BANK PIE FNMA	31371NGQ2	173,857	7/1/17
USBK:US BANK FREEDOM PA SCHOOLS	356444BE8	765,510	7/15/2017
FNBP: FIRST NATIONAL BANK PIE FHR	31395ES32	75,354	4/15/2018
FED: FEDERAL RESERVE MBS FNMA	31403X4P7	344,535	9/1/2019
FNBP: FIRST NATIONAL BANK PIE FHR	31335HYA5	52,476	9/1/2023
FED: FEDERAL RESERVE FHR	31395HW97	930,416	12/15/2027
FHR 3048 PC	31396CSM3	400,000	3/15/2035
Total First Savings Bank		<u>3,897,091</u>	

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
SCHEDULE OF COLLATERAL  
AS OF JUNE 30, 2010**

<b>BANK</b>	<b>CUSIP</b>	<b>MARKET VALUE</b>	<b>MATURITY DATE</b>
<b>US BANK</b>			
FIRST UNION COMBINED FDS--PNC Total US Bank	TAX COST	3,522,000 <u>3,522,000</u>	06/01/2016
<b>WELLS FARGO</b>			
FEDERAL NAT'L MTG ASSN POOL 852529	31408KEA5	780,002	5/1/2036
FEDERAL NAT'L MTG ASSN POOL 871294	31409G7F7	19,733,261	5/1/2036
FEDERAL NAT'L MTG ASSN POOL 889567	31410LK;9	1,211,287	6/1/2038
FEDERAL NAT'L MTG ASSN POOL 889706	31410KNX8	9,390,120	6/1/2038
Total Wells Fargo		\$ <u>31,114,670</u>	

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
SCHEDULE OF RECONCILIATION OF PROPERTY TAX RECEIVABLE  
FOR THE YEAR ENDED JUNE 30, 2010**

**Reconciliation of Property Taxes Receivable**

Taxes receivable, beginning of year	\$	10,165,948
2009 Allowance added back		161,102
1999 Tax year dropped off		(99,690)
2010 Property tax assessment		102,370,812
Tax roll corrections and adjustments, net		<u>(768,862)</u>
Subtotal - net taxes due		<u>111,829,310</u>
Less Taxes Collected:		
Current		97,225,197
Delinquent		3,509,802
Taxes collected in advance applied to current year		331,654
Subtotal - net taxes collected		<u>101,066,653</u>
Total taxes to be collected		10,762,657
Allowance for uncollected taxes		<u>(161,440)</u>
Taxes receivable, end of year (net of allowance)	\$	<u>10,601,217</u>
Property Taxes Receivable by Years:		
2009	\$	5,881,715
2008		2,476,512
2007		753,179
2006		498,336
2005		332,093
2004		287,171
2003		192,795
2002		171,139
2001		106,023
2000		<u>63,694</u>
Total taxes receivable		<u>10,762,657</u>
Allowance for uncollected taxes		<u>(161,440)</u>
Taxes receivable, end of year, net of allowance	\$	<u><u>10,601,217</u></u>

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
COUNTY TREASURER'S PROPERTY TAX SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2010**

Agency		Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Allowance	Undistributed at Year-End	County Receivable at Year-End
<b>DOÑA ANA COUNTY:</b>									
General Ad Valorem	2009	\$ 34,035,147	32,015,195	32,015,195	32,015,197	32,015,195	30,300	-	1,989,652
General Ad Valorem	2008	31,688,743	1,077,704	30,855,227	1,077,702	30,855,227	12,503	-	821,013
General Ad Valorem	2007	28,814,823	414,992	28,578,591	414,993	28,578,591	3,543	-	232,689
General Ad Valorem	2006	25,334,388	71,995	25,176,329	71,995	25,176,329	2,371	-	155,688
General Ad Valorem	2005	23,029,791	31,461	22,968,894	31,460	22,968,894	913	-	59,984
General Ad Valorem	2004	20,945,173	28,362	20,858,307	28,363	20,858,307	1,303	-	85,563
General Ad Valorem	2003	19,626,931	19,217	19,562,940	19,217	19,562,940	960	-	63,031
General Ad Valorem	2002	18,308,409	8,283	18,255,801	8,282	18,255,801	789	-	51,819
General Ad Valorem	2001	17,322,256	1,501	17,304,330	1,501	17,304,330	269	-	17,657
General Ad Valorem	2000	16,144,679	977	16,130,742	977	16,130,742	209	-	13,728
<b>TOTAL GENERAL AD VALOREM</b>		<b>235,250,340</b>	<b>33,669,687</b>	<b>231,706,356</b>	<b>33,669,687</b>	<b>231,706,356</b>	<b>53,160</b>	<b>-</b>	<b>3,490,824</b>
Non-Rendition Penalty	2009	96,582	67,069	67,069	67,069	67,069	443	-	29,070
Non-Rendition Penalty	2008	49,849	3,297	46,019	3,297	46,019	57	-	3,773
Non-Rendition Penalty	2007	54,058	460	51,779	460	51,779	34	-	2,245
Non-Rendition Penalty	2006	115,392	1,547	103,098	1,547	103,098	184	-	12,110
Non-Rendition Penalty	2005	124,124	983	114,569	983	114,569	143	-	9,412
Non-Rendition Penalty	2004	116,698	679	109,460	679	109,460	109	-	7,129
Non-Rendition Penalty	2003	121,891	505	115,599	505	115,599	94	-	6,198
Non-Rendition Penalty	2002	142,868	338	137,441	338	137,441	81	-	5,346
Non-Rendition Penalty	2001	136,399	210	131,657	210	131,657	71	-	4,671
Non-Rendition Penalty	2000	132,148	135	129,840	135	129,840	35	-	2,273
<b>TOTAL NON-RENDITION PENALTY</b>		<b>1,090,009</b>	<b>75,223</b>	<b>1,006,531</b>	<b>75,223</b>	<b>1,006,531</b>	<b>1,251</b>	<b>-</b>	<b>82,227</b>
County Debt Service	2009	551,039	520,241	520,241	520,241	520,241	462	-	30,336
County Debt Service	2008	487,847	15,859	475,582	15,859	475,582	184	-	12,081
County Debt Service	2007	521,202	7,028	516,602	7,028	516,602	69	-	4,531
County Debt Service	2006	541,881	1,508	538,539	1,508	538,539	50	-	3,292
County Debt Service	2005	587,375	715	584,291	715	584,291	46	-	3,038
County Debt Service	2004	514,280	602	512,013	602	512,013	34	-	2,233
County Debt Service	2003	418,212	351	416,973	351	416,973	19	-	1,220
County Debt Service	2002	673,370	267	671,444	267	671,444	29	-	1,897
County Debt Service	2001	632,392	63	631,034	63	631,034	20	-	1,338
County Debt Service	2000	596,349	43	595,544	43	595,544	12	-	793
<b>TOTAL COUNTY DEBT SERVICE</b>		<b>5,523,947</b>	<b>546,677</b>	<b>5,462,263</b>	<b>546,677</b>	<b>5,462,263</b>	<b>925</b>	<b>-</b>	<b>60,759</b>

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
COUNTY TREASURER'S PROPERTY TAX SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2010**

Agency		Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Allowance	Undistributed at Year-End	County Receivable at Year-End
Administrative Fees	2009	4,656	3,641	3,641	3,641	3,641	15	-	1,000
Administrative Fees	2008	5,000	402	4,309	402	4,309	10	-	681
Administrative Fees	2007	3,259	59	3,026	59	3,026	4	-	229
Administrative Fees	2006	3,185	13	3,008	13	3,008	3	-	174
Administrative Fees	2005	3,309	6	3,182	6	3,182	2	-	125
Administrative Fees	2004	4,368	11	4,244	11	4,244	2	-	122
Administrative Fees	2003	5,592	20	5,455	20	5,455	2	-	135
Administrative Fees	2002	5,459	15	5,346	15	5,346	2	-	111
Administrative Fees	2001	5,191	12	5,076	12	5,076	2	-	113
Administrative Fees	2000	5,087	7	4,978	7	4,978	2	-	107
<b>TOTAL ADMINISTRATIVE FEES</b>		<b>45,106</b>	<b>4,186</b>	<b>42,265</b>	<b>4,186</b>	<b>42,265</b>	<b>44</b>	<b>-</b>	<b>2,797</b>
Flood Levy	2009	1,832,240	1,703,870	1,703,870	1,703,870	1,703,870	1,926	-	126,444
Flood Levy	2008	1,654,512	65,236	1,602,702	65,236	1,602,702	777	-	51,033
Flood Levy	2007	1,503,544	24,338	1,484,436	24,338	1,484,436	287	-	18,821
Flood Levy	2006	1,327,313	7,639	1,314,436	7,639	1,314,436	193	-	12,684
Flood Levy	2005	1,198,609	2,345	1,188,352	2,345	1,188,352	154	-	10,103
Flood Levy	2004	1,076,658	2,318	1,068,574	2,318	1,068,574	121	-	7,963
Flood Levy	2003	1,076,094	1,717	1,070,856	1,717	1,070,856	79	-	5,159
Flood Levy	2002	1,033,531	766	1,028,117	766	1,028,117	81	-	5,333
Flood Levy	2001	949,158	197	945,640	197	945,640	53	-	3,465
Flood Levy	2000	880,795	141	878,857	141	878,857	29	-	1,909
<b>TOTAL FLOOD LEVY</b>		<b>12,532,454</b>	<b>1,808,567</b>	<b>12,285,840</b>	<b>1,808,567</b>	<b>12,285,840</b>	<b>3,700</b>	<b>-</b>	<b>242,914</b>
<b>TOTAL DOÑA ANA COUNTY</b>		<b>254,441,856</b>	<b>36,104,340</b>	<b>250,503,255</b>	<b>36,104,340</b>	<b>250,503,255</b>	<b>59,080</b>	<b>-</b>	<b>3,879,521</b>
<b>MUNICIPALITIES:</b>									
City of Las Cruces	2009	12,679,515	12,103,053	12,103,053	11,994,596	11,994,596	8,647	108,457	567,815
City of Las Cruces	2008	11,818,337	323,311	11,572,578	399,728	11,551,671	3,686	20,907	242,073
City of Las Cruces	2007	10,578,877	130,521	10,522,542	98,862	10,478,212	845	44,330	55,490
City of Las Cruces	2006	9,071,003	4,047	9,046,161	25,788	9,045,370	373	791	24,469
City of Las Cruces	2005	8,080,831	4,648	8,065,133	6,085	8,064,931	235	202	15,463
City of Las Cruces	2004	7,215,293	2,075	7,207,221	2,985	7,207,096	121	125	7,951
City of Las Cruces	2003	6,696,281	739	6,690,772	512	6,690,456	83	316	5,426
City of Las Cruces	2002	6,234,635	570	6,230,730	361	6,230,426	59	304	3,846
City of Las Cruces	2001	5,882,328	104	5,877,827	146	5,877,827	67	-	4,434
City of Las Cruces	2000	5,840,011	27	5,836,624	27	5,836,624	51	-	3,336
<b>TOTAL CITY OF LAS CRUCES</b>		<b>84,097,111</b>	<b>12,569,095</b>	<b>83,152,641</b>	<b>12,529,090</b>	<b>82,977,209</b>	<b>14,167</b>	<b>175,432</b>	<b>930,303</b>

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
COUNTY TREASURER'S PROPERTY TAX SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2010**

<u>Agency</u>		<u>Property Taxes Levied</u>	<u>Collected in Current Year</u>	<u>Collected To-Date</u>	<u>Distributed in Current Year</u>	<u>Distributed To-Date</u>	<u>Allowance</u>	<u>Undistributed at Year-End</u>	<u>County Receivable at Year-End</u>
Village of Hatch	2009	61,243	56,558	56,558	54,846	54,846	70	1,712	4,615
Village of Hatch	2008	58,131	3,100	55,977	3,001	55,394	32	583	2,122
Village of Hatch	2007	53,889	2,110	53,292	1,320	52,410	9	882	588
Village of Hatch	2006	50,158	278	49,770	(83)	49,365	6	405	382
Village of Hatch	2005	47,492	44	47,236	72	47,236	4	-	252
Village of Hatch	2004	43,238	9	43,042	9	43,042	3	-	193
Village of Hatch	2003	41,602	-	41,546	-	41,546	1	-	55
Village of Hatch	2002	39,511	-	39,437	-	39,437	1	-	73
Village of Hatch	2001	36,995	-	36,911	-	36,911	1	-	83
Village of Hatch	2000	33,604	-	33,550	-	33,550	1	-	53
<b>TOTAL VILLAGE OF HATCH</b>		<b>465,863</b>	<b>62,099</b>	<b>457,319</b>	<b>59,165</b>	<b>453,737</b>	<b>128</b>	<b>3,582</b>	<b>8,416</b>
Town of Mesilla	2009	65,765	57,990	57,990	56,957	56,958	117	1,032	7,658
Town of Mesilla	2008	60,661	3,120	58,379	3,433	58,245	34	134	2,248
Town of Mesilla	2007	54,830	743	53,778	584	53,564	16	214	1,036
Town of Mesilla	2006	49,281	(40)	49,231	258	49,208	1	23	49
Town of Mesilla	2005	44,895	-	44,895	23	44,895	-	-	-
Town of Mesilla	2004	42,037	-	42,037	-	42,037	-	-	-
Town of Mesilla	2003	39,365	1	39,364	-	39,363	-	1	1
Town of Mesilla	2002	38,349	3	38,349	-	38,349	-	-	-
Town of Mesilla	2001	36,529	-	36,511	-	36,511	-	-	18
Town of Mesilla	2000	34,682	-	34,682	-	34,682	-	-	-
<b>TOTAL TOWN OF MESILLA</b>		<b>466,394</b>	<b>61,817</b>	<b>455,216</b>	<b>61,255</b>	<b>453,812</b>	<b>168</b>	<b>1,404</b>	<b>11,010</b>
City of Sunland Park	2009	475,042	432,300	432,300	428,066	428,066	641	4,234	42,101
City of Sunland Park	2008	413,565	18,058	399,340	22,281	398,232	213	1,108	14,012
City of Sunland Park	2007	381,521	7,622	377,620	6,789	376,159	58	1,461	3,843
City of Sunland Park	2006	341,614	2,269	338,896	4,273	338,768	41	128	2,677
City of Sunland Park	2005	304,567	620	302,547	594	302,457	30	90	1,990
City of Sunland Park	2004	275,419	146	273,914	144	273,912	23	2	1,482
City of Sunland Park	2003	255,235	103	254,030	83	254,010	18	20	1,187
City of Sunland Park	2002	245,643	152	244,539	47	244,434	17	105	1,087
City of Sunland Park	2001	225,983	41	223,773	38	223,769	33	4	2,177
City of Sunland Park	2000	202,048	-	201,332	-	201,332	11	-	705
<b>TOTAL CITY OF SUNLAND PARK</b>		<b>3,120,637</b>	<b>461,311</b>	<b>3,048,291</b>	<b>462,315</b>	<b>3,041,139</b>	<b>1,085</b>	<b>7,152</b>	<b>71,261</b>
<b>TOTAL MUNICIPALITIES</b>		<b>88,150,005</b>	<b>13,154,322</b>	<b>87,113,467</b>	<b>13,111,825</b>	<b>86,925,897</b>	<b>15,548</b>	<b>187,570</b>	<b>1,020,990</b>

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
COUNTY TREASURER'S PROPERTY TAX SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2010**

<u>Agency</u>		<u>Property Taxes Levied</u>	<u>Collected in Current Year</u>	<u>Collected To-Date</u>	<u>Distributed in Current Year</u>	<u>Distributed To-Date</u>	<u>Allowance</u>	<u>Undistributed at Year-End</u>	<u>County Receivable at Year-End</u>
<b>SCHOOL DISTRICTS:</b>									
Las Cruces PSD #2	2009	28,638,735	27,204,543	27,204,543	26,956,001	26,956,001	21,513	248,542	1,412,679
Las Cruces PSD #2	2008	26,915,020	807,020	26,308,504	999,768	26,268,348	9,098	40,156	597,418
Las Cruces PSD #2	2007	24,294,890	314,811	24,123,294	277,949	24,044,838	2,574	78,456	169,022
Las Cruces PSD #2	2006	20,947,552	48,546	20,869,688	110,407	20,866,687	1,168	3,001	76,696
Las Cruces PSD #2	2005	19,074,473	12,225	19,025,777	19,025	19,024,696	730	1,081	47,966
Las Cruces PSD #2	2004	16,910,964	5,639	16,879,752	7,407	16,879,492	468	260	30,744
Las Cruces PSD #2	2003	16,153,613	3,694	16,125,722	2,501	16,124,228	418	1,494	27,473
Las Cruces PSD #2	2002	15,156,354	3,546	15,132,867	1,709	15,130,734	352	2,133	23,135
Las Cruces PSD #2	2001	14,892,603	902	14,872,894	1,132	14,872,894	296	-	19,413
Las Cruces PSD #2	2000	13,899,786	642	13,887,954	796	13,887,954	177	-	11,655
<b>TOTAL LAS CRUCES PSD #2</b>		<b>196,883,990</b>	<b>28,401,568</b>	<b>194,430,995</b>	<b>28,376,695</b>	<b>194,055,872</b>	<b>36,794</b>	<b>375,123</b>	<b>2,416,201</b>
Hatch Valley SD #11	2009	825,381	772,852	772,852	756,079	756,079	788	16,773	51,741
Hatch Valley SD #11	2008	804,336	30,766	780,906	36,094	776,159	351	4,747	23,079
Hatch Valley SD #11	2007	581,758	12,772	574,230	12,684	571,518	113	2,712	7,415
Hatch Valley SD #11	2006	711,228	1,695	706,366	2,881	704,962	73	1,404	4,789
Hatch Valley SD #11	2005	682,244	1,131	679,259	1,277	679,223	45	36	2,940
Hatch Valley SD #11	2004	617,742	344	614,902	351	614,902	43	-	2,797
Hatch Valley SD #11	2003	574,418	299	572,360	71	572,132	31	228	2,027
Hatch Valley SD #11	2002	560,183	1,098	559,133	-	558,035	16	1,098	1,034
Hatch Valley SD #11	2001	502,559	-	502,096	-	502,096	7	-	456
Hatch Valley SD #11	2000	495,621	-	494,847	-	494,847	12	-	762
<b>TOTAL HATCH VALLEY SD #11</b>		<b>6,355,470</b>	<b>820,957</b>	<b>6,256,951</b>	<b>809,437</b>	<b>6,229,953</b>	<b>1,479</b>	<b>26,998</b>	<b>97,040</b>
Gadsden ISD #16	2009	11,322,641	10,406,715	10,406,715	10,283,803	10,283,804	13,739	122,911	902,187
Gadsden ISD #16	2008	10,915,903	468,031	10,522,605	539,631	10,481,031	5,899	41,574	387,399
Gadsden ISD #16	2007	10,096,574	154,381	9,936,797	138,014	9,892,598	2,397	44,199	157,380
Gadsden ISD #16	2006	9,326,745	42,924	9,182,590	75,709	9,168,280	2,162	14,310	141,993
Gadsden ISD #16	2005	8,890,088	29,370	8,754,676	18,643	8,741,629	2,031	13,047	133,381
Gadsden ISD #16	2004	8,138,447	34,094	8,029,469	15,767	8,010,798	1,635	18,671	107,343
Gadsden ISD #16	2003	7,948,606	23,718	7,891,820	16,106	7,881,080	852	10,740	55,934
Gadsden ISD #16	2002	6,867,726	6,063	6,812,198	5,706	6,811,580	833	618	54,695
Gadsden ISD #16	2001	6,315,058	1,662	6,280,288	1,925	6,280,267	521	21	34,249
Gadsden ISD #16	2000	6,043,844	1,064	6,024,336	1,113	6,024,336	293	-	19,215
<b>TOTAL GADSDEN ISD #16</b>		<b>85,865,632</b>	<b>11,168,022</b>	<b>83,841,494</b>	<b>11,096,417</b>	<b>83,575,403</b>	<b>30,362</b>	<b>266,091</b>	<b>1,993,776</b>
<b>TOTAL SCHOOL DISTRICTS</b>		<b>289,105,092</b>	<b>40,390,547</b>	<b>284,529,440</b>	<b>40,282,549</b>	<b>283,861,228</b>	<b>68,635</b>	<b>668,212</b>	<b>4,507,017</b>

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
COUNTY TREASURER'S PROPERTY TAX SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2010**

<u>Agency</u>		<u>Property Taxes Levied</u>	<u>Collected in Current Year</u>	<u>Collected To-Date</u>	<u>Distributed in Current Year</u>	<u>Distributed To-Date</u>	<u>Allowance</u>	<u>Undistributed at Year-End</u>	<u>County Receivable at Year-End</u>
<b>NEW MEXICO STATE TREASURER:</b>									
N. M. State Treasurer	2009	4,319,542	4,074,657	4,074,657	4,035,453	4,035,453	3,673	39,204	241,212
N. M. State Treasurer	2008	4,425,461	144,310	4,316,813	174,694	4,308,198	1,630	8,615	107,018
N. M. State Treasurer	2007	3,947,060	51,504	3,912,420	45,841	3,899,288	519	13,132	34,121
N. M. State Treasurer	2006	3,642,445	9,858	3,619,804	20,595	3,618,179	340	1,625	22,301
N. M. State Treasurer	2005	3,223,530	3,824	3,206,442	3,904	3,205,347	256	1,095	16,832
N. M. State Treasurer	2004	2,401,683	2,706	2,391,165	1,768	2,389,995	158	1,170	10,360
N. M. State Treasurer	2003	3,357,389	2,753	3,347,282	1,856	3,346,056	151	1,226	9,956
N. M. State Treasurer	2002	2,313,905	899	2,304,653	577	2,304,280	139	373	9,113
N. M. State Treasurer	2001	3,419,368	334	3,410,654	402	3,410,652	131	2	8,583
N. M. State Treasurer	2000	2,804,075	196	2,800,356	224	2,800,356	56	-	3,663
<b>TOTAL NM STATE TREASURER (Levy &amp; Lvsttk)</b>		<b>33,854,458</b>	<b>4,291,041</b>	<b>33,384,246</b>	<b>4,285,314</b>	<b>33,317,804</b>	<b>7,053</b>	<b>66,442</b>	<b>463,159</b>
<b>DOÑA ANA BRANCH COMMUNITY COLLEGE:</b>									
<b>NMSU</b>									
DABCC	2009	7,181,922	6,789,085	6,789,085	6,722,287	6,722,287	5,893	66,798	386,944
DABCC	2008	6,744,699	219,770	6,566,624	267,162	6,553,024	2,671	13,600	175,404
DABCC	2007	6,101,236	82,742	6,045,948	73,398	6,024,667	829	21,281	54,459
DABCC	2006	5,349,046	14,909	5,314,979	31,179	5,312,473	511	2,506	33,556
DABCC	2005	4,975,285	6,049	4,949,267	6,150	4,947,499	390	1,768	25,628
DABCC	2004	4,347,207	5,188	4,327,936	3,359	4,325,665	289	2,271	18,982
DABCC	2003	4,144,979	3,535	4,132,693	2,372	4,131,106	184	1,587	12,102
DABCC	2002	3,852,336	1,573	3,841,085	1,000	3,840,423	169	662	11,082
DABCC	2001	3,661,784	361	3,653,889	435	3,653,887	119	2	7,776
DABCC	2000	3,432,340	241	3,427,733	276	3,427,733	69	-	4,538
<b>TOTAL DABCC - NMSU (Oper. &amp; Debt)</b>		<b>49,790,834</b>	<b>7,123,453</b>	<b>49,049,239</b>	<b>7,107,618</b>	<b>48,938,764</b>	<b>11,124</b>	<b>110,475</b>	<b>730,471</b>
<b>WATERSHED DISTRICT</b>									
McClead WD	2009	2,984	2,951	2,951	2,836	2,836	-	115	33
McClead WD	2008	2,977	-	2,964	-	2,964	-	-	13
McClead WD	2007	2,852	-	2,839	-	2,839	-	-	13

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
COUNTY TREASURER'S PROPERTY TAX SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2010**

<u>Agency</u>		<u>Property Taxes Levied</u>	<u>Collected in Current Year</u>	<u>Collected To-Date</u>	<u>Distributed in Current Year</u>	<u>Distributed To-Date</u>	<u>Allowance</u>	<u>Undistributed at Year-End</u>	<u>County Receivable at Year-End</u>
McClead WD	2006	2,795	-	2,795	-	2,795	-	-	-
McClead WD	2005	2,781	-	2,781	-	2,781	-	-	-
McClead WD	2004	3,842	-	3,842	-	3,842	-	-	-
McClead WD	2003	3,277	-	3,277	-	3,277	-	-	-
McClead WD	2002	3,606	-	3,606	-	3,606	-	-	-
McClead WD	2001	3,575	-	3,575	-	3,575	-	-	-
McClead WD	2000	3,400	-	3,400	-	3,400	-	-	-
TOTAL McCLEAD WD		<u>32,089</u>	<u>2,951</u>	<u>32,030</u>	<u>2,836</u>	<u>31,915</u>	-	<u>115</u>	<u>59</u>
TOTAL NMST, DABCC & WATERSHED		<u>83,677,381</u>	<u>11,417,445</u>	<u>82,465,515</u>	<u>11,395,768</u>	<u>82,288,483</u>	<u>18,177</u>	<u>177,032</u>	<u>1,193,689</u>
GRAND TOTALS	\$	<u><u>715,374,334</u></u>	<u><u>101,066,654</u></u>	<u><u>704,611,677</u></u>	<u><u>100,894,482</u></u>	<u><u>703,578,863</u></u>	<u><u>161,440</u></u>	<u><u>1,032,814</u></u>	<u><u>10,601,217</u></u>



**STATE OF NEW MEXICO  
DONA ANA COUNTY  
SCHEDULE OF JOINT POWERS AGREEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

Participants	Responsible Party for Operations	Descriptions	Beginning And Ending dates	Total Estimated Amount of Project	Contribution June 30, 2010	Audit Responsibility	Revenues and Expenditures Reported On
Village of Hatch	DAC	DAC to perform building inspections within the city limits of Hatch.	5/25/1997 Ongoing	Insignificant - absorbed by General Fund	Insignificant - absorbed by General Fund	CLC	DAC
Town of Mesilla	DAC	DAC to perform building inspections within the city limits of Mesilla.	4/9/1997 Ongoing	Insignificant - absorbed by General Fund	Insignificant - absorbed by General Fund	CLC	DAC
DAC Flood Commissioner	DAC	DAC to provide certain services, personnel and office space.	3/13/1990 Ongoing	Ongoing project costs vary from year to year	Insignificant - absorbed by General Fund	DAC	DAC
Las Cruces, Mesilla, Hatch. NMSU, Sunland Park. Anthony WSD. EBID	LRGWUO	Lower Rio Grande Water Users Organization for coordinated regional water planning.	10/8/1996 Ongoing	Insignificant - absorbed by General Fund	Insignificant - absorbed by General Fund	CLC	CLC
NM Taxation & Revenue	TRD	Register taxpayers with TRD for gross receipts tax reporting purposes and to assign TRO taxpayer J.D. numbers.	7/15/2004 Ongoing	Ongoing project costs vary from year to year	Insignificant - absorbed by General Fund	TRD	TRD
City of Las Cruces	SCSWA	Established a joint City/County Solid Waste Authority	4/1/1993 Ongoing	Ongoing project costs vary from year to year	928,302	CLC	CLC Component Unit

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
SCHEDULE OF JOINT POWERS AGREEMENTS  
FOR THE YEAR ENDED JUNE 30, 2010**

Participants	Responsible Party for Operations	Descriptions	Beginning And Ending dates	Total Estimated Amount of Project	Contribution June 30, 2010	Audit Responsibility	Revenues and Expenditures Reported On
City of Las Cruces	MVRDA	Mesilla Valley Regional Dispatch Authority (MVRDA)	6/13/1995 Ongoing	Ongoing project costs vary from year to year	1,183,908	CLC	CLC
City of Las Cruces	DAC	Established a joint City/County Commission to hear subdivision and zoning matters (Extraterritorial Zoning Commission)	5/12/1987 Ongoing	Insignificant - absorbed by General Fund	Insignificant - absorbed by General Fund	DAC	DAC
City of Las Cruces, Dona Ana County and Town of Mesilla		Metropolitan Planning Organization	12/21/1989 Ongoing	Ongoing project costs vary from year to year	Insignificant - absorbed by General Fund	CLC	CLC
City of Las Cruces	CLC	Metro Narcotics	6/13/1995 Ongoing	Ongoing project costs vary from year to year	225,543	CLC	CLC
City of Las Cruces	CLC	Mesilla Valley Animal Services Center	10/30/2008 Ongoing	Ongoing project costs vary from year to year	865,563	CLC	CLC
City of Sunland Park	CSP/DAC	Camino Real Regional Utility Authority	2/24/2009 Ongoing	Ongoing project costs vary from year to year	-	CRRUA	CRRUA
ENMRD Forestry Div	DAC/ Forestry	Wildfire protection and suppression	1/18/2010 Ongoing	Per event	-	DAC	DAC

STATE OF NEW MEXICO  
DONA ANA COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2010

Federal Grantor/Program Title	Federal CFDA Number	Project Number	Award Amount	Accrued or (Deferred) Revenue at 6/30/2009	Receipts	Expenditures	Accrued or (Deferred) Revenue at 6/30/2010
<b>U.S. Dept of Housing and Urban Dev.</b>							
<b>Passed through State of NM:</b>							
Comm Dev. Block Grants State's Program:							
Lower Rio Grande Water System	14.219	* 08-C-NR-I-7-G-13	\$ 500,000	83,355	(500,000)	416,644	(1)
<b>Direct Funding:</b>							
Public Housing Operating Subsidy	14.850		19,856	-	(19,856)	19,856	-
<b>HUD Section 8 Tenant -Based Cluster:</b>							
Section 8 Vouchers	14.871	*	2,968,821	-	(2,968,821)	2,501,846	(466,975)
CGP/CFP (2008)	14.872		17,526	-	(8,753)	8,753	-
CGP/CFP (2009) ARRA Stimulus	14.872		22,184	-	(12,018)	22,184	10,166
CGP/CFP (2009)	14.872		12,204	-	(6,112)	7,547	1,435
<b>Total U.S. Dept of Housing and     Urban Development</b>			<b>3,540,591</b>	<b>83,355</b>	<b>(3,515,560)</b>	<b>2,976,830</b>	<b>(455,375)</b>
<b>U.S. Department of Agriculture</b>							
<b>Rural Development:</b>							
RUS Chaparral WW Project	10.770	36007	3,810,221	-	(22,476)	22,476	-
<b>Total U.S. Dept. of Agriculture</b>			<b>3,810,221</b>	<b>-</b>	<b>(22,476)</b>	<b>22,476</b>	<b>-</b>
<b>Federal Aviation Administration (FAA)</b>							
Airport Improvement Grant	20.106	3-35-0055-19	145,444	-	(99,942)	121,865	21,923
<b>Total Federal Aviation Administration</b>			<b>145,444</b>	<b>-</b>	<b>(99,942)</b>	<b>121,865</b>	<b>21,923</b>
<b>Federal Emergency Management Assistance (FEMA)</b>							
State Homeland Security Grant	97.067	2005-GE-T5-0012-DONA	1,669,697	124,325	(149,272)	24,947	-
State Homeland Security Grant	97.067	2006-GE-T6-0064	1,180,577	-	(900,454)	900,454	-
State Domestic Preparedness Equipmt Support	97.004	2007-GE-T7-0023	408,828	24,878	(88,482)	187,493	123,889
State Homeland Security Grant	97.067	2008-GE-T8-0030	965,451	5,844	(650,329)	644,485	-
State Homeland Security Grant	97.067	2009-SS-T9-000030-DONA ANA	602,398	-	-	13,000	13,000
State Homeland Security Grant	97.042	2008-EMPG-DONA ANA	20,987	28,990	(28,990)	-	-
State Homeland Security Grant	97.042	2009-EMPG-DONA ANA	118,660	-	(73,634)	97,339	23,705
<b>Total FEMA</b>			<b>4,966,598</b>	<b>184,037</b>	<b>(1,891,161)</b>	<b>1,867,718</b>	<b>160,594</b>
<b>U.S. Department of Energy</b>							
Eng Eff&Con Blk Grnt ARRA Stimulus	81.128	DE-SC0001870	446,900	-	(27,141)	34,065	6,924
<b>Total U.S. Dept. of Energy</b>			<b>446,900</b>	<b>-</b>	<b>(27,141)</b>	<b>34,065</b>	<b>6,924</b>
<b>U.S. Dept of Justice</b>							
G.R.E.A.T Grant	16.737	2008-JV-FX-0092	53,580	1,884	(50,490)	48,606	-
G.R.E.A.T Grant	16.737	2009-JV-FX-0032	67,269	-	(1,780)	2,616	836
Jail Diversion	16.753	2009-D1-BX-0282	180,000	-	-	82,250	82,250
Edward Byrne Mem-ARRA Stimulus		* NM RA JAG DA-SFY10	527,697	-	(344,059)	524,969	180,910
<b>Office of Juvenile Justice &amp; Delin. Prev. (OJJDP):</b>							
State Criminal Alien Assistance Program	16.606		-	-	(78,247)	78,247	-
Southwest Border Local Assistance Initiative	n/a	* P.L. 106-553	-	-	(900,729)	900,729	-
<b>Total U.S. Dept of Justice</b>			<b>828,546</b>	<b>1,884</b>	<b>(1,375,305)</b>	<b>1,637,417</b>	<b>263,996</b>
<b>U.S. Dept of Transportation</b>							
<b>Passed through NM State Highway and Transportation Dept.</b>							
Click it or Ticket	20.600	09-OP-CT-031	9,039	6,794	(6,794)	-	-
Impaired Driving Demo-5	20.608	09-AL-FTE164-031	157,300	32,469	(53,770)	81,299	59,998
Operation DWI (FY09-FY10)	20.608	09-AL-64-031	31,414	10,635	(15,922)	5,287	-
Operation DWI (FY10-FY11)	20.608	09-AL-64-031	31,414	-	(19,505)	24,441	4,936
STEP GRANT	20.605	07-PT-63-031	30,269	(889)	-	889	-
STEP GRANT	20.605	08-PT-02-031	25,914	(6)	-	6	-
STEP GRANT	20.605	09-PT-02-031	17,879	1,445	(16,847)	15,402	-
STEP GRANT (100 Days/Nights...)	20.609	09-PT-DS-031	19,988	-	(19,988)	19,988	-
ARRA - East Berino Road & Drainage	20.205	ES21350	2,168,207	-	-	251,084	251,084
Dona Ana Road Safety Hazard Elimination Funds	20.205	HSHE-4538(2)01	135,000	-	-	-	-
<b>Total U.S. Dept of Transportation</b>			<b>2,626,424</b>	<b>50,448</b>	<b>(132,826)</b>	<b>398,396</b>	<b>316,018</b>
<b>Total Federal Expenditures</b>			<b>\$ 16,364,724</b>	<b>319,724</b>	<b>(7,064,411)</b>	<b>7,058,767</b>	<b>314,080</b>

\* denotes major program

**STATE OF NEW MEXICO**  
**DONA ANA COUNTY**  
**NOTES ON ACCOUNTING POLICIES AND PROCEDURES FOR FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2010**

1. Special Revenue Funds are used to account for resources restricted to or designated for specific purposes by a Grantor. Generally, federal and state financial assistance is accounted for in a Special Revenue Fund and unused balances are returned to the grantor at the close of specified projects periods. Certain capital grants for construction have been accounted for in Capital Projects Funds.
2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All federal grant funds were accounted for in these funds. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.
3. The modified accrual basis of accounting is used for the Governmental Fund Types and Agency Funds. This basis of accounting recognizes revenues in the accounting period, in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, If measurable, except for un-matured interest on General Long-Term Debt, which is recognized when the obligations are expected to be liquidated with expendable available financial resources. Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received they are recorded as deferred revenues until earned.
4. The period of availability for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 30 days beyond the federal project period ending date, in accordance with provisions in Section H. Period of Availability of Federal Funds, Part 3, OMB Circular A-133 Compliance Supplement.

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

Mr. Hector H. Balderas, State Auditor and  
The Board of County Commissioners  
Dona Ana County  
Las Cruces, 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 Dona Ana County (County), as of and for the year ended June 30, 2010, and have issued our report thereon dated November 10, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses: 10-01 and 10-04

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items: 10-02.

We also noted certain other matters that are required to be reported pursuant to Government 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 findings: 10-03.

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

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

The image shows a handwritten signature in black ink that reads "Hinkle & Landers, P.C.". The signature is written in a cursive, flowing style.

Hinkle & Landers, P.C.  
November 10, 2010

**REPORT 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**

Hector Balderas  
New Mexico State Auditor  
The Office of Management and Budget and  
The Board of County Commissioners  
Dona Ana County  
Las Cruces, New Mexico

Compliance

We have audited the compliance of Dona Ana County, State of New Mexico, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2010. Dona Ana County, State of New Mexico'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 Dona Ana County's management. Our responsibility is to express an opinion on Dona Ana County'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 Dona Ana County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Dona Ana County's compliance with those requirements.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended June 30, 2010.

Internal Control Over Compliance

The management of Dona Ana County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Dona Ana County's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of

expressing an opinion on the effectiveness of internal control over compliance, and accordingly we do not express an opinion on the effectiveness of the County'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.

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

This report is intended solely for the information and use of the Board of County Commissioners, management, Legislative Finance Committee, Department of Finance and Administration, the State Auditor, 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.

A handwritten signature in black ink that reads "Hinkle & Landers, P.C." in a cursive, flowing script.

Hinkle & Landers, P.C.  
November 10, 2010

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
Schedule of Findings and Questioned Costs  
June 30, 2010**

**A. SUMMARY OF AUDIT RESULTS**

*Financial Statements:*

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

*Federal Awards:*

- |   |             |
|---|-------------|
| 1. Internal control over major programs:  |             |
| a. Material weaknesses identified?  | No          |
| b. Significant deficiencies identified not considered to be material weaknesses?                                      | No          |
| 2. Type of auditors' report issued on compliance for major programs   | Unqualified |
| 3. Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? | No          |
| 4. Identification of major programs:  |             |

CFDA  
Number  
14.219  
16.001  
16.003  
14.871

Federal Program  
CDBG State Program Grant: Lower Rio Grande Water System  
Edward Byrne Mem-ARRA Stimulus  
Southwest Border Local Assistance Initiative  
Section 8 Housing Choice Vouchers

- |   |           |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$300,000 |
| 6. Auditee qualified as low-risk auditee?                                   | No        |

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
Schedule of Findings and Questioned Costs  
June 30, 2010**

<u>Finding</u>	<u>Status of Current and Prior Year Findings</u>	<u>Financial Statement Finding</u>	<u>Federal Awards Finding</u>
<b>Prior Year Findings</b>			
07-03 CELL PHONE CHARGES/PLANS EXCESSIVE	Resolved	yes	no
07-06 HOUSING AUTHORITY BUDGETS	Resolved	yes	no
08-08 TERMINATED EMPLOYEES FINAL PAY NOT CONSISTENT WITH POLICY AND EMPLOYMENT LAW	Resolved	yes	no
09-01 TIPS REIMBURSED AS PART OF MEAL EXPENSE EXCESSIVE	Resolved	yes	no
09-02 TRAVEL COSTS OVER REIMBURSED AND INCORRECTLY CLASSIFIED	Resolved	yes	no
09-03 PAYROLL - INCONSISTENT TREATMENT OF HOURLY PAY AND POLICY NOT CONSISTENTLY APPLIED	Resolved	yes	no
09-04 INMATE WELFARE FUNDS USED FOR GENERAL OPERATING COSTS FOR DETENTION	Resolved	yes	no
09-05 HEALTH & HUMAN SERVICES DEPARTMENT LACKS POLICIES AND PROCEDURES	Resolved	yes	no
<b>Current Year Findings</b>			
10-01 CASH ACCOUNTS	Current	yes	no
10-02 CERTIFICATION OF CAPITAL ASSETS ANNUAL INVENTORY	Current	yes	no
10-03 SEGREGATION OF DUTIES OF CERTAIN RECEIVABLES AND CASH RECEIPTS	Current	yes	no
10-04 ADJUSTMENTS TO CAPITAL ASSETS	Current	yes	no

**PRIOR YEAR FINDINGS – MODIFIED/REPEATED**

NONE

**CURRENT YEAR FINDINGS**

**10-01—CASH ACCOUNTS**

**Statement of Condition**

Doña Ana County's general ledger had the following two issues with cash, which were discovered by the auditors during our fieldwork. The issues are as follows:

1. The County had been monitoring the cash account titled "*Doña Ana County, NM and North American Development Bank US EPA Transition Funds Escrow Account*" and had been recording "draw-downs as activity properly, but did not have the cash account recorded on their general ledger. The cash is deposited at Wells Fargo in Denver and held a balance of \$1,294,345.10 as of June 30, 2010.
2. Cash has been collected from employees and deposited at a bank account recorded under one of the County's Tax Information Numbers (TIN) for several years. The funds are not County funds and therefore should be should not be associated with the County TIN. The cash account is titled the "*Doña Ana County Employee Activity Committee*" held by Citizens Bank of Las Cruces, which held a balance of \$8,338 as of June 30, 2010.

**STATE OF NEW MEXICO**  
**DONA ANA COUNTY**  
**Schedule of Findings and Questioned Costs**  
**June 30, 2010**

**Criteria**

**Financial Statement Compliance:**

1. All assets under the TINs of the organization must be recorded properly on the general ledger of the organization, unless the assets were incorrectly recorded under the TIN of the organization.
2. All bank accounts and investment statements must be reconciled to the physical bank/investment statements. The reconciliation should take place every time a bank/investment statement is issued and statements should be received at least on a quarterly basis.
3. The County's TIN should not be used for cash accounts that do not belong to the County.

**2010 State Auditor Rule 2.2.2.10 N. (1) Public Monies states:**

"All monies coming into all agencies (i.e. vending machines, fees for photocopies, shall be considered public monies and be accounted for as such."

**Effect**

1. The County's books and records would be understated by the cash and related balance sheet balances, if an adjustment was not made. It is noted that an adjustment was made in presentation of the audited financials.
2. Regarding the *Doña Ana County Employee Activity Committee* bank account, the County may be at risk for the liability associated with the handling of the funds that do not belong to them since they have been recorded under a County TIN, if theft or malfeasance occurred.

**Cause**

Certain County personnel were aware of the two cash/investment accounts but the finance department may not have been informed on the existence of these accounts or if they were, they may not have known about the requirements to record the larger cash account on the County's books. The smaller account was identified several years ago by the Treasurer of the County and steps were taken to move the funds, but the final transfer did not take place.

**Recommendation**

1. Controls should be established to assure that all assets owned by the County do not get missed and therefore are recorded on the general ledger.
2. Bank accounts not authorized by the proper officials of the County should not be allowed to use the County TIN. We recommend the employee funds be recorded under another TIN.

**Management Response**

1. Management agrees that the North American Development Bank escrow account should have been recognized on the County's general ledger and have made an entry to do so. Finance personnel understood that the account would be funded as each draw down request was submitted and were not aware that the escrow account was funded for the full grant amount, late in the fiscal year.
2. The Employee Activity Committee failed to change the TIN, as agreed several years ago. The current committee officers have contacted the bank and changed the TIN, so the account is no longer associated with the County.

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**DONA ANA COUNTY**  
**Schedule of Findings and Questioned Costs**  
**June 30, 2010**

**10-02—CERTIFICATION OF CAPITAL ASSETS ANNUAL INVENTORY**

**Statement of Condition**

1. The County did not certify its annual physical inventory of its capital assets as required by NMAC 2.20.1.16.

**Criteria**

**Section 12-6-10(A) NMSA 1978** requires each agency to conduct an annual physical inventory of movable chattels and equipment on the inventory list at the end of each fiscal year. The agency shall certify the correctness of the inventory after the physical inventory. This certification should be provided to the agency's auditors.

**NMAC 2.20.1.16 Annual Inventory** requires that all state agencies, municipalities, counties and every political subdivision of the state must conduct an annual physical audit of its fixed (capital) assets with a historical cost of \$5,000 or more. Also, the results of the physical inventory shall be recorded in a written inventory report, certified as to the correctness and signed by the governing authority of the agency. Also, idle items should be identified in the inventory.

Older capital assets that were capitalized under previous lower capitalization thresholds should not be removed from the capital assets list during the implementation of this latest capitalization threshold amount. Any new items received after June 17, 2005 should be added to the inventory list only if they meet the new capitalization threshold.

**Effect**

The inventory of the capital assets may not be correct, and monitoring of capital assets can be improved to prevent capital assets from going missing by theft or misplacement or sensitive computer information maybe stolen.

**Cause**

The County may not have been aware of the Statutes and Rules noted in the "Criteria".

**Recommendation**

We recommend that when the County conducts a physical inventory of capital assets every year at fiscal year-end (June 30), they document the inventory was completed. The documented inventory should include a certification the inventory is correct and signed by a responsible official of each department of the County. Items that are considered idle must be identified for inclusion in the notes to the audited financial statements. The governing official who should sign off on the inventory appears to mean the County Manager himself for this organization.

**Management Response**

Management agrees that the County must certify its capital asset inventory annually and will put in place a procedure to do so.

**10-03—SEGREGATION OF DUTIES OF CERTAIN RECEIVABLES AND CASH RECEIPT**

**Statement of Condition**

In the County Finance Department, one staff person does the following:

1. Creates receivables for the Airport revenues, Detention Center revenues and other miscellaneous revenues.

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**DONA ANA COUNTY**  
**Schedule of Findings and Questioned Costs**  
**June 30, 2010**

2. Handles the cash receipts related to these receivables.
3. Is able to make adjustments other than journal entries to receivables which may or may not be reviewed.

**Criteria**

Professional auditing standards as illustrated in Statement on Auditing Standard (SAS) 115 and its appendix require strong internal controls and these deficiencies and weaknesses are required to be disclosed to management and the governing Commission.

**Effect**

There appears to be opportunity for the misappropriation of funds.

**Cause**

Because one person has control over the areas cited in the “Statement of Condition” above, the opportunity is present to misappropriate funds that may go undetected because of the lack of segregation of duties associated with certain cash receipts and receivables.

**Recommendation**

We recommend the County segregate the duties of cash receipts and receivables which are not already segregated, by requiring the cash receipts to be sent directly to the Treasurer’s office.

**Management Response**

Management believes that various review procedures and controls are in place to mitigate the risk of misappropriation or errors. The County is currently recruiting for certain vacant Finance Department positions and, when the positions are filled, Management will reassign certain accounts receivable tasks to provide for greater separation of duties and strengthened controls.

**10-04—ADJUSTMENTS TO CAPITAL ASSETS**

**Statement of Condition**

During our review of the capital asset and depreciation list we noted numerous adjustments to the capital assets. The list contained many entries that were entered in as adjustments to the overall asset cost and to the overall accumulated depreciation. These adjustments, net to approximately \$1,572,000. The overall capital assets, net of depreciation as of June 30, 2010 were approximately \$194,000,000. Therefore if these adjustments were not made the presentation of the government-wide financial statements would result in materially incorrect presentation of government-wide financial statements. At the fund financial statement presentation, an adjustment of approximately \$278,000 between fund 50068, *NMED County Utilities* and fund 50044, *South Central Wastewater* is considered a material as well and an adjustment is considered necessary to properly present financials statements of the aforementioned funds.

After discussion with the Financial Services Director and other County personnel, it was determined that the adjustments must be removed in order for the capital assets to be considered materially correct. Because the adjustments are considered material and that they came from the auditor, it indicates a material weakness in the County’s financial statements as per Statement on Auditing Standards (SAS) 115 “*Communicating Internal Control Related Matters Identified in an Audit*”.

**Criteria**

SAS 115 establishes that the auditor cannot be part of the client’s internal control because becoming part of the client’s internal control impairs the auditor’s independence. When the auditor identifies material adjustments, it

**STATE OF NEW MEXICO**  
**DONA ANA COUNTY**  
**Schedule of Findings and Questioned Costs**  
**June 30, 2010**

indicates that controls over the general ledger are not effective. Management is responsible for establishing effective controls over the general ledger.

**Effect**

The County's capital assets are may have been materially incorrect in prior years.

**Cause**

It appears that the County believed the adjustments in the capital asset listing were necessary.

**Recommendation**

It is recommended that the adjustments be removed from the capital asset listing.

**Management Response**

The previous adjustments to fixed assets were made, several years ago, by the County's then outside auditors. Finance Department staff subsequently requested detail for these adjustments, but the audit firm went out of business and the detail was never received. Management and the County's current auditors have analyzed the current capital asset detail and Management believes that the asset detail, when the prior auditor's adjustments are removed, accurately reflects the current value of the County's capital assets. Appropriate entries have been made to remove these prior adjustments.

**STATE OF NEW MEXICO  
DONA ANA COUNTY  
Other Disclosures  
Year Ended June 30, 2010**

**A. AUDITOR PREPARED FINANCIAL STATEMENTS**

Presentation: The accompanying financial statements are the responsibility of the County and are based on information from the County's financial records. Assistance was provided by Hinkle & Landers, PC to the County in preparing the financial statements.

**B. EXIT CONFERENCE**

The contents of the report for Dona Ana County were discussed on November 10, 2010. The following individuals were in attendance.

Dona Ana County Officials

Oscar Vásquez Butler  
Brian Haines, CPA  
Bill Noland  
Nasreen Nelson, CPA  
Mireya Garza  
Raquel Quiroga

County Commissioner District 1, Chairman  
County Manager  
Finance Director  
Controller  
Accountant III  
Accountant III

Auditors

Farley Vener, CPA  
Erick Robinson, CPA

Audit Partner  
Audit Manager