

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2010**

**STATE OF NEW MEXICO  
SANTA FE COUNTY**

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**STATE OF NEW MEXICO  
SANTA FE COUNTY  
OFFICIAL ROSTER  
JUNE 30, 2010**

**County Commissioners**

Harry B. Montoya	Chairperson
Kathy Holian	Member
Mike Anaya	Member
Liz Stefanics	Member
Virginia Vigil	Member

**County Officials**

Greg Solano	County Sheriff
Victor Montoya	County Treasurer
Valerie Espinoza	County Clerk
Domingo P. Martinez	County Assessor
Mark A. Basham	Probate Judge
Jeffery Ludwig	County Surveyor

**Administrative Officials**

Katherine Miller	County Manager
Joseph Gutierrez	Community Services Department Director
Jeff Trujillo	Administrative Services Department Director
Annabelle Romero	Corrections Department Director
Jack Kolkmeier	Growth Management Department Director
Vacant	Public Works Department Director
Robert Martinez	Transportation Manager
Patricio Guerrero-Ortiz	Utilities Division Director
Bernadette Salazar	Human Resources Division Director
Teresa Martinez	Finance Division Director
Steve Ross	County Attorney

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
REPORT ON AUDIT OF FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2010**

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## INDEPENDENT AUDITORS' REPORT

Mr. Hector H. Balderas  
New Mexico State Auditor

County Commissioners of the  
State of New Mexico, Santa Fe County

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 other major special revenue funds, of Santa Fe County, New Mexico (County), as of and for the year ended June 30, 2010, which collectively comprise the County'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 funds, fiduciary funds, and the budgetary comparisons for the major capital projects funds, debt service funds, enterprise funds and all nonmajor funds presented as supplementary information in the accompanying combining and individual fund financial statements and schedules as of and for the year ended June 30, 2010, as listed in the table of contents. These financial statements and schedules are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements and schedules based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Santa Fe County, New Mexico, 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 fund and fiduciary funds of Santa Fe County, New Mexico as of June 30, 2010, and the respective changes in financial position thereof and the respective budgetary comparisons for the major capital projects funds, debt service funds, enterprise 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 date November 11, 2010, on our consideration of Santa Fe County, New Mexico's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 14 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the basic financial statements and the combining and individual fund financial statements and budgetary comparisons. The accompanying schedule of expenditures of federal awards is presented for the 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 Agency Funds and Other Supplementary Information in the table of contents are presented for the purposes of additional analysis and are not a required part of the financial statements. The Schedule of Expenditures of Federal Awards, Agency Funds Schedules and Other Supplementary Information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Heinfeld, Meech & Co., P.C.*

HEINFELD, MEECH & CO., P.C.  
Certified Public Accountants

November 11, 2010

**MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**  
**(Required Supplementary Information)**

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2010**

As management of the Santa Fe County, New Mexico (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the current fiscal year.

**FINANCIAL HIGHLIGHTS**

The financial statements which follow the Management's Discussion and Analysis provide those significant key financial highlights for 2009-10 as follows.

- The County's total net assets of governmental activities decreased \$27.3 million and business-type activities increased \$53.5 million. The increase in business-type activities was due to the addition of capital assets funded by governmental activities. This activity is presented as the transfer of \$54.1 million from governmental activities to business-type activities. In total, the net change of \$26.2 million represents an increase of 9 percent from the prior year.
- General revenues from governmental activities accounted for \$106.7 million in revenue, or 82 percent of all revenues from governmental activities. Program specific revenues in the form of charges for services and grants and contributions accounted for \$23.2 million or 18 percent of total governmental activities revenues. The County had \$2.8 million of program revenues and \$29,894 in general revenues related to business-type activities.
- The County had \$103.1 million in expenses related to governmental activities, a decrease of 5 percent from the prior fiscal year. The County had \$3.5 million in expenses related to business-type activities a decrease of 1 percent from the prior fiscal year.
- The General Fund had \$57.8 million in revenues, which primarily consisted of property and gross receipts taxes. The total expenditures of the General Fund were \$35.4 million. The General Fund's fund balance decreased \$35,649 to \$44.2 million.
- The Fire Operations Fund had \$9.5 million in revenues, which primarily consisted of gross receipts taxes. The total expenditures of the Fire Operations Fund were \$9.2 million. The Fire Operations Fund's fund balance decreased from \$6.7 million at prior fiscal year end to \$6.5 million at current fiscal year end.
- The Utilities Fund's operating expenses of \$2.3 million exceeded operating revenues of \$1.4 million. The Utilities Fund's net assets increased \$53.6 million or 67 percent primarily due to contributions of capital assets from the governmental funds.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2010**

**OVERVIEW OF FINANCIAL STATEMENTS**

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

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

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

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

In the government-wide financial statements the County's activities are presented in the following categories:

- **Governmental activities** – Most of the County's basic services are included here, such as general government, public safety, public works, economic development and culture and recreation. Gross receipts taxes, property taxes, and intergovernmental revenues finance most of these activities.
- **Business-type activities** – The services provided by the County included here are home sales, regional planning, utilities and housing services. The services are primarily financed through charges for services.

**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 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.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2010**

**OVERVIEW OF FINANCIAL STATEMENTS (Concl'd)**

**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 of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in 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 County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General, Developer Fees, Fire Operations, Law Enforcement Operations, Corrections Operations, Debt Service, Capital Outlay GRT, GO Bond Series 2007, GRT Bond Series 2008, and Capital GRT Bond Series 2010A Funds, all of which are considered to be the County's major governmental funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining schedules.

**Proprietary funds.** The County maintains four proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its home sales, regional planning authority, utilities, and housing authority.

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

**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 immediately following the basic financial statements.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Under New Mexico Administrative Code Section 2.2.2, governments in New Mexico must include the budgetary comparison statement for the General Fund and major special revenue fund data as a component of the fund financial statements within the basic financial statements.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2010**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$298.7 million at the current fiscal year end.

A significant portion of the County's net assets reflects its investment in capital assets (e.g., land, construction in progress, infrastructure, buildings and improvements, and vehicles, furniture and equipment), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to its 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 resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The County's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

The following table presents a summary of the County's net assets for the fiscal years ended June 30, 2010 and June 30, 2009.

	2010 Governmental Activities	2009 Governmental Activities (as restated)	2010 Business-type Activities	2009 Business-type Activities (as restated)	2010 Total	2009 Total (as restated)
Current and other assets	\$ 244,085,653	\$257,560,455	\$ 13,181,743	\$23,767,935	\$ 257,267,396	\$281,328,390
Capital assets, net	154,233,128	134,453,412	130,494,479	66,120,327	284,727,607	200,573,739
<b>Total assets, net</b>	<b>398,318,781</b>	<b>392,013,867</b>	<b>143,676,222</b>	<b>89,888,262</b>	<b>541,995,003</b>	<b>481,902,129</b>
Current and other liabilities	10,590,825	13,394,597	706,539	403,438	11,297,364	13,798,035
Long-term liabilities	232,047,435	195,621,683			232,047,435	195,621,683
<b>Total liabilities</b>	<b>242,638,260</b>	<b>209,016,280</b>	<b>706,539</b>	<b>403,438</b>	<b>243,344,799</b>	<b>209,419,718</b>
Invested in capital assets, net of related debt	87,213,314	2,884,066	130,494,479	67,869,959	217,707,793	70,754,025
Restricted	48,069,112	72,420,213			48,069,112	72,420,213
Unrestricted	20,398,095	107,693,308	12,475,204	21,614,865	32,873,299	129,308,173
<b>Total net assets</b>	<b>\$ 155,680,521</b>	<b>\$182,997,587</b>	<b>\$142,969,683</b>	<b>\$89,484,824</b>	<b>\$ 298,650,204</b>	<b>\$272,482,411</b>

At the end of the current fiscal year the County reported positive balances in all three categories of net assets. The same situation held true for the prior fiscal year. The County's financial position is the product of several financial transactions including the net result of activities, the acquisition of capital assets, and the depreciation of capital assets. The following are significant current year transactions that had an impact on the Statement of Net Assets.

- The principal retirement of \$9.0 million of bonds and the issuance of \$43.5 million of revenue bonds.
- The net addition of \$26.8 million of land, construction in progress, infrastructure and building improvements.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2010**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)**

**Changes in net assets.** The County's total revenues for the current fiscal year were \$132.8 million. The total cost of all programs and services was \$106.6 million. The following table presents a summary of the changes in net assets for the fiscal years ended June 30, 2010 and June 30, 2009.

	2010 Governmental Activities	2009 Governmental Activities (as restated)	2010 Business-type Activities	2009 Business-type Activities (as restated)	2010 Total	2009 Total (as restated)
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 11,058,103	\$ 21,428,894	\$ 1,878,836	\$ 2,349,365	\$12,936,939	\$ 23,778,259
Operating grants and contributions	10,508,920	12,357,297	924,216	793,685	11,433,136	13,150,982
Capital grants and contributions	1,622,059	3,619,750		2,435,730	1,622,059	6,055,480
General revenues:						
Property taxes, levied for general purposes	44,629,160	38,946,256			44,629,160	38,946,256
Property taxes, levied for debt service	13,033,227	13,644,415			13,033,227	13,644,415
Gross receipts taxes	42,920,336	41,464,519			42,920,336	41,464,519
Other taxes	2,029,969	2,050,446			2,029,969	2,050,446
Investment income	4,115,458	5,560,567	29,894	69,993	4,145,352	5,630,560
<b>Total revenues</b>	<u>129,917,232</u>	<u>139,072,144</u>	<u>2,832,946</u>	<u>5,648,773</u>	<u>132,750,178</u>	<u>144,720,917</u>
<b>Expenses:</b>						
General government	25,172,987	20,430,292			25,172,987	20,430,292
Public safety	40,389,110	46,475,476			40,389,110	46,475,476
Culture and recreation	1,433,402	967,360			1,433,402	967,360
Public works	3,654,201	591,807			3,654,201	591,807
Highways and streets	7,496,148	10,612,531			7,496,148	10,612,531
Health and welfare	16,840,758	21,718,445			16,840,758	21,718,445
Interest on long-term debt	8,135,830	7,546,977			8,135,830	7,546,977
Home sales				54,342		54,342
Regional planning authority			91,508	114,275	91,508	114,275
Utilities			2,295,463	1,947,173	2,295,463	1,947,173
Housing services			1,072,978	1,369,185	1,072,978	1,369,185
<b>Total expenses</b>	<u>103,122,436</u>	<u>108,342,888</u>	<u>3,459,949</u>	<u>3,484,975</u>	<u>106,582,385</u>	<u>111,827,863</u>
<b>Transfers</b>	<u>(54,111,862)</u>	<u>(36,787,138)</u>	<u>54,111,862</u>	<u>36,787,138</u>		
<b>Changes in net assets</b>	<u>\$ (27,317,066)</u>	<u>\$ (6,057,882)</u>	<u>\$53,484,859</u>	<u>\$ 38,950,936</u>	<u>\$26,167,793</u>	<u>\$ 32,893,054</u>

Total revenues decreased \$9.2 million or 7 percent primarily as a result of increased gross receipt tax collections of \$1.46 million, increased property tax collections (general purposes) of \$5.6 million and decreased charges for services of \$10.4 million. Charges for services revenues decreased \$10.4 million primarily as a result of removing the County's reliance on other third party funding sources to fully fund all health operations and in FY 2010 eliminated such funding. The County will be seeking funding mechanisms to sustain our growing health operations and future budgeting plans will limit growth of current health programs and/or result in reduced health programs as they will be funded solely by gross receipt tax collections. Investment income, and all grants and contributions witnessed decreases largely due to the current economy.

Governmental activities expenses decreased \$5.4 million primarily as a result of the elimination of third party funding for all health programs and necessitated cuts to maintain a balanced budget, decreased funding available for

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2010**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Cont'd)**

road projects and maintenance, and reduced expenditures for the public safety component. The County initiated cost saving measures that included smart buying practices, reduced travel, reductions to take-home vehicles and cell phones and lastly a freeze on positions, all of which are contributing to the decreased expenses.

**Governmental and Business-type activities.** The following table presents the cost of the eleven (11) major County functional activities. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and County's taxpayers by each of these functions.

	2010		2009	
	Total Expenses	Net (Expense)/ Revenue	Total Expenses	Net (Expense)/ Revenue
<b>Governmental Activities</b>				
General government	\$ 25,172,987	\$(19,133,054)	\$ 20,430,292	\$(13,730,415)
Public safety	40,389,110	(30,093,218)	46,475,476	(32,372,694)
Culture and recreation	1,433,402	(1,429,402)	967,360	(911,546)
Public works	3,654,201	(3,654,201)	591,807	(579,307)
Highways and streets	7,496,148	(7,410,799)	10,612,531	(6,536,701)
Health and welfare	16,840,758	(10,076,850)	21,718,445	(11,635,404)
Interest on long-term debt	8,135,830	(8,135,830)	7,546,977	(7,546,977)
<b>Total</b>	<u>\$103,122,436</u>	<u>\$(79,933,354)</u>	<u>\$108,342,888</u>	<u>\$(73,313,044)</u>
<b>Business-type Activities</b>				
Home sales	\$	\$	\$ 54,342	\$ (54,342)
Regional planning authority	91,508	(48,475)	114,275	(43,328)
Utilities	2,295,463	(388,259)	1,947,173	2,548,661
Housing services	1,072,978	(220,163)	1,369,185	(375,626)
<b>Total</b>	<u>\$ 3,459,949</u>	<u>\$ ( 656,897)</u>	<u>\$ 3,484,975</u>	<u>\$ 2,075,365</u>

- The cost of all governmental activities this year was \$103.1 million; the decrease of \$5.2 million from the prior year was primarily due to the elimination of third party funding for all health programs and corresponding cuts, decreased funding available for road projects and maintenance, and reduced expenditures for the public safety component. The County initiated cost saving measures that included smart buying practices, reduced travel, reductions to take-home vehicles and cell phones and lastly a freeze on positions, all of which are contributing to the decreased expenses.
- The cost of all business-type activities this year was \$3.5 million, a decrease of \$25,026 from the prior year.
- Charges for services and contributions subsidized certain governmental programs and business-type programs with revenues of \$26.0 million.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2010**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Concl'd)**

- Net cost of governmental activities of \$79.9 million was financed by general revenues, which are made up of primarily property taxes and gross receipts taxes of \$100.6 million.

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

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**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 the County's net resources available for spending at the end of the fiscal year.

The financial performance of the County as a whole is reflected in its governmental funds. As the County completed the year, its governmental funds reported a combined fund balance of \$213.1 million, a decrease of \$13.1 million. The General Fund is the principal operating fund of the County. The General Fund's fund balance decreased \$35,649 to \$44.2 million at year end.

**Proprietary Funds.** Net assets of the Enterprise Fund increased \$53.5 million to \$143.0 million at year end primarily due to the acquisition of water rights totaling \$6.8 million from various sellers and acquired 333.3 acre feet. The County issued Gross Receipts Tax Revenue Bonds for \$12.0 million to allow for the acquisition of additional water rights in order to prepare for the completion of the Buckman Direct Diversion (BDD) project and also with the mindset of developing the County's water utility operations. The construction of the BDD Project is nearing completion. The BDD project will be on-line and fully operational by May 2011. The project budget is \$218 million and the County paid the City a total of \$31 million in FY 2010. The County also installed a bulk water system off of N.M. 14 near the county jail. This new system will allow county residents to purchase water at any time and should result in reduced costs for the County. The County also expended funds towards the upgrade to the Valle Vista Waste Water Treatment Facility.

**BUDGETARY HIGHLIGHTS**

There were several amendments to the County's fiscal year 2009-10 operating budget. A statement reporting the original and final budget amounts compared to the County's actual financial activity for the General Fund is provided in this report as a basic financial statement. The significant variances are summarized as follows.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2010**

**BUDGETARY HIGHLIGHTS (Concl'd)**

- The favorable variance of \$1.0 million in gross receipts tax as the County imposed budget reductions during the fiscal year based on proposed legislative changes that did not materialize. The proposed legislative changes were specific to the food and medical tax exemptions. Additionally, the County received an equalization payment of \$273,845, which provides additional funds to counties with per capita gross receipts below the statewide average. This is the first time the County has qualified for an equalization payment.
- The favorable variance of \$14.8 million in capital outlay was the result of several items. The first item was a \$5.0 million increase to a capital contingency set-aside for this recessionary economy to accommodate any unforeseen capital emergencies or a catastrophic downturn in revenue collections. Thankfully no emergencies arose and revenue sustained at the budget levels, which and resulted in a positive variance. Second, the General Fund was reimbursed \$4.3 million for water right acquisitions funded in the previous fiscal year. Thirdly, a total of \$2.9 million was budgeted for the Judicial Center Complex and did not materialize as the environmental clean-up is still in process. Lastly, potential water rights acquisitions were budgeted at \$4.0 million of which \$2.0 million was unspent.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** At year end, the County had invested \$284.7 million in capital assets, including buildings, water system, facilities, vehicles, computers, equipment, and infrastructure assets. This amount represents a net decrease prior to depreciation of \$71.5 million. Total depreciation expense for the current fiscal year was \$7.8 million. The following schedule presents capital asset balances for the fiscal years ended June 30, 2010 and June 30, 2009.

	As of June 30, 2010	As of June 30, 2009
<b>Governmental Activities</b>		
Land	\$ 34,985,605	\$ 28,935,735
Buildings and improvements	94,329,984	89,838,769
Infrastructure	37,970,743	34,101,394
Equipment and vehicles	46,461,994	44,447,878
Furniture and fixtures	1,487,761	1,464,286
Construction in progress	21,257,535	11,988,126
Right of way land	5,465,283	5,465,283
Less: Accumulated depreciation	<u>(87,725,777)</u>	<u>(81,788,059)</u>
<b>Total</b>	<u>\$ 154,233,128</u>	<u>\$ 134,453,412</u>
<b>Business-type Activities</b>		
Land	\$ 2,047,140	\$ 2,047,140
Buildings and improvements	6,654,219	6,595,491
Water systems	14,001,670	4,823,988
Vehicles, furniture and equipment	1,103,054	1,037,945
Construction in progress	82,231,629	46,912,510
Water rights	31,539,221	23,649,563
Less: Accumulated depreciation	<u>(7,082,454)</u>	<u>(6,283,706)</u>
<b>Total</b>	<u>\$ 130,494,479</u>	<u>\$ 78,782,931</u>

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2010**

**CAPITAL ASSETS AND DEBT ADMINISTRATION (Concl'd)**

The estimated cost to complete current construction projects is \$61.0 million.

Additional information on the County's capital assets can be found in Note 5.

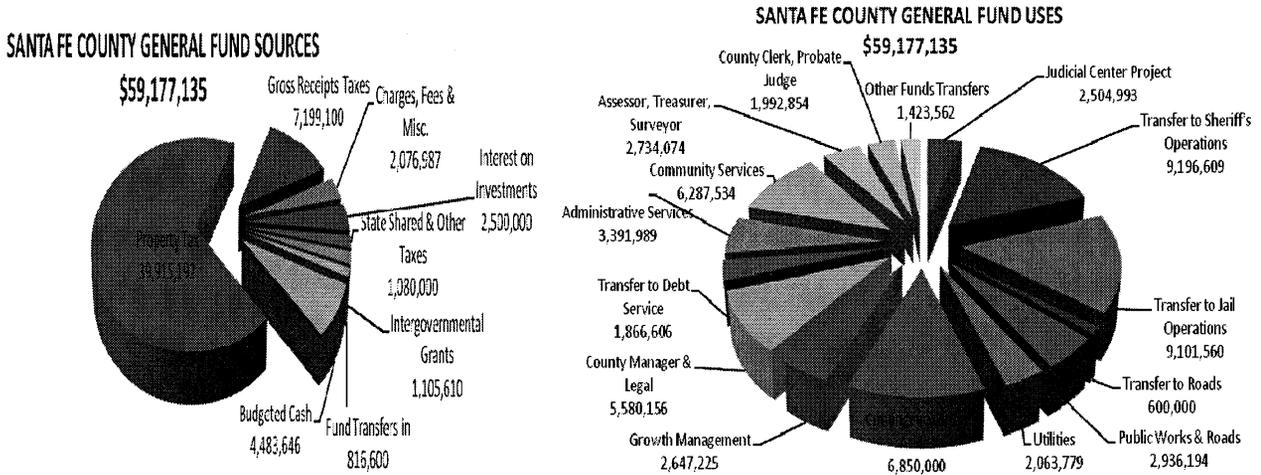
**Debt Administration.** At year end, the County had \$222.1 million in long-term debt outstanding. The following table presents a summary of the County's outstanding long-term debt for the fiscal years ended June 30, 2010 and June 30, 2009.

	<b>Governmental Activities</b>	
	2010	2009
Bonds payable	\$ 123,180,000	\$ 131,500,000
Revenue bonds payable	98,960,000	58,010,000
<b>Total</b>	<b>\$ 222,140,000</b>	<b>\$ 189,510,000</b>

State statutes currently limit the amount of general obligation debt a County may issue to 4 percent of its total assessed valuation for general purposes. The current debt limitation for general purposes for the County is \$268.4 million. State statute currently does not limit the amount of general obligation debt a County may issue for a Water and Wastewater system.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

**Credit Ratings.** On March 8, 2010, Moody's Investor Services reviewed and assigned a Aa2 rating to the Santa Fe County's Capital Outlay Gross Receipts Tax (Joint Water Project Allocation) Revenue Bonds, Series 2010A and Capital Outlay Gross Receipts Tax (County-Only Water Project Allocation) Revenue Bonds, Series 2010B. Such a rating was assigned given that the County's restricted revenues provide satisfactory debt service coverage, the County has a large and diverse tax base and the County maintains solid financial operations with strong reserves.



**STATE OF NEW MEXICO  
SANTA FE COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2010**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES (Cont'd)**

The Board of County Commissioners and the management considered many factors and conducted significant research during the development of the fiscal year 2010-2011 budget. Ultimately, the General Fund was budgeted with the use of approximately \$4.5 million in cash, a decrease in budgeted cash of about \$5.5 million from FY 2010. This reduction was realized because of a number of factors including a \$1.8 million reduction in capital purchases and set-asides, a \$2.6 million reduction in operating transfers out mostly for jail debt service which is being funded from the correctional gross receipts tax in FY 2011, a \$.8 million reduction in debt service for the 2008 Series GRT bond, and \$.4 million reduction in the Judicial Complex project which is funded from the cash accumulated from the 1/16<sup>th</sup> gross receipts tax.

Beginning in FY 2009 and continuing through FY 2010 and into FY 2011 the County has been struggling to combat the "great recession" by a variety of cost cutting measures. The hope of the County's governing body and management has been to reduce budgets in a manner that will result in a minimal impact to staff. As of the FY 2011 budget this hope has been realized, but not without an impact to the cash reserves. The cash reserves have historically been allowed to accumulate in order to sustain County operations through economic downturns. In FY 2011 these "rainy day" funds are being tapped. Realizing that cash reserves will eventually deplete, during FY 2011 the Board of County Commissioners will be reviewing program priorities and potentially re-defining its vision of "core government" which will be used as a road map for the FY 2012 budget.

The objectives set for the fiscal year include the following:

- The FY 2011 budget cycle began with a grim picture of the financial future of Santa Fe County and the economy as a whole. The warning bells were sounded at mid-year regarding revenue projections and the need for a significant use of cash reserves to maintain a "status quo" level of service in FY 2011. In response to these factors the County took action to reduce operating budgets by freezing positions, reducing the salaries of upper level staff, developing new revenue generating initiatives, and cutting operating expenses. The Board of County Commissioners maintains a stated goal of riding out this financial storm without a significant impact to services or staff livelihood.
- The County has seen declining revenue collections in one of its primary revenue sources, Gross Receipt Taxes. The County has witnessed that the major industries affected by this recessed economy are the construction, tourism and retail industries and the County forecasted and budgeted a 10% downturn in Gross Receipt Taxes in FY 2010 and projected another 5% downturn in the FY 2011 budget. This resulted in an additional decrease of \$1,950,000 in projected Gross Receipt Taxes for FY 2010. S.A.V.E. (Santa Fe County Accountability, Value and Efficiency) Initiative audited certain routine expenditures and successfully reduced cell phone costs, reduced the amount of take-home vehicles and also focused on reducing energy consumption, which resulted in more than \$2.0 million in savings. This initiative will continue to find innovative ways of saving money and generating new revenue while sustaining adequate spending that impacts ongoing operations.
- The County eliminated the Commissioners community funds in FY 2011 for a total budget cut of \$92,500. In addition, the County reduced significantly, the General Fund capital package and the emergency contingency funds resulting in a total reduction of \$1.8 million. Other measures such as eliminating the student intern program, reducing contractual services, cutting travel, reorganizing work flows at satellite offices, to name a few resulted in a combined savings of \$1.2 million.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)  
YEAR ENDED JUNE 30, 2010**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES (Concl'd)**

- The County has continued to fund wage adjustments for Corrections, Fire and Sheriff's employees based on current negotiated bargaining agreements. However, non-bargaining unit employees did not receive cost of living adjustments (COLA) for the last two fiscal years. The merit pool was cut in FY 2010 and was not funded in FY 2011.

The US Census Bureau population estimate for 2009 is 147,532, which includes the City of Santa Fe. This estimate reflects a population percentage *increase* in the period from April, 2000 to June, 2009 of 14.1% -- larger than the State as a whole which has an estimated 10.5% increase during that same period. In 2008, total employment was 73,480 persons. Santa Fe's cost of living is above the national average, with a cost of living index of 97.6 in 2009. Wages stayed around the national average, but above the average wages for the State of New Mexico. The median household income in Santa Fe County was \$55,461 in 2008, compared to the state median of \$43,719. The median price for a home for Santa Fe County was \$319,700. Population estimates for Santa Fe County projected through the year 2035 indicate a slow and steady growth rate, however the rate of growth will not be as high as the State as a whole. As of 2008, Santa Fe's population had a median age of 41 years.

Still, Santa Fe County's economy is driven by tourism and recreation. Like other regions of the State and country, these two sectors of the economy have been hard hit by the "great recession" which started in FY 2008, as have the construction and real estate sectors.

All of these indicators were considered when preparing the fiscal year 2011 budget. The General Fund budget totals \$59,177,136 a decrease of 6 percent from FY 2010. Gross receipt taxes are expected to decline by 5% percent and property tax revenue estimates were increased by 5 percent. Budgeted expenditures in the General Fund also decreased 6 percent in FY 2011. This decrease is the result of decreases in contingencies and set-asides of \$1.8 million, reductions in debt service payment funded through the 1/16<sup>th</sup> gross receipt tax, budget cuts and a hiring freeze and a reduction in the support required for the Corrections Department.

The County's plan will focus on long-term financial planning to ensure sustainable budgets, economic development and the prioritization of core services in the event of programmatic cuts and lay-offs. The County will explore regional cost sharing efforts as well. Looking forward, the County will be affected by slowed revenue collections and increased general fund support to jail and health operations. Additionally, the County will have to focus strongly on the Adult and Juvenile facilities, fire operations, health operations and the regional emergency communications center and their potential threat to General Fund cash reserves. The county adopted a balanced budget for fiscal 2011 with minimal impact to staff and programs. The county does anticipate a decreasing change in reserve levels at year-end.

**CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the resources it receives. If you have questions about this report or need additional information, contact the Finance Department, Santa Fe County, 102 Grant Avenue, Santa Fe, New Mexico 87501 or visit our website at [www.santafecounty.nm.us](http://www.santafecounty.nm.us).

## **BASIC FINANCIAL STATEMENTS**

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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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**STATE OF NEW MEXICO  
SANTA FE COUNTY  
STATEMENT OF NET ASSETS  
JUNE 30, 2010**

	Governmental Activities	Business-type Activities	Total
<b><u>ASSETS</u></b>			
Current assets:			
Cash and investments	\$ 204,721,730	\$ 12,352,153	\$ 217,073,883
Receivables	6,908,817	733,315	7,642,132
Long-term receivables	14,236,604		14,236,604
Taxes receivable	13,871,554		13,871,554
<b>Total current assets</b>	<b>239,738,705</b>	<b>13,085,468</b>	<b>252,824,173</b>
Noncurrent assets:			
Cash and investments - restricted	2,842,418		2,842,418
Long-term receivables		96,275	96,275
Deferred charges	1,504,530		1,504,530
Land	34,985,605	2,047,140	37,032,745
Buildings and improvements	94,329,984	6,654,219	100,984,203
Water system		13,854,670	13,854,670
Infrastructure	37,970,743		37,970,743
Equipment and vehicles	46,461,994	499,730	46,961,724
Furniture and fixtures	1,487,761	479,441	1,967,202
Construction in progress	21,257,535	82,231,629	103,489,164
Water rights		31,539,221	31,539,221
Right of way land	5,465,283		5,465,283
Accumulated depreciation	(87,725,777)	(6,811,571)	(94,537,348)
<b>Total noncurrent assets</b>	<b>158,580,076</b>	<b>130,590,754</b>	<b>289,170,830</b>
<b>Total assets</b>	<b>398,318,781</b>	<b>143,676,222</b>	<b>541,995,003</b>
<b><u>LIABILITIES</u></b>			
Current liabilities:			
Accounts payable	1,158,122	162,682	1,320,804
Accrued payroll	1,599,168	45,054	1,644,222
Due to other governments		71,334	71,334
Unearned revenue	1,804,954	248,500	2,053,454
Deposits held for others	123,729	174,149	297,878
Other liabilities	128,630	4,820	133,450
Accrued interest payable	3,035,544		3,035,544
Compensated absences payable	3,076,716		3,076,716
Bonds payable	9,215,000		9,215,000
<b>Total current liabilities</b>	<b>20,141,863</b>	<b>706,539</b>	<b>20,848,402</b>
Noncurrent liabilities:			
Deferred bond items	2,740,678		2,740,678
Non-current portion of long-term obligations	219,755,719		219,755,719
<b>Total non-current liabilities</b>	<b>222,496,397</b>		<b>222,496,397</b>
<b>Total liabilities</b>	<b>242,638,260</b>	<b>706,539</b>	<b>243,344,799</b>
<b><u>NET ASSETS</u></b>			
Invested in capital assets, net of related debt	87,213,314	130,494,479	217,707,793
Restricted for:			
Restricted for debt service	18,348,113		18,348,113
Restricted for capital outlay	29,720,999		29,720,999
Unrestricted	20,398,095	12,475,204	32,873,299
<b>Total net assets</b>	<b>\$ 155,680,521</b>	<b>\$ 142,969,683</b>	<b>\$ 298,650,204</b>

**The notes to the financial statements are an integral part of this statement.**

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2010**

Functions/Programs	Expenses	Program Revenues		Governmental Activities	Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions		
<b>Primary Government</b>					
Governmental activities:					
General government	\$ 25,172,987	\$ 2,445,628	\$ 2,395,971	\$ 1,198,334	\$ (19,133,054)
Public safety	40,389,110	5,921,693	4,374,199		(30,093,218)
Culture and recreation	1,433,402		4,000		(1,429,402)
Public works	3,654,201				(3,654,201)
Highways and streets	7,496,148	7,699	69,549	8,101	(7,410,799)
Health and welfare	16,840,758	2,683,083	3,665,201	415,624	(10,076,850)
Interest on long-term debt	8,135,830				(8,135,830)
<b>Total governmental activities</b>	<b>103,122,436</b>	<b>11,058,103</b>	<b>10,508,920</b>	<b>1,622,059</b>	<b>(79,933,354)</b>
Business-type activities:					
Regional planning authority	91,508	43,033			
Utilities	2,295,463	1,452,315	454,889		
Housing services	1,072,978	383,488	469,327		
<b>Total business-type activities</b>	<b>3,459,949</b>	<b>1,878,836</b>	<b>924,216</b>		
<b>Total primary government</b>	<b>\$ 106,582,385</b>	<b>\$ 12,936,939</b>	<b>\$ 11,433,136</b>	<b>\$ 1,622,059</b>	<b>(79,933,354)</b>
<b>General revenues:</b>					
Taxes:					
Property taxes, levied for general purposes					
					44,629,160
Property taxes, levied for debt service					
					13,033,227
Gross receipts taxes					
					42,920,336
Other taxes					
					2,029,969
Investment income					
					4,115,458
<b>Transfers</b>					
					(54,111,862)
<b>Total general revenues and transfers</b>					
					52,616,288
<b>Changes in net assets</b>					
					(27,317,066)
<b>Net assets, beginning of year, as restated</b>					
					182,997,587
<b>Net assets, end of year</b>					
					\$ 155,680,521

**The notes to the financial statements are an integral part of this statement.**

Net (Expense) Revenue and Changes  
in Net Assets

Business-type Activities	Totals
\$	\$ (19,133,054)
	(30,093,218)
	(1,429,402)
	(3,654,201)
	(7,410,799)
	(10,076,850)
	<u>(8,135,830)</u>
	<u>(79,933,354)</u>
(48,475)	(48,475)
(388,259)	(388,259)
<u>(220,163)</u>	<u>(220,163)</u>
<u>(656,897)</u>	<u>(656,897)</u>
<u>(656,897)</u>	<u>(80,590,251)</u>
	44,629,160
	13,033,227
	42,920,336
	2,029,969
29,894	4,145,352
<u>54,111,862</u>	
<u>54,141,756</u>	<u>106,758,044</u>
53,484,859	26,167,793
<u>89,484,824</u>	<u>272,482,411</u>
<u>\$ 142,969,683</u>	<u>\$ 298,650,204</u>

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**FUND FINANCIAL STATEMENTS**

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2010**

	<u>General</u>	<u>Developer Fees</u>	<u>Fire Operations</u>
<b><u>ASSETS</u></b>			
Cash and investments	\$ 42,695,468	\$ 1,879,474	\$ 5,352,176
Cash and investments - restricted			
Receivables	2,020,545	14,337,304	2,062,133
Taxes receivable	6,145,824		1,388,570
Due from other funds	1,020,896		
<b>Total assets</b>	<u>\$ 51,882,733</u>	<u>\$ 16,216,778</u>	<u>\$ 8,802,879</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$ 354,080	\$	\$ 52,619
Accrued payroll	539,918	6,250	232,923
Due to other funds			
Deferred revenue	6,768,764	14,297,304	2,060,776
Deposits held for others			
Other liabilities	13,659	40,000	125
<b>Total liabilities</b>	<u>7,676,421</u>	<u>14,343,554</u>	<u>2,346,443</u>
Fund balances (deficits):			
Reserved for encumbrances	2,850,794	39	600,409
Contingency	1,815,290		
Unreserved:			
Undesignated	39,540,228	1,873,185	5,856,027
Unreserved reported in:			
Special revenue funds			
Capital projects funds			
Debt service funds			
<b>Total fund balances</b>	<u>44,206,312</u>	<u>1,873,224</u>	<u>6,456,436</u>
<b>Total liabilities and fund balances</b>	<u>\$ 51,882,733</u>	<u>\$ 16,216,778</u>	<u>\$ 8,802,879</u>

**The notes to the financial statements are an integral part of this statement.**

Law Enforcement Operations	Corrections Operations	Debt Service	Capital Outlay GRT	GO Bond Series 2007	GRT Bond Series 2008
\$ 202,582	\$ 7,714,324	\$ 12,044,202	\$ 26,258,311	\$ 12,654,035	\$ 30,060,861
269,745	217,528	1,462,766	1,563,178		
<u>\$ 472,327</u>	<u>\$ 7,931,852</u>	<u>\$ 13,506,968</u>	<u>\$ 27,821,489</u>	<u>\$ 12,654,035</u>	<u>\$ 30,060,861</u>
\$ 35,885	\$ 260,658	\$ 2,935	\$ 52,550	\$ 49,372	\$
218,022	397,523				
141,414	220,044	1,283,327			
	15,732				
<u>395,321</u>	<u>893,957</u>	<u>1,286,262</u>	<u>52,550</u>	<u>49,372</u>	
138,833	1,043,854		2,432,549	10,250,708	25,910,193
(61,827)	5,994,041	12,220,706	25,336,390	2,353,955	4,150,668
<u>77,006</u>	<u>7,037,895</u>	<u>12,220,706</u>	<u>27,768,939</u>	<u>12,604,663</u>	<u>30,060,861</u>
<u>\$ 472,327</u>	<u>\$ 7,931,852</u>	<u>\$ 13,506,968</u>	<u>\$ 27,821,489</u>	<u>\$ 12,654,035</u>	<u>\$ 30,060,861</u>

(Continued)

STATE OF NEW MEXICO  
SANTA FE COUNTY  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JUNE 30, 2010  
(Concluded)

	Capital GRT Bond Series 2010A	Non-Major Governmental Funds	Total Governmental Funds
<b><u>ASSETS</u></b>			
Cash and investments	\$ 6,488,758	\$ 59,371,539	\$ 204,721,730
Cash and investments - restricted		2,842,418	2,842,418
Receivables		2,238,166	21,145,421
Taxes receivable		3,311,216	13,871,554
Due from other funds			1,020,896
<b>Total assets</b>	<b>\$ 6,488,758</b>	<b>\$ 67,763,339</b>	<b>\$ 243,602,019</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
Liabilities:			
Accounts payable	\$	\$ 350,023	\$ 1,158,122
Accrued payroll		204,532	1,599,168
Due to other funds		1,020,896	1,020,896
Deferred revenue		1,655,663	26,427,292
Deposits held for others		123,729	123,729
Other liabilities		59,114	128,630
<b>Total liabilities</b>		<b>3,413,957</b>	<b>30,457,837</b>
Fund balances (deficits):			
Reserved for encumbrances	40,031	9,168,561	52,435,971
Contingency			1,815,290
Unreserved:			
Undesignated	6,448,727		103,712,100
Unreserved reported in:			
Special revenue funds		28,530,071	28,530,071
Capital projects funds		21,813,323	21,813,323
Debt service funds		4,837,427	4,837,427
<b>Total fund balances</b>	<b>6,488,758</b>	<b>64,349,382</b>	<b>213,144,182</b>
<b>Total liabilities and fund balances</b>	<b>\$ 6,488,758</b>	<b>\$ 67,763,339</b>	<b>\$ 243,602,019</b>

**The notes to the financial statements are an integral part of this statement.**

STATE OF NEW MEXICO  
SANTA FE COUNTY  
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2010

**Total governmental fund balances** **\$ 213,144,182**

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

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

Governmental capital assets	\$ 241,958,905	
Less accumulated depreciation	<u>(87,725,777)</u>	154,233,128

Some revenues will not be available to pay for current period expenditures and, therefore, are deferred in the governmental funds.

Property taxes	6,794,312	
Mortgages	14,297,304	
Charges for services	3,134,972	
Intergovernmental	<u>395,750</u>	24,622,338

Deferred charges related to the issuance of debt are amortized over the life of the associated debt in the government-wide statements. 1,504,530

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Deferred bond issuance items	(2,740,678)	
Bonds payable	(223,805,000)	
Accrued interest payable	(3,035,544)	
Compensated absences payable	(3,076,716)	
Pollution remediation	(3,200,000)	
Landfill closure and post closure costs payable	<u>(1,965,719)</u>	<u>(237,823,657)</u>

**Net assets of governmental activities** **\$ 155,680,521**

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2010**

	General	Developer Fees	Fire Operations
<b>Revenues:</b>			
Property tax	\$ 42,422,144	\$	\$
Gross receipts tax	7,820,495		7,906,288
Other taxes and assessments	1,012,028		
Charges for services and fees	1,797,439	70,208	759,634
Other	71,962		41,247
Interest earnings	2,607,879	25,843	
Intergovernmental	2,041,235		828,728
<b>Total revenues</b>	<b>57,773,182</b>	<b>96,051</b>	<b>9,535,897</b>
<b>Expenditures:</b>			
Current -			
General government	20,447,002		
Public safety			8,638,618
Culture and recreation	819,119		
Public works	3,611,603		
Highways and streets	1,003,183		
Health and welfare	803,650	245,311	
Capital outlay	8,722,524		590,167
Debt service -			
Principal retirement			
Interest and fiscal charges			
Bond issuance costs			
<b>Total expenditures</b>	<b>35,407,081</b>	<b>245,311</b>	<b>9,228,785</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>22,366,101</b>	<b>(149,260)</b>	<b>307,112</b>
<b>Other financing sources (uses):</b>			
Transfer in	5,600,880		
Issuance of general obligation bonds			
Issuance of revenue bonds			
Premium on sale of bonds			
Payment to refunded bond escrow agent			
Transfer out	(28,002,630)		(585,746)
<b>Total other financing sources (uses)</b>	<b>(22,401,750)</b>		<b>(585,746)</b>
<b>Changes in fund balances</b>	<b>(35,649)</b>	<b>(149,260)</b>	<b>(278,634)</b>
<b>Fund balances, beginning of year, as restated</b>	44,241,961	2,022,484	6,735,070
<b>Fund balances, end of year</b>	<b>\$ 44,206,312</b>	<b>\$ 1,873,224</b>	<b>\$ 6,456,436</b>

The notes to the financial statements are an integral part of this statement.

Law Enforcement Operations	Corrections Operations	Debt Service	Capital Outlay GRT	GO Bond Series 2007	GRT Bond Series 2008
\$	\$	\$ 12,521,922	\$ 8,971,812	\$	\$
37,243	4,002,033				
	44,281		53,958		
50,600	154,268			160,657	743,192
1,396,199	271,295				
<u>1,484,042</u>	<u>4,471,877</u>	<u>12,521,922</u>	<u>9,025,770</u>	<u>160,657</u>	<u>743,192</u>
9,143,383	18,161,561				
946,915	63,818		20,704,055	3,428,122	
		6,385,000			
		5,314,291			
		166,818			
<u>10,090,298</u>	<u>18,225,379</u>	<u>11,866,109</u>	<u>20,704,055</u>	<u>3,428,122</u>	
(8,606,256)	(13,753,502)	655,813	(11,678,285)	(3,267,465)	743,192
8,683,262	16,404,562	5,558	2,699,048		
		13,505,000			
		541,234			
		(13,899,584)			
	(2,244,480)		(782,608)		(694,223)
<u>8,683,262</u>	<u>14,160,082</u>	<u>152,208</u>	<u>1,916,440</u>		<u>(694,223)</u>
77,006	406,580	808,021	(9,761,845)	(3,267,465)	48,969
	6,631,315	11,412,685	37,530,784	15,872,128	30,011,892
<u>\$ 77,006</u>	<u>\$ 7,037,895</u>	<u>\$ 12,220,706</u>	<u>\$ 27,768,939</u>	<u>\$ 12,604,663</u>	<u>\$ 30,060,861</u>

(Continued)

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2010  
(Concluded)**

	Capital GRT Bond Series 2010A	Non-Major Governmental Funds	Total Governmental Funds
<b>Revenues:</b>			
Property tax	\$	\$ 1,516,855	\$ 56,460,921
Gross receipts tax		18,221,741	42,920,336
Other taxes and assessments		1,018,877	2,030,905
Charges for services and fees		856,264	7,522,821
Other		41,886	253,334
Interest earnings	16,563	356,456	4,115,458
Intergovernmental		10,397,024	14,934,481
<b>Total revenues</b>	<u>16,563</u>	<u>32,409,103</u>	<u>128,238,256</u>
<b>Expenditures:</b>			
Current -			
General government		1,175,085	21,622,087
Public safety		1,206,711	37,150,273
Culture and recreation		558,501	1,377,620
Public works		42,598	3,654,201
Highways and streets		5,348,447	6,351,630
Health and welfare		15,466,821	16,515,782
Capital outlay	15,828,446	26,970,364	77,254,411
Debt service -			
Principal retirement		2,590,000	8,975,000
Interest and fiscal charges		3,669,688	8,983,979
Bond issuance costs	306,610	260,886	734,314
<b>Total expenditures</b>	<u>16,135,056</u>	<u>57,289,101</u>	<u>182,619,297</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(16,118,493)</u>	<u>(24,879,998)</u>	<u>(54,381,041)</u>
<b>Other financing sources (uses):</b>			
Transfer in		14,323,175	47,716,485
Issuance of general obligation bonds			13,505,000
Issuance of revenue bonds	21,215,000	22,285,000	43,500,000
Premium on sale of bonds	1,392,251	956,884	2,890,369
Payment to refunded bond escrow agent			(13,899,584)
Transfer out		(20,176,708)	(52,486,395)
<b>Total other financing sources (uses)</b>	<u>22,607,251</u>	<u>17,388,351</u>	<u>41,225,875</u>
<b>Changes in fund balances</b>	<u>6,488,758</u>	<u>(7,491,647)</u>	<u>(13,155,166)</u>
<b>Fund balances, beginning of year, as restated</b>		71,841,029	226,299,348
<b>Fund balances, end of year</b>	<u>\$ 6,488,758</u>	<u>\$ 64,349,382</u>	<u>\$ 213,144,182</u>

The notes to the financial statements are an integral part of this statement.

STATE OF NEW MEXICO  
SANTA FE COUNTY  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2010

**Net changes in fund balances - total governmental funds** **\$ (13,155,166)**

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

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.

Expenditures for capital assets	26,752,414	
Less current year depreciation	<u>(6,972,698)</u>	19,779,716

Revenues in the governmental funds that provide current financial resources are not included in the Statement of Activities because they were recognized in a prior period.

Property taxes	1,201,466	
Mortgages	1,488,459	
Charges for services	1,792,553	
Intergovernmental	(2,803,502)	
Deferred bond premium	<u>144,246</u>	1,823,222

Issuance of debt provides current financial resources to governmental funds, but the issuance increases long-term liabilities in the Statement of Net Assets. (57,005,000)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. 22,710,000

Governmental funds report the effect of issuance costs, premium, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. (1,781,639)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences payable	(190,136)	
Amortization of deferred bond issuance items	(85,164)	
Accrued interest on long-term debt	579,235	
Lanfill closure and post closure	<u>7,866</u>	<u>311,801</u>

**Change in net assets in governmental activities** **\$ (27,317,066)**

**The notes to the financial statements are integral part of this statement.**

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND  
YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$ 37,780,000	\$ 37,780,000	\$ 42,316,635	\$ 4,536,635
Gross receipts tax	7,578,000	6,820,216	7,864,775	1,044,559
Other taxes and assessments	1,130,500	1,130,500	1,377,940	247,440
Charges for services and fees	1,579,494	1,580,894	1,797,439	216,545
Other	70,000	70,000	71,962	1,962
Interest earnings	2,500,000	2,500,000	2,607,879	107,879
Intergovernmental	1,576,527	1,625,206	1,989,605	364,399
<b>Total revenues</b>	<u>52,214,521</u>	<u>51,506,816</u>	<u>58,026,235</u>	<u>6,519,419</u>
<b>Cash balance carryforward</b>	<u>9,987,294</u>	<u>28,517,772</u>		
<b>Total</b>	<u>\$ 62,201,815</u>	<u>\$ 80,024,588</u>		
<b>Expenditures:</b>				
Current -				
General government	\$ 23,619,499	\$ 24,547,400	23,297,796	1,249,604
Culture and recreation	1,032,346	1,018,639	819,119	199,520
Public works	4,223,817	4,082,411	3,611,603	470,808
Highways and streets	1,141,015	1,144,450	1,003,183	141,267
Health and welfare	1,055,889	1,405,546	803,650	601,896
Capital outlay	8,814,855	23,489,503	8,722,524	14,766,979
<b>Total expenditures</b>	<u>39,887,421</u>	<u>55,687,949</u>	<u>38,257,875</u>	<u>17,430,074</u>
<b>Other financing sources (uses):</b>				
Transfer in	950,000	5,600,881	5,600,880	(1)
Transfer out	(23,264,394)	(29,944,602)	(28,002,630)	1,941,972
<b>Total other financing sources (uses)</b>	<u>(22,314,394)</u>	<u>(24,343,721)</u>	<u>(22,401,750)</u>	<u>1,941,971</u>
<b>Change in fund balance - Budgetary basis</b>			(2,633,390)	
<b>Reconciliation to change in fund balance -GAAP basis:</b>				
Revenue accruals, net of prior year amounts			(253,053)	
Outstanding encumbrances recorded as budgetary expenditures			<u>2,850,794</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ (35,649)</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - DEVELOPER FEES FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees			70,208	70,208
Other				
Interest earnings			25,843	25,843
Intergovernmental				
<b>Total revenues</b>			96,051	96,051
<b>Cash balance carryforward</b>	228,449	711,979		
<b>Total</b>	\$ 228,449	\$ 711,979		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety				
Culture and recreation				
Public works				
Highways and streets				
Health and welfare	228,449	711,979	245,350	466,629
Capital outlay				
<b>Total expenditures</b>	228,449	711,979	245,350	466,629
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance - Budgetary basis</b>			(149,299)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			39	
Outstanding encumbrances recorded as budgetary expenditures			39	
<b>Change in fund balance - GAAP basis</b>			\$ (149,260)	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - FIRE OPERATIONS FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax	8,100,000	8,004,746	7,938,027	(66,719)
Other taxes and assessments				
Charges for services and fees	700,000	700,000	813,632	113,632
Other		38,718	41,247	2,529
Interest earnings				
Intergovernmental	785,880	1,283,193	852,735	(430,458)
<b>Total revenues</b>	<u>9,585,880</u>	<u>10,026,657</u>	<u>9,645,641</u>	<u>(381,016)</u>
<b>Cash balance carryforward</b>	<u>608,731</u>	<u>1,524,625</u>		
<b>Total</b>	<u>\$ 10,194,611</u>	<u>\$ 11,551,282</u>		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety	9,683,795	10,010,518	9,239,027	771,491
Culture and recreation				
Public works				
Highways and streets				
Health and welfare				
Capital outlay	510,816	955,018	590,167	364,851
<b>Total expenditures</b>	<u>10,194,611</u>	<u>10,965,536</u>	<u>9,829,194</u>	<u>1,136,342</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out	(608,731)	(585,746)	(585,746)	
<b>Total other financing sources (uses)</b>	<u>(608,731)</u>	<u>(585,746)</u>	<u>(585,746)</u>	
<b>Change in fund balance - Budgetary basis</b>			(769,299)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			(109,744)	
Outstanding encumbrances recorded as budgetary expenditures			<u>600,409</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ (278,634)</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - LAW ENFORCEMENT OPERATIONS FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees		319	37,243	36,924
Other		25,579		(25,579)
Interest earnings			50,600	50,600
Intergovernmental	741,403	1,874,751	1,267,868	(606,883)
<b>Total revenues</b>	741,403	1,900,649	1,355,711	(544,938)
<b>Cash balance carryforward</b>		206,508		
<b>Total</b>	\$ 741,403	\$ 2,107,157		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety	10,245,390	11,114,302	9,282,216	1,832,086
Culture and recreation				
Public works				
Highways and streets				
Health and welfare				
Capital outlay	2,400	996,457	946,915	49,542
<b>Total expenditures</b>	10,247,790	12,110,759	10,229,131	1,881,628
<b>Other financing sources (uses):</b>				
Transfer in	9,506,387	10,003,603	8,683,262	(1,320,341)
Transfer out				
<b>Total other financing sources (uses)</b>	9,506,387	10,003,603	8,683,262	1,320,341
<b>Change in fund balance - Budgetary basis</b>			(190,158)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			128,331	
Outstanding encumbrances recorded as budgetary expenditures			138,833	
<b>Change in fund balance - GAAP basis</b>			\$ 77,006	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - CORRECTIONS OPERATIONS FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees	7,770,250	4,467,075	4,002,033	(465,042)
Other	100,000	100,000	44,281	(55,719)
Interest earnings	125,000	125,000	154,268	29,268
Intergovernmental	80,000	131,805	271,295	139,490
<b>Total revenues</b>	<u>8,075,250</u>	<u>4,823,880</u>	<u>4,471,877</u>	<u>(352,003)</u>
<b>Cash balance carryforward</b>	<u>2,844,243</u>	<u>3,614,159</u>		
<b>Total</b>	<u>\$ 10,919,493</u>	<u>\$ 8,438,039</u>		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety	22,068,813	21,922,745	19,205,415	2,717,330
Culture and recreation				
Public works				
Highways and streets				
Health and welfare				
Capital outlay	421,000	675,376	63,818	611,558
<b>Total expenditures</b>	<u>22,489,813</u>	<u>22,598,121</u>	<u>19,269,233</u>	<u>3,328,888</u>
<b>Other financing sources (uses):</b>				
Transfer in	11,570,320	16,781,947	16,404,562	(377,385)
Transfer out		(2,621,865)	(2,244,480)	377,385
<b>Total other financing sources (uses)</b>	<u>11,570,320</u>	<u>14,160,082</u>	<u>14,160,082</u>	
<b>Change in fund balance - Budgetary basis</b>			(637,274)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures			<u>1,043,854</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ 406,580</u>	

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2010**

	Enterprise Funds				Total
	Home Sales	Regional Planning Authority	Utilities	Housing Services	
<b><u>ASSETS</u></b>					
Current assets:					
Cash and investments	\$ 4,861,697	\$ 198,279	\$ 6,160,454	\$ 1,131,723	\$ 12,352,153
Accounts receivable		341	562,597	170,377	733,315
<b>Total current assets</b>	<b>4,861,697</b>	<b>198,620</b>	<b>6,723,051</b>	<b>1,302,100</b>	<b>13,085,468</b>
Noncurrent assets:					
Long-term receivables	96,275				96,275
Land			1,347,625	699,515	2,047,140
Buildings and improvements			19,740	6,634,479	6,654,219
Water system			13,854,670		13,854,670
Equipment and vehicles			499,730		499,730
Furniture and fixtures		7,650		471,791	479,441
Construction in progress			82,231,629		82,231,629
Water rights			31,539,221		31,539,221
Accumulated depreciation		(5,182)	(2,692,830)	(4,113,559)	(6,811,571)
<b>Total noncurrent assets</b>	<b>96,275</b>	<b>2,468</b>	<b>126,799,785</b>	<b>3,692,226</b>	<b>130,590,754</b>
<b>Total assets</b>	<b>\$ 4,957,972</b>	<b>\$ 201,088</b>	<b>\$133,522,836</b>	<b>\$ 4,994,326</b>	<b>\$143,676,222</b>
<b><u>LIABILITIES</u></b>					
Current liabilities:					
Accounts payable	\$	\$ 463	\$ 71,161	\$ 91,058	\$ 162,682
Accrued payroll			29,942	15,112	45,054
Due to other governments			48,573	22,761	71,334
Unearned revenue	96,275		152,225		248,500
Deposits held for others			127,053	47,096	174,149
Other liabilities				4,820	4,820
<b>Total liabilities</b>	<b>96,275</b>	<b>463</b>	<b>428,954</b>	<b>180,847</b>	<b>706,539</b>
<b><u>NET ASSETS</u></b>					
Invested in capital assets		2,468	126,799,785	3,692,226	130,494,479
Unrestricted	4,861,697	198,157	6,294,097	1,121,253	12,475,204
<b>Total net assets</b>	<b>4,861,697</b>	<b>200,625</b>	<b>133,093,882</b>	<b>4,813,479</b>	<b>142,969,683</b>
<b>Total liabilities and net assets</b>	<b>\$ 4,957,972</b>	<b>\$ 201,088</b>	<b>\$133,522,836</b>	<b>\$ 4,994,326</b>	<b>\$143,676,222</b>

STATE OF NEW MEXICO  
SANTA FE COUNTY  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010

	Enterprise Funds				Total
	Home Sales	Regional Planning Authority	Utilities	Housing Services	
<b>Operating revenues:</b>					
Charges for services	\$	\$ 43,033	\$ 1,440,441	\$ 383,488	\$ 1,866,962
<b>Total operating revenues</b>		43,033	1,440,441	383,488	1,866,962
<b>Operating expenses:</b>					
Cost of sales and services		91,508	1,657,430	843,915	2,592,853
Administration				42,190	42,190
Depreciation			638,033	186,873	824,906
<b>Total operating expenses</b>		91,508	2,295,463	1,072,978	3,459,949
<b>Operating loss</b>		(48,475)	(855,022)	(689,490)	(1,592,987)
<b>Nonoperating revenues (expenses):</b>					
Other			11,874		11,874
Interest earnings			23,612	6,282	29,894
Intergovernmental			454,889	469,327	924,216
<b>Total nonoperating revenues (expenses)</b>			490,375	475,609	965,984
<b>Income (loss) before capital contributions and transfers</b>		(48,475)	(364,647)	(213,881)	(627,003)
<b>Contributed capital</b>			49,239,927	102,025	49,341,952
<b>Transfer in</b>		38,050	4,850,942		4,888,992
<b>Transfer out</b>			(119,082)		(119,082)
<b>Changes in net assets</b>		(10,425)	53,607,140	(111,856)	53,484,859
<b>Total net assets, beginning of year, as restated</b>	4,861,697	211,050	79,486,742	4,925,335	89,484,824
<b>Total net assets, end of year</b>	\$ 4,861,697	\$ 200,625	\$133,093,882	\$ 4,813,479	\$142,969,683

STATE OF NEW MEXICO  
SANTA FE COUNTY  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED JUNE 30, 2010

	Enterprise Funds				Total
	Home Sales	Regional Planning Authority	Utilities	Housing Services	
<b><u>Increase (Decrease) in Cash and Cash Equivalents</u></b>					
Cash flows from operating activities:					
Cash received from customers	\$	\$ 62,780	\$ 1,382,208	\$ 252,274	\$ 1,697,262
Cash payments to suppliers for goods and services		(52,388)	(783,938)	(223,927)	(1,060,253)
Cash payments to employees for services		(42,022)	(838,386)	(575,602)	(1,456,010)
<b>Net cash provided by (used for) operating activities</b>		<u>(31,630)</u>	<u>(240,116)</u>	<u>(547,255)</u>	<u>(819,001)</u>
Cash flows from noncapital and related financing activities:					
Operating grants received			618,988	469,327	1,088,315
Interfund transfers		38,050	4,731,860		4,769,910
<b>Net cash provided by (used for) noncapital financing activities</b>		<u>38,050</u>	<u>5,350,848</u>	<u>469,327</u>	<u>5,858,225</u>
Cash flows from capital and related financing activities:					
Capital grants received				22,811	22,811
Acquisition of capital assets			(3,216,296)		(3,216,296)
<b>Net cash provided by (used) for capital and related financing activities</b>			<u>(3,216,296)</u>	<u>22,811</u>	<u>(3,193,485)</u>
Cash flows from investing activities:					
Investment income			23,612	6,282	29,894
<b>Net cash provided by investing activities</b>			<u>23,612</u>	<u>6,282</u>	<u>29,894</u>
<b>Net increase (decrease) in cash and cash equivalents</b>		<u>6,420</u>	<u>1,918,048</u>	<u>(48,835)</u>	<u>1,875,633</u>
<b>Cash and cash equivalents, beginning of year</b>	<u>4,861,697</u>	<u>191,859</u>	<u>4,242,406</u>	<u>1,180,558</u>	<u>10,476,520</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 4,861,697</u>	<u>\$ 198,279</u>	<u>\$ 6,160,454</u>	<u>\$ 1,131,723</u>	<u>\$ 12,352,153</u>
<b><u>Reconciliation of Operating Income (Loss) to</u></b>					
<b><u>Net Cash Provided by (Used for) Operating Activities</u></b>					
<b>Operating income (loss)</b>	\$	\$ (48,475)	\$ (855,022)	\$ (689,490)	\$ (1,592,987)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:					
Depreciation			638,033	186,873	824,906
Change in assets and liabilities:					
(Increase) decrease in receivables		19,747	(140,129)	(116,787)	(237,169)
Increase (decrease) in accounts payable		(198)	(23,975)	82,797	58,624
Increase (decrease) in accrued payroll and employee benefits		(2,704)	10,508	(1,041)	6,763
Increase (decrease) in due to other governments			48,573	22,761	71,334
Increase (decrease) in deposits held for others			81,896	(37,188)	44,708
Increase (decrease) in other liabilities				4,820	4,820
<b>Total adjustments</b>		<u>16,845</u>	<u>614,906</u>	<u>142,235</u>	<u>773,986</u>
<b>Net cash provided by (used for) operating activities</b>	<u>\$</u>	<u>\$ (31,630)</u>	<u>\$ (240,116)</u>	<u>\$ (547,255)</u>	<u>\$ (819,001)</u>

**Non-cash capital and financing activities**

The County Special Revenue Funds paid \$79,214 for capital assets for the Housing Services Fund. In addition, the County Capital Projects Funds paid \$49,239,927 for capital asset and water rights additions for the Utilities Fund.

STATE OF NEW MEXICO  
SANTA FE COUNTY  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
JUNE 30, 2010

	<u>Agency</u>
<b><u>ASSETS</u></b>	
Cash and investments	\$ 3,936,551
Taxes receivable	<u>10,682,496</u>
<b>Total assets</b>	<b><u>\$ 14,619,047</u></b>
<b><u>LIABILITIES</u></b>	
Due to other governments	10,682,496
Deposits held for others	607,648
Taxes paid in advance	969,267
Undistributed taxes to other governments	<u>2,359,636</u>
<b>Total liabilities</b>	<b><u>\$ 14,619,047</u></b>

**The notes to the financial statements are an integral part of this statement.**

**STATE OF NEW MEXICO**  
**SANTA FE COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2010**

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

Santa Fe County (County) was established by the laws of the Territory of New Mexico of 1852, under provisions of the act now referred to as Section 4-26-1 of the New Mexico Statutes Annotated, 1978 Compilation. The County operates under the commission-manager form of government and provides the following services as authorized in the grant of powers: public safety (police, fire), highways and streets, sanitation, health and social services, low rent housing assistance, culture-recreation, public improvements, planning and zoning, and general administration services.

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

The County's significant accounting policies are described below.

**A. Reporting Entity**

The County's major operations sheriff and fire protection, collection of and distribution of property taxes, parks and recreation, planning and zoning, certain health and social services, general administration services, low income housing assistance, jail operations and the utilities division.

The financial reporting entity consists of a primary government and its component units. The County is a primary government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. Furthermore, component units combined with the County for financial statement presentation purposes, and the County, are not included in any other governmental reporting entity. Consequently, the County's financial statements include only the financial activity of those organizational entities for which its elected governing body is financially accountable.

**Blended Component Unit** – Blended component units, although legally separate entities, are, in substance, part of the County's operations. The Rancho Viejo Improvement District (District) is a blended component unit of the County as there is not a separate governing body for the District and per the debt offering statement the County's Commissioners became the governing body. The funds from the debt benefited the County and accordingly the Rancho Viejo Improvement District fund is blended with the County's financial statements.

During July 1996, the Housing Authority's Board resigned and day to day operations became a County responsibility. The Authority's operations are included in the financial statements as County enterprise and special revenue funds. The Santa Fe County Housing Authority Enterprise Fund is now known as Housing Services Enterprise Fund (Housing Services).

In fiscal year 2008, the County accepted all operational and managerial responsibility of the Regional Emergency Communication Center (RECC). The RECC's operations are included in the financial statements as a County special revenue fund, Emergency Communications Operations because the financial statements are material to the County, the County accepted all responsibility for operations and management and the RECC does not have separate corporate powers that would distinguish it as being legally separate from the County.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) present financial information about the County as a whole. The reported information includes all of the nonfiduciary activities of the County. For the most part, the effect of internal activity has been removed from these statements. These statements distinguish between governmental and business-type activities of the County. Governmental activities normally are supported by taxes and intergovernmental revenues, and are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

**Government-wide Financial Statements** – The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. In addition, the fiduciary fund financial statements are reported on the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. As a general rule the effect of internal activity has been eliminated from the government-wide financial statements, however the effect of interfund services provided and used between functions are reported as expenses and program revenues at amounts approximating their exchange value. The County does not allocate indirect expenses to functions in the statement of activities.

**STATE OF NEW MEXICO**  
**SANTA FE COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2010**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**Fund Financial Statements** – Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. In addition, derived tax revenues, such as gross receipts and gasoline taxes, are recognized as revenues when the underlying exchange transaction has occurred. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, gross receipts taxes, state shared taxes, charges for services, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Miscellaneous revenue is not susceptible to accrual because generally they are not measurable until received.

Grants and similar awards are recognized as revenue as soon as all eligibility requirements imposed by the grantor or provider have been met. Deferred revenue also arise when resources are received by the County before it has legal claim to them, as when grant monies are received prior to meeting all eligibility requirements imposed by the provider.

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

The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

Property taxes recognized are net of estimated refunds and uncollectible amounts. Delinquent property taxes have been recorded as deferred revenue. Receivables that will not be collected within the available period have also been reported as deferred revenue on the governmental fund financial statements.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

Customer contributions owed to the Utilities Department for the extension of the water system to their property is recorded as revenue when the customer begins to receive water service. Customer contributions owed to the Utilities Department are recorded as notes receivable and deferred revenue if water service has not yet been extended to the customer. Mortgage receivables owed to the Housing Services Fund when the homeowner purchased the property under the Home Sales program is not owed unless the homeowner sells or refinances the property. These mortgages represent the deferred profit from the sale of the property. Ten percent of the mortgage balance is reduced each year the homeowner owns the property. Deferred revenue is recorded until the homeowner sells the property and the mortgage receivable is paid off.

The County reports the following major governmental funds.

General Fund – This fund accounts all financial activities except those required to be accounted for in other funds. It is funded primarily through property, gross receipts and other miscellaneous taxes.

Developer Fees Fund – This fund accounts for funds contributed by Las Campanas Limited Partnership and others for affordable housing programs and other projects. The fund was created by the Board of County Commissioners. In prior years this fund had received approximately \$2.0 million in payments from the private Las Campanas housing development project and the Affordable Housing program, which assists low income persons in the purchase of homes. Current revenue is from interest on the cash balance of this fund and developer funds to assist the affordable housing program. Mortgages funded by developers as part of an affordable housing program are recorded to this fund.

Fire Operations Fund – This fund account for the containment of the Emergency Communications and Emergency Medical Services Gross Receipts Tax and fire-dedicated revenue and expenses associated with operation of the County Fire Department.

Law Enforcement Operations Fund – This fund accounts for the operation of the County Sherriff, including grants pertaining thereto. Non-grant funding comes through a transfer from the General Fund. This fund was established in fiscal year 2010 to isolate the operations of the Sherriff's Office in its own fund. Prior to fiscal year 2010 the revenues and expenditures were recorded in the General Fund.

Corrections Operations Fund – This fund accounts for the funding and expense of the County Jail and Juvenile Facility, through charges for care of prisoners from outside jurisdictions, the care of Santa Fe County jail and Juvenile inmates, and General Fund transfers. This fund was previously identified as the Jail Facility Fund prior years.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

Debt Service Fund – To establish and account for the pledged property taxes and payment of principal and interest related to the County's General Obligation Bonds.

Capital Outlay GRT Fund – This fund accounts for a fund that receives a 1/4 cent gross receipt tax to be used for various capital projects.

GO Bond Series 2007 Fund – This fund accounts for the issuance of a bond in the amount of \$25.0 million to be used for the District Courthouse project. This capital project fund contains the proceeds of this bond. The debt on this bond is paid with property taxes through the General Obligation Bond Debt Service Fund.

GRT Bond Series 2008 Fund – This fund accounts for the issuance of a bond in the amount of \$30,000,000 to be used for the construction of the Judicial Complex. This capital project fund bond is paid with gross receipts taxes.

Capital GRT Bond Series 2010A – This fund accounts for the issuance of a bond in the amount of \$21,215,000 to be used for construction of the Buckman Direct Diversion Project.

The County reports the following major proprietary funds.

Home Sales Fund – This enterprise fund is used to account for the construction and sales of housing to eligible buyers of affordable housing.

Regional Planning Authority Fund – This enterprise fund is used to account for the funding and expense of the Regional Planning Authority, created by agreement between the City of Santa Fe and Santa Fe County.

Utilities Fund – This enterprise fund is used to account for the funding and expense of the Water and Wastewater utilities of Santa Fe County.

Housing Services Fund – This enterprise fund is used to account for the funding and expense of the County's Public Housing Authority. Revenue for this fund is derived from housing rentals and Housing and Urban Development (HUD) grants and subsidies.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

Additionally, the County reports the following fund type:

Fiduciary Funds – The Fiduciary Funds are agency funds which account for resources held by the County on behalf of the Municipal Court operated at County Hall. In addition, the County Treasurer Fund accounts for collections and payment to the County and other recipient entities of property taxes, interest and penalties billed and collected by the County on their behalf.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

The principal operating revenues of the County's enterprise funds are charges to customers for sales and services. Operating expenses for this fund include sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**D. Cash and Investments**

For purposes of the Statement of Cash Flows, the County considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents at year end were cash in bank and investments held by the County.

New Mexico Statutes Annotated (NMSA) authorizes the County to invest public monies in the State Treasurer's Local Government Investment Pool, interest-bearing savings accounts, certificates of deposit, and repurchase agreements in eligible depositories; bonds or other obligations of the U.S. government that are guaranteed as to principal and interest by the U.S. government; and bonds of the State of New Mexico, counties, cities, school districts, and special districts as specified by statute.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

The State of New Mexico local government investment pool is a pool that is not registered with the United States Securities Exchange Commission. Section 6-10-101, NMSA 1978, empowers the State Treasurer, with the advice and consent of the State Board of Finance, to invest money held in the short-term investment in securities that are issued by the United States government or by its departments or agencies and are either direct obligations of the United States or are backed by the full faith and credit of the United States government or are agencies sponsored by the United States government. The Local Government Investment Pool investments are monitored by the same investment committee and the same policies and procedures that apply to all other state investments. 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 fund amounts were invested. Participation in the local government investment pool is voluntary. The investment in the State of New Mexico local government investment pool approximates the value of the participant's pool share.

A significant portion of the cash and investments of funds of the County is pooled for investment purposes. Equity in pooled cash and investments includes amounts in demand deposit accounts, money market accounts, certificates of deposit, U.S. Treasury securities, and repurchase agreements secured by collateral with a market value greater than 102% of the value of the agreement. The securities are held by a third party in the County's name. The market value of the repurchase agreements approximate cost at June 30, 2010. Interest earned is allocated to the applicable County funds based on the County's policy of allocating interest to those funds which are required by law or by debt covenants. The remaining interest income is recorded in the General Fund.

Nonparticipating interest-earning investment contracts are stated at cost. Money market investments and participating interest investment contracts with a remaining maturity of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value.

Certain resources set aside for the repayment of debt are classified as cash and investments – restricted on the statement of net assets/balance sheet, because their use is limited by applicable bond covenants. A trust account, recorded in the Debt Service Fund, is used to segregate resources accumulated for future debt service payments.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**E. Investment Income**

Investment income is composed of interest, dividends, and net changes in the fair value of applicable investments.

**F. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” All receivables are shown net of allowance for uncollectibles.

The County is responsible for assessing, collecting and distributing property taxes for its own operational and debt service purposes and for certain outside entities. Unpaid property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on November 1 and are payable in two installments no later than December 10 and May 10. Collections and remittance of property taxes are accounted for in the County Treasurer's Agency Fund. Amounts are recognized as revenue in the applicable governmental fund types under accounting principles generally accepted in the United States. The property taxes receivable for the General Fund and for the Debt Service Fund in the governmental fund financial statements are net of an allowance for uncollectible. Refunds related to the settlement of property tax protests are only recorded when the case is completed.

**G. Inventory**

Inventories on hand at year end were immaterial and therefore not included on the fund or government-wide financial statements.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**H. Capital Assets**

Capital assets, which include land and improvements; buildings and improvements; plant; vehicles, furniture, and equipment; construction in progress; computer software; 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. The County defines capital assets as assets with an initial, individual cost of \$1,000 or more and an estimated useful life of more than one year. Effective July 1, 2006, State law requires capitalization of assets greater than \$5,000. Such assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. 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 assets or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Such assets, including infrastructure, have higher limits that must be met before they are capitalized.

Governmental capital assets of the County are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and structures	40
Improvements other than buildings	25-40
Infrastructure	25-30
Machinery and equipment	3-10
Furniture and fixtures	5

All additions to the infrastructure have been capitalized. The Utilities Fund consists of engineering costs and other expenses to plan and build a water system. Depreciation expense is recorded by the Utilities Fund over the estimated 50 year life of the water system. Proprietary capital assets of the County are depreciated using the straight-line method over the following estimated useful lives:

Assets	Utilities	Housing Services
Water system and buildings	50 years	40 years
Furniture, vehicles, other assets	3-5 years	5 years

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**I. Compensated Absences**

The County's employee vacation and sick leave policies generally provide for granting vacation and sick leave with pay. Amounts of vested or accumulated vacation leave for governmental fund types are reported in the government-wide financial statements. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees, in accordance with the provisions of governmental accounting. No liability is recorded for nonvesting accumulating sick leave benefits that are estimated, will be taken as "terminal leave" prior to retirement, or converted to annual leave during continued employment.

**J. Long-term Obligations**

In the government-wide financial statements and proprietary fund types, long-term debt and other long-term obligations are reported as liabilities on the statement of net assets. Bond premiums and discounts, as well as issuance costs, and the difference between the reacquisition price and the net carrying amount of the old debt, are deferred and amortized over the life of the bonds using the straight line method over the term of the related debt.

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

**K. Net Assets Restriction and Fund Balance Reservations**

In the government-wide financial statements only restrictions imposed by external sources or enabling legislation are identified as restricted net assets.

In the fund financial statements, governmental funds report reservations or designations of fund balance for amounts that are not available for expenditures or identified for use of a specific purpose by the County.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**L. Interfund Activity**

Flows of cash from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers between governmental funds are eliminated in the Statement of Activities. Interfund transfers in the fund statements are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds.

**M. Budgets**

Budgets are adopted on a basis inconsistent with generally accepted accounting principles (GAAP). Appropriations of funds unused or overspent during the fiscal year may be carried over into the next fiscal year by budgeting those amounts in the subsequent year's budget. For the current fiscal year actual to budget comparisons, the actual amounts are reported on the budgetary basis, which is considered to differ from the modified accrual basis for governmental fund types and accrual basis for the enterprise funds.

Differences between the budgetary basis and GAAP include the following:

1. The budget includes encumbrances (unperformed contracts for goods or services). GAAP does not include encumbrances.
2. The budget does not include certain liabilities, receivables, and depreciation expense for enterprise funds. The GAAP basis financial statements do include these transactions.

Annual appropriated budgets are adopted for the general, special revenue, debt service, capital project and the enterprise funds. Department heads and elected officials are required to complete budget request forms for each organizational unit. The Board of County Commissioners reviews the budget package and the amended budget is then adopted and approved by resolution. The Finance Department prepares the adopted budget for submission to the Local Government Division (LGD) of the Department of Finance and Administration (DFA) by June 1, for interim approval. Before July 1, DFA grants interim approval of the budget. The County's final annual budget document, which incorporates any changes recommended by DFA/LGD is prepared and submitted to DFA/LGD by July 31. During September, the County's final annual budget is reviewed and certified by DFA/LGD. After the annual budget is adopted, the following types of adjustments must be approved by the governing body through a resolution and submitted to DFA for review and approval: 1) budget increases, 2) transfers of budget or cash between funds, and 3) budget decreases.

**STATE OF NEW MEXICO**  
**SANTA FE COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2010**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Concl'd)**

Additionally, it is County policy to prepare an internal budget adjustment request form for the following: Transfers within organizational units (between expenditure categories) and transfers between organizational units (same department and same fund).

Organizational unit budgets are monitored by the Finance Department to ensure that DFA and County policy are being followed. Additionally, a mid-year budget review is conducted which may include a hearing with the County Manager, Finance Department staff, and department heads and elected officials. During the hearing, department goals and objectives and budget status are reviewed. This review may result in budget adjustments. The legal level of budgetary control is the fund level. Expenditures may not legally exceed budgeted appropriations at the fund level except for the following funds, whose legal level of budgetary authority is at the program or district level: Emergency Medical Services and Fire Districts. The following funds were not budgeted in fiscal year 2010; Recreation, NMFA Debt Service, Rancho Viejo Improvement District, Equipment Loan Proceeds, Bond Proceeds Fire Tax and Home Sales. The only activity recorded by the Rancho Viejo Improvement fund is the collection of property tax and the payment of debt service, therefore no budget was prepared. The other funds were not budgeted due to the low volume of transactions.

**N. Encumbrances**

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting is used for purchase orders, contracts, and other commitments for the expenditures of moneys to reserve that portion of the applicable appropriation, as an extension of formal budgetary integration. In governmental fund types, encumbrances outstanding at year-end are reported as reservations of fund balances in governmental funds and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

**O. Estimates**

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

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**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Individual Deficit Fund Balances** – At year end, the Special Appropriations and Other Projects Fund, a non-major fund, reported a deficit in fund balance of \$553,081.

The deficit arose because of operations during the year. Additional revenues received in fiscal year 2010-11 are expected to eliminate the deficit.

**NOTE 3 – CASH AND INVESTMENTS**

At year end, the carrying amount of the County's deposits was \$186,481,463 and the bank balance was \$189,951,468. The difference represents outstanding checks, deposits, and other reconciling items.

***Custodial Credit Risk – Deposits.*** Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned. The County has a deposit policy for custodial credit risk; which follows New Mexico law. All deposits with financial institutions must be collateralized in an amount not less than 50% of the uninsured balance. The County's agreement with its sole depository requires pledged collateral of 102% of the public money in each account. No security is required for the deposit of public money that is insured by the Federal Deposit Insurance Corporation (FDIC). At year end, \$188,102,468 of the County's bank balance was exposed to custodial credit risk as uninsured and collateralized with securities held by the pledging financial institution's trust department.

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**NOTE 3 – CASH AND INVESTMENTS**

The pledged collateral by bank at year end consists of the following.

Deposits	\$189,951,468
Less FDIC coverage	<u>1,849,000</u>
Total unsecured public funds	188,102,468
50% collateral requirement	94,051,234
Pledged securities, fair value	<u>194,172,627</u>
Pledged in excess of requirement	<u>\$100,121,393</u>

At year end the County's investments consisted of the following.

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	More than 10
Money market - investments	\$ 3,950,331	\$ 3,950,331	\$	\$	\$
State Treasurer's Investment Pool	1,565,205	1,565,205			
CD - marketable	2,766,000	100,000	2,566,000	100,000	
Repurchase agreements	2,675,505			2,249,600	425,905
U.S. Agencies:					
Federal National Mortgage Association	11,429,951		10,704,017	725,934	
Federal Home Loan Mortgage Corporation	5,000,000		5,000,000		
Federal Home Loan Bank	9,984,397		8,987,825	996,572	
Total	<u>\$ 37,371,389</u>	<u>\$ 5,615,536</u>	<u>\$27,257,842</u>	<u>\$ 4,072,106</u>	<u>\$ 425,905</u>

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**NOTE 3 – CASH AND INVESTMENTS (Concl'd)**

**Interest Rate Risk.** The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The weighted average maturity of the State Treasurer's local government investment pool was 50 days at year end.

**Credit Quality Risk.** The County has an investment policy that would further limit its investment choices. All of the County's investments in U.S. Agencies in the preceding table were rated Aaa by Moody's Investors Service and AAA by Standard & Poor's. The *New MexiGROW* Local Government Investment Pool (LGIP), a government investment pool is rated AAAM by Standard & Poor's and is authorized by the New Mexico State statute.

**Custodial Credit Risk - Investments.** To control custody risk State law and the County adopted Investment Policy requires all securities and all collateral for time and demand deposits as well as repurchase agreement collateral be transferred delivery versus payment and held by an independent party required to provide original safekeeping receipts. Repurchase agreements must be collateralized to 102%.

The County's investment in the New Mexico State Treasurer's Investment Pool represents a proportionate interest in the Pool's portfolio. The County's portion is not identified with specific investments and is not subject to custodial risk; however, separately issued financial statements of the Office of the State Treasurer disclose the collateral pledged to secure the State Treasurer's cash and investments. The most recent report may be obtained by contacting the Office of the State Treasurer, P.O. Box 608, Santa Fe, New Mexico 87504-0608.

**Concentration of Credit Risk** – Investments in securities of any issues, other than U.S. Treasury Securities, mutual funds, local government investment pool, that represent 5% or more of the total investments at year end are as follows.

	Amount	% of Investments
Repurchase Agreements	\$ 2,675,505	5.6%
U.S. Agencies		
Federal National Mortgage Association	11,429,951	24.1%
Federal Home Loan Mortgage Corporation	5,000,000	10.5%
Federal Home Loan Bank	9,984,397	21.0%

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**NOTE 4 – RECEIVABLES**

Governmental receivable balances, net of allowance for uncollectible accounts, as of year end for the County's individual major governmental funds and non-major governmental funds in the aggregate, were as follows.

	General Fund	Developer Fees Fund	Fire Operations Fund	Law Enforcement Operations Fund	Corrections Operations Fund	Non-Major Governmental Funds
Charges for services Accounts	\$ 1,077,218	\$ 100,700	\$ 2,062,133	\$ 31,027	\$ 217,528	\$ 709,786
Intergovernmental	786,649			223,372		289,353
Other	156,678			15,346		1,233,726
Mortgages		14,236,604				5,301
Net receivables	<u>\$ 2,020,545</u>	<u>\$14,337,304</u>	<u>\$ 2,062,133</u>	<u>\$ 269,745</u>	<u>\$ 217,528</u>	<u>\$ 2,238,166</u>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue reported in the governmental funds were as follows.

	Unavailable	Unearned
Delinquent property taxes receivable (General Fund)	\$ 5,504,332	\$
Intergovernmental receivables (General Fund)		764,472
Charges for services receivables (General Fund)	499,960	
Mortgages receivable (Developer Fees Fund)	14,297,304	
Charges for services receivables (Fire Operations Fund)	2,060,776	
Charges for services receivables (Law Enforcement Operations Fund)	141,414	
Charges for services receivables (Corrections Operations Fund)	220,044	
Delinquent property taxes receivable (Debt Service Fund)	1,283,327	
Delinquent property taxes receivable (Non-Major Governmental Funds)	6,653	
Charges for services receivable (Non-Major Governmental Funds)	212,778	
Intergovernmental receivables (Non-Major Governmental Funds)	395,750	1,040,482
Total deferred revenue for governmental funds	<u>\$24,622,338</u>	<u>\$1,804,954</u>

**STATE OF NEW MEXICO  
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**NOTE 5 – CAPITAL ASSETS**

A summary of capital asset activity for the current fiscal year follows.

Governmental Activities	Beginning Balance	Increase	Decrease	Ending Balance
<b>Capital assets, not being depreciated:</b>				
Land	\$ 28,935,735	\$ 6,049,870	\$	\$ 34,985,605
Right of way land	5,465,283			5,465,283
Construction in progress	11,988,126	9,269,409		21,257,535
Total capital assets, not being depreciated	<u>46,389,144</u>	<u>15,319,279</u>		<u>61,708,423</u>
<b>Capital assets, being depreciated:</b>				
Buildings and improvements	89,838,769	4,505,221	14,006	94,329,984
Infrastructure	34,101,394	3,869,349		37,970,743
Equipment and vehicles	44,447,878	3,033,301	1,019,185	46,461,994
Furniture and fixtures	1,464,286	25,264	1,789	1,487,761
Total capital assets being depreciated	<u>169,852,327</u>	<u>11,433,135</u>	<u>1,034,980</u>	<u>180,250,482</u>
<b>Less accumulated depreciation for:</b>				
Buildings and improvements	(29,380,068)	(2,833,340)	(14,006)	(32,199,402)
Infrastructure	(14,973,559)	(216,184)		(15,189,743)
Equipment and vehicles	(36,610,021)	(3,734,984)	(1,019,185)	(39,325,820)
Furniture and fixtures	(824,411)	(188,190)	(1,789)	(1,010,812)
Total accumulated depreciation	<u>(81,788,059)</u>	<u>(6,972,698)</u>	<u>(1,034,980)</u>	<u>(87,725,777)</u>
<b>Total capital assets, being depreciated, net</b>	<u>88,064,268</u>	<u>4,460,437</u>		<u>92,524,705</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 134,453,412</u>	<u>\$ 19,779,716</u>	<u>\$</u>	<u>\$ 154,233,128</u>

Governmental capital expenditures by function were as follows:

General government	\$56,470,438
Public safety	2,782,550
Culture and recreation	7,096,040
Public works	3,630,384
Highways and streets	6,965,827
Health and welfare	227,306
Housing	81,866
Total	<u>\$77,254,411</u>

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**NOTE 5 – CAPITAL ASSETS (Cont'd)**

<u>Business-type Activities</u>	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:				
Land	\$ 2,047,140	\$	\$	\$ 2,047,140
Water rights	23,649,563	7,889,658		31,539,221
Construction in progress	46,912,510	44,496,801	9,177,682	82,231,629
Total capital assets, not being depreciated	<u>72,609,213</u>	<u>52,386,459</u>	<u>9,177,682</u>	<u>115,817,990</u>
Capital assets, being depreciated:				
Buildings and improvements	6,595,491	58,728		6,654,219
Water system	4,823,988	9,177,682	147,000	13,854,670
Vehicles, furniture and equipment	1,037,945	91,267	150,041	979,171
Total capital assets being depreciated	<u>12,457,424</u>	<u>9,327,677</u>	<u>297,041</u>	<u>21,488,060</u>
Less accumulated depreciation for:				
Buildings and improvements	(3,518,750)	(167,300)		(3,686,050)
Water systems	(2,010,991)	(603,419)	(147,000)	(2,467,410)
Vehicles, furniture and equipment	(753,965)	(54,187)	(150,041)	(658,111)
Total accumulated depreciation	<u>(6,283,706)</u>	<u>(824,906)</u>	<u>(297,041)</u>	<u>(6,811,571)</u>
Total capital assets, being depreciated, net	<u>6,173,718</u>	<u>8,502,771</u>		<u>14,676,489</u>
Business-type activities capital assets, net	<u>\$78,782,931</u>	<u>\$60,889,230</u>	<u>\$9,177,682</u>	<u>\$ 130,494,479</u>

Depreciation expense was charged to functions/programs as follows.

Governmental Activities:	
General government	\$2,335,853
Public safety	3,137,715
Health and welfare	313,771
Culture and recreation	55,782
Highways and streets	1,129,577
Total depreciation expense – governmental activities	<u>\$6,972,698</u>
Business-Type Activities:	
Utilities	\$ 638,033
Housing services	186,873
Total depreciation expense – business-type activities	<u>\$ 824,906</u>

**Construction Commitments** – At year end, the County had contractual commitments related to capital projects for the construction of the Buckman Direct Diversion and other various projects. At year end the County had spent \$103.5 million on the projects and had estimated remaining contractual commitments of \$35.7 million. These projects are being funded with bond proceeds.

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**NOTE 6 – OPERATING LEASES**

The County leases equipment and office space under the provisions of long-term lease agreements classified as operating leases for accounting purposes. Rental expenditures under the terms of the operating leases totaled \$572,794 for the current fiscal year. The operating leases are subject to future appropriation and, as such, cancelable by the County at the end of a fiscal year. The future minimum rental payments required under the operating leases at year end, were as follows.

Year Ending June 30:		
	2011	\$ 463,274
	2012	127,433
	2013	50,550
	2014	35,806
	2015	36,636
	2016-20	196,888
	2021-25	223,505
	2026-30	53,206
	2031	1,200
Total minimum payments required		<u>\$ 1,188,498</u>

**NOTE 7 – LANDFILL CLOSURE AND POSTCLOSURE COSTS**

State and federal laws and regulations require the County to place a final cover on the County-operated landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be incurred after the date the landfill stops accepting waste, the County reports these closure and postclosure care costs as a liability as of each balance sheet date. The County closed the landfill during fiscal year 1997. The \$1,965,719 reported as landfill closure and postclosure care liability at year end represents management's estimate based on an expert hired to estimate the costs for standard monitoring and compliance to 2027.

Annual ground water monitoring has demonstrated the County is in compliance with ground water contamination. The County is required to perform monitoring of the ground water every five years. The County estimates it will not expend any significant monies for postclosure costs in the next fiscal year. Current year expenditures of \$7,866 were paid by the General Fund. These amounts are based on what it would cost to perform all closure and postclosure care in fiscal 2010. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

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**NOTE 8 –CONDUIT DEBT OBLIGATIONS**

The County has issued Project Revenue Bonds to provide assistance for the El Castillo Retirement Residences Project. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. At year end, there were two series of Project Revenue Bonds outstanding, with an aggregate principal amount payable of \$12,735,000.

The County issued \$3,000,000 multi-family Housing Revenue Bonds in August 1998 to provide assistance for the construction of the Villa Grande Apartments. The bonds are secured by the revenues and mortgage of the property. At year end, the amount of bonds outstanding were \$2,930,000.

The County issued \$7,400,000 of tax-exempt variable rate and \$2,650,00 of taxable fixed rate Education Facility Revenue Bonds in April 2008 to provide assistance for building an elementary school for the Archdiocese of Santa Fe. The bonds are secured by Education Facility Revenues. At year end, the amount of bonds outstanding were \$9,925,000.

Total conduit debt outstanding at June 30, 2010 was \$25,590,000. The County is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

**NOTE 9 –BONDS PAYABLE**

Bonds payable at year end consisted of the following outstanding general obligation and revenue bonds. The bonds are both callable and noncallable with interest payable semiannually. Property taxes or gross receipts taxes as applicable from the respective debt service funds are used to pay bonded debt.

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**NOTE 9 – BONDS PAYABLE (Cont'd)**

Revenue and general obligation bonds outstanding as reported in governmental-type activities at yearend were as follows.

<u>Purpose</u>	<u>Original Amount Issued</u>	<u>Interest Rates</u>	<u>Maturity</u>	<u>Outstanding Principal June 30, 2010</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
<b>General Obligation Bonds:</b>					
GOB Open Space Series 1999	\$ 12,000,000	5.65%	07/01/10	\$ 755,000	\$ 755,000
GOB Open Space Series 2001	8,000,000	4.0% to 4.5%	7/1/10-17	4,390,000	550,000
GOB Roads, Public Works, Water Series 2005	20,000,000	4.0% to 4.375%	7/1/10-26	11,450,000	250,000
GOB Refunding 97 GOB Series 2005A	8,490,000	3.25% to 4.192%	7/1/10-17	6,480,000	835,000
GOB Judicial Center Series 2007A	25,000,000	4% to 5%	7/1/10-27	21,300,000	500,000
GOB Roads, Water Series 2007B	20,000,000	4% to 5.5%	7/1/10-28	17,800,000	500,000
GOB Buckman Direct Diversion Water 2008	32,500,000	3% to 4.25%	7/1/10-25	30,500,000	1,600,000
GOB Road, Fire, Water, Op, Transfer Stations 2009	17,000,000	3% to 4.3%	7/1/10-25	17,000,000	750,000
2010 Series - Refund 2001 and 1999 Series	13,505,000	2.125% to 3%	7/1/10-19	13,505,000	935,000
Rancho Viejo Improvement District	1,950,000	7.25%	7/1/10-29	1,665,000	45,000
Total				<u>124,845,000</u>	<u>6,720,000</u>
<b>Revenue Bonds:</b>					
Correctional System 1997	30,000,000	4.1% to 6.0%	7/1/10-27	23,875,000	895,000
Sheriff's Facility - 1997A	6,000,000	4.1% to 6.0%	7/1/10-27	4,490,000	170,000
Subordinate Judicial Center – 2008	30,000,000	3.5% to 5%	7/1/10-33	27,360,000	140,000
2009 Series Capital Outlay GRT - Water Rights	12,090,000	2% to 4%	7/1/10-29	11,825,000	440,000
2010A Series Capital Outlay GRT - Buckman Direct Diversion	21,215,000	2% to 5%	7/1/10-30	21,215,000	585,000
2010B Series Capital Outlay GRT - Buckman Direct Diversion	10,195,000	2% to 4.25%	7/1/10-30	10,195,000	265,000
Total				<u>\$ 98,960,000</u>	<u>\$ 2,495,000</u>
Grand Total				<u>\$ 223,805,000</u>	<u>\$ 9,215,000</u>

**STATE OF NEW MEXICO  
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**NOTE 9 – BONDS PAYABLE (Concl'd)**

Annual debt service requirements to maturity on revenue and refunding bonds for governmental activities at year end are summarized as follows.

Year ending June 30:	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2011	\$ 9,215,000	\$ 9,434,319
2012	11,080,000	9,100,819
2013	8,865,000	8,768,537
2014	9,105,000	8,447,554
2015	9,255,000	8,116,242
2016-20	55,610,000	34,366,991
2021-25	67,815,000	21,324,323
2026-30	45,135,000	6,690,816
2031-33	7,725,000	793,250
Total	<u>\$223,805,000</u>	<u>\$107,042,851</u>

During the year ended June 30, 2010, the District issued \$13,505,000 in refunding bonds, with an effective interest rate of 2.79 percent, to advance refund \$13,735,000 of outstanding general obligation bonds, with an average interest rate of 4.77 percent. The net proceeds of \$13,971,636, which includes \$598,698 of bond premium, (after payment of \$166,798 in underwriting fees, insurance, and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent, to provide for all future debt service payments of the refunded general obligation bonds. As a result, the refunded general obligation bonds are considered to be defeased, and the liability for those bonds has been removed from the government-wide financial statements. The reacquisition price exceeded the net carrying amount of the old debt by \$236,636. This amount is reported as deferred charges and amortized over the new debt's life. This advance refunding was undertaken to reduce total debt service payments over the next 8 years by \$1,284,663.

In prior years, the District defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. At year end, \$6,480,000 of defeased bonds were still outstanding.

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**NOTE 9 – BONDS PAYABLE (Concl'd)**

**Pledged revenues – governmental activities.** The County has pledged future gross receipts tax revenues to repay outstanding revenue bonds of \$99.0 million as of June 30, 2010. Proceeds from the original bond issuances provided financing for the acquisition and construction of major capital facilities and water systems. The bonds are paid solely from the County's gross receipts tax and are payable through 2030. Total annual principal and interest payments for all gross receipts tax revenue bonds are expected to require less than 10% of gross revenues. Total principal and interest to be paid on the bonds is \$121.0 million. The current total gross receipts tax revenues were \$42.9 million and the total principal and interest paid on the bonds was \$3.8 million, or 9% of gross revenues.

**NOTE 10 – CHANGES IN LONG-TERM LIABILITIES**

Long-term liability activity for the current fiscal year was as follows.

	<u>Beginning Balance (as restated)</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
General obligation bonds	\$ 129,795,000	\$ 13,505,000	\$ 20,120,000	\$123,180,000	\$ 6,675,000
Revenue bonds	58,010,000	43,500,000	2,550,000	98,960,000	2,495,000
Component unit - Rancho Viejo					
Improvement District	1,705,000		40,000	1,665,000	45,000
Landfill closure and post closure costs	1,973,585		7,866	1,965,719	
Compensated absences	2,886,580	2,747,969	2,557,833	3,076,716	3,076,716
Pollution remediation	3,200,000			3,200,000	
<b>Total</b>	<u>\$ 197,570,165</u>	<u>\$ 59,752,969</u>	<u>\$ 25,275,699</u>	<u>\$232,047,435</u>	<u>\$ 12,291,716</u>

**NOTE 11 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

**Due to/from other funds** – At year end, two non-major governmental funds were involved in borrowing arrangements with the General Fund due to the existence of a negative cash balance. All interfund balances are expected to be paid within one year.

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**NOTE 11 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (Concl'd)**

**Interfund transfers:**

Transfers out	Transfer in			
	General	Law Enforcement Operations	Corrections Operations	Debt Service
General	\$	\$ 8,529,262	\$ 10,455,818	\$
Fire Operations				
Corrections Operations				
Capital Outlay GRT				
GRT Bond Series 2008				
Non-Major Governmental Funds	5,600,880	154,000	5,948,744	5,558
Utilities				
<b>Total</b>	<b>\$ 5,600,880</b>	<b>\$ 8,683,262</b>	<b>\$ 16,404,562</b>	<b>\$ 5,558</b>

Transfers out	Transfer in				
	Capital Outlay GRT	Non-major Governmental Funds	Regional Planning Authority	Utilities	Total
General	\$	\$ 4,128,558	\$ 38,050	\$ 4,850,942	\$ 28,002,630
Fire Operations		585,746			585,746
Corrections Operations		2,244,480			2,244,480
Capital Outlay GRT		782,608			782,608
GRT Bond Series 2008		694,223			694,223
Non-Major Governmental Funds	2,579,966	5,887,560			20,176,708
Utilities	119,082				119,082
<b>Total</b>	<b>\$ 2,699,048</b>	<b>\$ 14,323,175</b>	<b>\$ 38,050</b>	<b>\$ 4,850,942</b>	<b>\$ 52,605,477</b>

Interfund transfers were made by the County during the fiscal year to ensure that sufficient resources were available to cover expenditures in the applicable funds.

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**NOTE 12 – PRIOR PERIOD ADJUSTMENTS**

The July 1, 2009, government-wide net assets and the fund balances/net assets do not agree to the prior year financial statements due to the correction errors including revenue recognition, a debt service reserve fund not included in the financial statements, compensated absences balances and the forgiveness of loan debt.

	Statement of Activities	
	Governmental Activities	Business-type Activities
Net Assets/Fund balance, June 30, 2009 as previously reported	\$ 181,062,366	\$ 78,571,853
Revenue not recognized in the prior period	2,960,948	
Revenues recognized outside the period of availability	(1,911,595)	
Reserve account not recorded in the prior period	167,667	
Forgiveness of HUD related debt in prior years		10,912,971
Compensated absence balances	718,201	
Net Assets/Fund balance, July 1, 2009, as restated	\$ 182,997,587	\$ 89,484,824

	Governmental Funds					Proprietary Funds
	General Fund	Corrections Operations Fund	Road Maintenance Fund	Fire Operations Fund	Rancho Viejo Improvement District Fund	Housing Services Fund
Net Assets/Fund balance, June 30, 2009 as previously reported	\$ 42,693,597	\$ 7,205,970	\$ 1,808,561	\$ 8,072,010	\$ 965,515	\$ (5,987,636)
Revenue not recognized in the prior period	1,548,364		70,165			
Revenues recognized outside the period of availability		(574,655)		(1,336,940)		
Reserve account not recorded in the prior period					167,667	
Forgiveness of HUD related debt in prior years						10,912,971
Compensated absence balances						
Net Assets/Fund balance, July 1, 2009, as restated	\$ 44,241,961	\$ 6,631,315	\$ 1,878,726	\$ 6,735,070	\$ 1,133,182	\$ 4,925,335

**STATE OF NEW MEXICO**  
**SANTA FE COUNTY**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2010**

**NOTE 13 – CONTINGENT LIABILITIES**

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

**Lawsuits** – The County is a defendant in a number of lawsuits as of June 30, 2010. It is the opinion of management and County counsel that the amount of losses resulting from these litigations at June 30, 2010, would not be material to the financial position of the County.

**NOTE 14 – JOINT POWERS AGREEMENTS**

**Santa Fe Solid Waste Management Agency** - Under authorization of the New Mexico State Statute 11-1-1, Santa Fe County joined City of Santa Fe to undertake their powers to dispose of solid waste as mandated by state and federal regulations and provide a more efficient and cost-effective method of solid waste disposal to the County and City citizens.

The County and the City established the Santa Fe Solid Waste Management Agency (Agency) through a Joint Powers Agreement in February 1995, as a public entity separate from the County or the City. The agreement delegated to the Agency the power to plan for, operate, construct, maintain, repair, replace, or expand the facility. The County Commission and the City Council approve the annual budget. The Agency has the authority to adopt revenue bond ordinances so long as such an ordinance is duly ratified by the governing bodies of the County and the City. A five member staff advisory committee was established by the agreement and is comprised of the finance directors from the County and the City, the County public works department director, the City utilities department director and the Agency director. A five member citizens' advisory committee was also established. The Agency is charged to comply with all laws, rules and regulations for operations under the permit issued from the New Mexico Environment Department. The Board of Directors for the Agency consists of four members who are appointed by the Board of County Commissioners and four members who are appointed by the City Mayor with the approval of the City Council. The Board meets at least quarterly.

The start-up costs, design, land acquisition and construction were funded by equal contributions from the County and City. The contributions and commitments from each entity to date is approximately \$5.8 million. The County did not contribute any funds to the Agency in the 2010 fiscal year. A final reconciliation has been done to ensure costs have been split equally between the County and City. The facility opened in May of 1997.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010**

**NOTE 14 – JOINT POWERS AGREEMENTS (Cont'd)**

The facility is to be self-supporting for operations, equipment, future construction, debt service, accumulation of a reserve fund and all other costs through fees charged to the County, the City, and other private users. The land for the facility was purchased by the County and transferred to the Agency. The facility itself belongs to the Agency. The Agency has adopted its rate ordinance for use of the facility. If, for any reason, revenues are insufficient to pay costs of operations, the Agency Board must notify the County and City in order to negotiate steps that are reasonable and prudent in light of existing circumstances to ensure that any deficits accumulated or incurred by the Agency are not allowed to impair the operation, integrity or credit worthiness of the Agency. A bond issue was authorized in December 1996, by the Agency in the amount of \$6,260,000 to provide funds for the equipment required for the facility and the construction of the second landfill cell.

The Agency has its own financial statements as a separate entity, audited on an annual basis. Complete financial statements for the Agency may be obtained at the Santa Fe Solid Waste Management Agency, 165 Caja Del Rio Road, Santa Fe, New Mexico 87502-6189.

Closure of the facility must be approved by the governing bodies of the County and City. Upon closure and sale of the facility, any proceeds remaining after settling all obligations will be split equally between the County and City.

**Buckman Direct Diversion (BDD) Water Project** – The City of Santa Fe and the County have established a joint powers agreement for the Buckman Direct Diversion (BDD) water project. The BDD, estimated at \$216.3 million, will be the largest, single capital project for which the two local governments address meeting the current and future needs of an adequate water supply within the area. The Buckman Surface Diversion will provide full access to the San Juan/Chama water rights and/or other native Rio Grande water rights currently held by the City and County. The proposed system will route Rio Grande surface water directly from the river through a conveyance system to a new water treatment facility where water will be conveyed to the various users. Costs incurred to date have been recorded to the Utilities Department enterprise fund as additions to water rights and the water system. There were approximately \$31 million of current fiscal year costs capitalized.

**North Central Regional Transit District (District)** – The County and the City of Espanola, County of Los Alamos, Pueblo of Nambe, Pueblo of Pojoaque, County of Rio Arriba, Pueblo of San Ildefonso, Pueblo of San Juan, Pueblo of Santa Clara, City of Santa Fe, and Pueblo of Tesuque have entered into an intergovernmental contract to create the North Central Regional Transit District (District) under the Regional Transit District Act, Chapter 13, Article 25, Sections 1-18, NMSA 1978. The purpose of the District is to finance, construct, operate, maintain and promote an efficient, sustainable and regional multi-modal transportation system.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010**

**NOTE 14 – JOINT POWERS AGREEMENTS (Concl'd)**

The District was created as a public entity separate from the cities, counties and pueblos. The original boundaries consist of Governmental Units located within or containing the boundaries of Los Alamos, Rio Arriba or Santa Fe Counties. The Board of Directors consists of one director from each District and will serve without compensation. The County's share of expenses for the year ended June 30, 2010 was approximately \$3.2 million.

**NOTE 15 – RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God. The County belongs to the New Mexico County Insurance Authority (NMCIA), a public entity risk pool currently operating as a common risk management and insurance program for its member counties. The County pays an annual premium to NMCIA for all of its general and workers' compensation insurance coverage. The agreement for formation of the NMCIA provides that NMCIA will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of amounts that range from \$150,000 for property to \$300,000 for other liability claims.

The County carries commercial insurance for all other risks of loss including property, liability, and employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 16 – PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION**

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

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010**

**NOTE 16 – PENSION PLAN – PUBLIC EMPLOYEES RETIREMENT ASSOCIATION (Concl'd)**

*Funding Policy.* Plan members (other than police and fire) are required to contribute 13.15% of their gross salary; police are required to contribute 16.30% and fire are required to contribute 16.20% of their gross salary. The County is required to contribute 18.50% for police, 21.25% for all fire and 9.15% for all other plan members. The contribution requirements of the plan members and the County are established in State statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. The County's contributions to PERA for the years ended 2010, 2009, and 2008 were \$7.8 million, \$8.8 million and \$7.6 million, respectively, which were equal to the amount of the required contributions for each year.

**NOTE 17 – POSTEMPLOYMENT BENEFITS – STATE RETIREE HEALTHCARE PLAN**

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

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

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

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2010**

**NOTE 17 – POSTEMPLOYMENT BENEFITS – STATE RETIREE HEALTHCARE PLAN (Concl'd)**

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

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. During the fiscal year ended June 30, 2010, the statute required each participating employer to contribute 1.3% of each participating employee's annual salary; each participating employee is required to contribute 0.65% of their salary. In the fiscal years ending June 30, 2011 through June 30, 2013 the contribution rates for employees and employers will rise as follows:

<u>Fiscal Year</u>	<u>Employer Contribution Rate</u>	<u>Employee Contribution Rate</u>
2011	1.666%	0.833%
2012	1.834	0.917
2013	2.000	1.000

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

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

The County's contributions to the RHCA for the years ended June 30, 2010, 2009 and 2008 were \$469,969, \$459,432 and \$413,934, respectively, which equal the required contributions for each year.

**NOTE 18 – SUBSEQUENT EVENTS**

In November 2010, management became aware of the misuse of County property for personal benefit by an elected official. The County is currently in the process of determining the potential financial impact, however, management does not believe the misuse is material to the financial position of the County.

**SUPPLEMENTARY INFORMATION**

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**OTHER MAJOR GOVERNMENT FUNDS  
SCHEDULES OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - DEBT SERVICE FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$ 11,692,076	\$ 11,686,518	\$ 12,501,355	\$ 814,837
Gross receipts tax				
Interest earnings				
<b>Total revenues</b>	<u>11,692,076</u>	<u>11,686,518</u>	<u>12,501,355</u>	<u>814,837</u>
<b>Cash balance carryforward</b>		7,215		
<b>Total</b>	<u>\$ 11,692,076</u>	<u>\$ 11,693,733</u>		
<b>Expenditures:</b>				
Debt service -				
Principal retirement	\$ 6,385,000	\$ 6,385,000	6,385,000	
Interest and fiscal charges	5,307,076	5,314,291	5,314,291	
Bond issuance costs		97,923	92,220	5,703
<b>Total expenditures</b>	<u>11,692,076</u>	<u>11,797,214</u>	<u>11,791,511</u>	<u>5,703</u>
<b>Other financing sources (uses):</b>				
Transfer in		5,558	5,558	
Issuance of general obligation bonds		97,923	13,505,000	13,407,077
Premium on sale of bonds			541,234	541,234
Payment to bond escrow agent			(13,899,584)	(13,899,584)
Transfer out				
<b>Total other financing sources (uses)</b>		<u>103,481</u>	<u>152,208</u>	<u>48,727</u>
<b>Change in fund balance - Budgetary basis</b>			862,052	
<b>Reconciliation to change in fund balance GAAP basis:</b>				
Revenue accruals, net of prior year amounts			20,567	
Adjustment for costs related to refunding transaction			<u>(74,598)</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ 808,021</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - CAPITAL OUTLAY GRT FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Gross receipts tax	\$ 9,000,000	\$ 8,835,500	\$ 9,015,472	\$ 179,972
Other taxes and assessments				
Other		5,430	53,958	48,528
Interest earnings				
Intergovernmental				
<b>Total revenues</b>	<u>9,000,000</u>	<u>8,840,930</u>	<u>9,069,430</u>	<u>(228,500)</u>
<b>Cash balance carryforward</b>	<u>3,492,211</u>	<u>32,256,275</u>		
<b>Total</b>	<u>\$ 12,492,211</u>	<u>\$ 41,097,205</u>		
<b>Expenditures:</b>				
Capital outlay	\$ 12,492,211	\$ 43,013,646	23,189,150	19,824,496
Debt service -				
Bond issuance costs				
<b>Total expenditures</b>	<u>12,492,211</u>	<u>43,013,646</u>	<u>23,189,150</u>	<u>19,824,496</u>
<b>Other financing sources (uses):</b>				
Transfer in		2,699,049	2,699,048	(1)
Issuance of revenue bonds				
Premium on sale of bonds				
Transfer out		(782,608)	(782,608)	
<b>Total other financing sources (uses)</b>		<u>1,916,441</u>	<u>1,916,440</u>	<u>(1)</u>
<b>Change in fund balance- Budgetary basis</b>			(12,203,280)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			(43,660)	
Outstanding encumbrances recorded as budgetary expenditures			<u>2,485,095</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ (9,761,845)</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - GO BOND SERIES 2007 FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Gross receipts tax	\$	\$	\$	\$
Other taxes and assessments				
Other				
Interest earnings			160,657	160,657
Intergovernmental				
<b>Total revenues</b>			<u>160,657</u>	<u>160,657</u>
<b>Cash balance carryforward</b>	<u>3,036,518</u>	<u>15,806,482</u>		
<b>Total</b>	<u>\$ 3,036,518</u>	<u>\$ 15,806,482</u>		
<b>Expenditures:</b>				
Capital outlay	\$ 3,036,518	\$ 15,806,482	13,728,202	2,078,280
Debt service -				
Bond issuance costs				
<b>Total expenditures</b>	<u>3,036,518</u>	<u>15,806,482</u>	<u>13,728,202</u>	<u>2,078,280</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Issuance of revenue bonds				
Premium on sale of bonds				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance- Budgetary basis</b>			(13,567,545)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures			<u>10,300,080</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ (3,267,465)</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - GRT BOND SERIES 2008 FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Gross receipts tax	\$	\$	\$	\$
Other taxes and assessments				
Other				
Interest earnings		694,223	743,192	48,969
Intergovernmental				
<b>Total revenues</b>		<u>694,223</u>	<u>743,192</u>	<u>48,969</u>
<b>Cash balance carryforward</b>	<u>4,410,027</u>	<u>30,320,220</u>		
<b>Total</b>	<u>\$ 4,410,027</u>	<u>\$ 31,014,443</u>		
<b>Expenditures:</b>				
Capital outlay	\$ 4,410,027	\$ 30,320,220	25,910,193	4,410,027
Debt service -				
Bond issuance costs				
<b>Total expenditures</b>	<u>4,410,027</u>	<u>30,320,220</u>	<u>25,910,193</u>	<u>4,410,027</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Issuance of revenue bonds				
Premium on sale of bonds				
Transfer out		(694,223)	(694,223)	
<b>Total other financing sources (uses)</b>		<u>(694,223)</u>	<u>(694,223)</u>	
<b>Change in fund balance- Budgetary basis</b>			(25,861,224)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures			<u>25,910,193</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ 48,969</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - CAPITAL GRT BOND SERIES 2010A FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Gross receipts tax	\$	\$	\$	\$
Other taxes and assessments				
Other				
Interest earnings			16,563	16,563
Intergovernmental				
<b>Total revenues</b>			<u>16,563</u>	<u>16,563</u>
<b>Cash balance carryforward</b>				
<b>Total</b>	<u>\$</u>	<u>\$</u>		
<b>Expenditures:</b>				
Capital outlay	\$	\$ 22,415,971	15,868,477	6,547,494
Debt service -				
Bond issuance costs			306,610	(306,610)
<b>Total expenditures</b>		<u>22,415,971</u>	<u>16,175,087</u>	<u>6,240,884</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Issuance of revenue bonds		22,415,971	21,215,000	(1,200,971)
Premium on sale of bonds			1,392,251	1,392,251
Transfer out				
<b>Total other financing sources (uses)</b>		<u>22,415,971</u>	<u>22,607,251</u>	<u>191,280</u>
<b>Change in fund balance- Budgetary basis</b>			6,448,727	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures			<u>40,031</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ 6,488,758</u>	

**MAJOR PROPRIETARY FUNDS  
SCHEDULES OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**

STATE OF NEW MEXICO  
SANTA FE COUNTY  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - BUDGET AND ACTUAL  
REGIONAL PLANNING AUTHORITY FUND  
FOR THE YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Operating revenues:</b>				
Charges for services	\$ 85,000	\$ 80,550	\$ 62,781	\$ (17,769)
<b>Total operating revenues</b>	<u>85,000</u>	<u>80,550</u>	<u>62,781</u>	<u>(17,769)</u>
<b>Cash balance carryforward</b>	<u>3,000</u>	<u>46,937</u>		
<b>Total</b>	<u>\$ 88,000</u>	<u>\$ 127,487</u>		
<b>Operating expenses:</b>				
Cost of sales and services	\$ 173,000	\$ 208,037	92,850	115,187
Administration				
<b>Total operating expenses</b>	<u>173,000</u>	<u>208,037</u>	<u>92,850</u>	<u>115,187</u>
<b>Operating loss</b>			<u>(30,069)</u>	
<b>Nonoperating revenues (expenses):</b>				
Other				
Interest earnings				
Intergovernmental				
<b>Total nonoperating revenues (expenses)</b>				
<b>Net income (loss) before capital contributions and transfers:</b>			(30,069)	
Contributed Capital				
Transfer in			38,050	
Transfer out				
<b>Change in fund net assets</b>			<u>7,981</u>	
<b>Reconciliation to change in fund net assets -GAAP basis:</b>				
To record contributed capital not recorded as budgetary revenue				
To record revenue accruals, net of prior year amounts				
Depreciation expense not recorded as budgetary expenditures				
To record revenue accruals, net of prior year amounts				
Revenue accruals, net of prior year amounts			(19,748)	
Outstanding encumbrances recorded as budgetary expenditures			<u>1,342</u>	
<b>Change in fund net assets - GAAP basis</b>			<u>\$ (10,425)</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - BUDGET AND ACTUAL  
UTILITIES FUND  
FOR THE YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Non-GAAP Actual</u>	<u>Variance - Positive (Negative)</u>
<b>Operating revenues:</b>				
Charges for services	\$ 1,622,565	\$ 1,622,565	\$ 1,601,653	\$ (20,912)
<b>Total operating revenues</b>	<u>1,622,565</u>	<u>1,622,565</u>	<u>1,601,653</u>	<u>(20,912)</u>
<b>Cash balance carryforward</b>	<u>118,187</u>	<u>1,598,158</u>		
<b>Total</b>	<u>\$ 1,740,752</u>	<u>\$ 3,220,723</u>		
<b>Operating expenses:</b>				
Cost of sales and services	\$ 4,078,078	\$ 8,223,886	5,019,384	3,204,502
Administration				
<b>Total operating expenses</b>	<u>4,078,078</u>	<u>8,223,886</u>	<u>5,019,384</u>	<u>3,204,502</u>
<b>Operating loss</b>			<u>(3,417,731)</u>	
<b>Nonoperating revenues (expenses):</b>				
Other	16,898	16,898	11,874	(5,024)
Interest earnings	13,928	13,928	23,612	9,684
Intergovernmental	2,306,500	240,477	372,524	132,047
<b>Total nonoperating revenues (expenses)</b>	<u>2,337,326</u>	<u>271,303</u>	<u>408,010</u>	<u>136,707</u>
<b>Net income (loss) before capital contributions and transfers:</b>			(3,009,721)	
Contributed Capital				
Transfer in			4,850,942	
Transfer out			<u>(119,082)</u>	
<b>Change in fund net assets</b>			1,722,139	
<b>Reconciliation to change in fund net assets -GAAP basis:</b>				
Contributed capital not recorded as budgetary revenue			49,239,927	
Depreciation expense not recorded as budgetary expenditures			(638,033)	
Capital outlay expensed for budgetary purposes			3,217,313	
Revenue accruals, net of prior year amounts			(78,847)	
Outstanding encumbrances recorded as budgetary expenditures			<u>144,641</u>	
<b>Change in fund net assets - GAAP basis</b>			<u>\$ 53,607,140</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - BUDGET AND ACTUAL  
HOUSING SERVICES FUND  
FOR THE YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Operating revenues:</b>				
Charges for services	\$	\$	\$ 383,488	\$ 383,488
<b>Total operating revenues</b>			383,488	383,488
<b>Cash balance carryforward</b>	301,157	301,157		
<b>Total</b>	<u>\$ 301,157</u>	<u>\$ 362,497</u>		
<b>Operating expenses:</b>				
Cost of sales and services	\$ 1,004,157	\$ 1,002,036	880,357	121,679
Administration		63,176	42,190	20,986
<b>Total operating expenses</b>	<u>1,004,157</u>	<u>1,065,212</u>	<u>922,547</u>	<u>142,665</u>
<b>Operating loss</b>			<u>(539,059)</u>	
<b>Nonoperating revenues (expenses):</b>				
Other				
Interest earnings			6,282	6,282
Intergovernmental	323,000	323,000	469,327	146,327
<b>Total nonoperating revenues (expenses)</b>	<u>323,000</u>	<u>323,000</u>	<u>475,609</u>	<u>152,609</u>
<b>Net income (loss) before capital contributions and transfers:</b>			(63,450)	
Contributed Capital			102,025	
Transfer in				
Transfer out				
<b>Change in fund net assets</b>			38,575	
<b>Reconciliation to change in fund net assets -GAAP basis:</b>				
Contributed capital not recorded as budgetary revenue				
Depreciation expense not recorded as budgetary expenditures			(186,873)	
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures			<u>36,442</u>	
<b>Change in fund net assets - GAAP basis</b>			<u>\$ (111,856)</u>	

**NON-MAJOR GOVERNMENTAL FUNDS**

STATE OF NEW MEXICO  
SANTA FE COUNTY  
COMBINING BALANCE SHEET - ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE  
JUNE 30, 2010

	Special Revenue	Debt Service	Capital Projects	Total Non-Major Governmental Funds
<b><u>ASSETS</u></b>				
Cash and investments	\$ 28,982,219	\$ 1,852,894	\$ 28,536,426	\$ 59,371,539
Cash and investments - restricted		2,842,418		2,842,418
Receivables	599,062		1,639,104	2,238,166
Taxes receivable	3,162,448	148,768		3,311,216
<b>Total assets</b>	<b>\$ 32,743,729</b>	<b>\$ 4,844,080</b>	<b>\$ 30,175,530</b>	<b>\$ 67,763,339</b>
 <b><u>LIABILITIES AND FUND BALANCES</u></b>				
Liabilities:				
Accounts payable	\$ 278,878	\$	\$ 71,145	\$ 350,023
Accrued payroll	204,532			204,532
Due to other funds	94,722		926,174	1,020,896
Deferred revenue	488,003	6,653	1,161,007	1,655,663
Deposits held for others	123,729			123,729
Other liabilities	12,733		46,381	59,114
<b>Total liabilities</b>	<b>1,202,597</b>	<b>6,653</b>	<b>2,204,707</b>	<b>3,413,957</b>
Fund balances:				
Reserved for encumbrances	3,011,061		6,157,500	9,168,561
Unreserved:				
Undesignated	28,530,071	4,837,427	21,813,323	55,180,821
<b>Total fund balances</b>	<b>31,541,132</b>	<b>4,837,427</b>	<b>27,970,823</b>	<b>64,349,382</b>
<b>Total liabilities and fund balances</b>	<b>\$ 32,743,729</b>	<b>\$ 4,844,080</b>	<b>\$ 30,175,530</b>	<b>\$ 67,763,339</b>

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE  
YEAR ENDED JUNE 30, 2010**

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
<b>Revenues:</b>				
Property tax	\$ 1,179,690	\$ 337,165	\$	\$ 1,516,855
Gross receipts tax	17,409,326	812,415		18,221,741
Other taxes and assessments	1,017,941		936	1,018,877
Charges for services and fees	856,264			856,264
Other	21,015		20,871	41,886
Interest earnings	12,718	29,207	314,531	356,456
Intergovernmental	6,387,087		4,009,937	10,397,024
<b>Total revenues</b>	<u>26,884,041</u>	<u>1,178,787</u>	<u>4,346,275</u>	<u>32,409,103</u>
<b>Expenditures:</b>				
Current -				
General government	1,175,085			1,175,085
Public safety	1,206,711			1,206,711
Culture and recreation	558,501			558,501
Public works	42,598			42,598
Highways and streets	5,348,447			5,348,447
Health and welfare	15,466,821			15,466,821
Capital outlay	2,318,263		24,652,101	26,970,364
Debt service -				
Principal retirement		2,590,000		2,590,000
Interest and fiscal charges		3,669,688		3,669,688
Bond issuance costs			260,886	260,886
<b>Total expenditures</b>	<u>26,116,426</u>	<u>6,259,688</u>	<u>24,912,987</u>	<u>57,289,101</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>767,615</u>	<u>(5,080,901)</u>	<u>(20,566,712)</u>	<u>(24,879,998)</u>
<b>Other financing sources (uses):</b>				
Transfer in	8,651,417	5,671,758		14,323,175
Issuance of revenue bonds			22,285,000	22,285,000
Premium on sale of bonds			956,884	956,884
Transfer out	(12,058,383)	(920,000)	(7,198,325)	(20,176,708)
<b>Total other financing sources (uses)</b>	<u>(3,406,966)</u>	<u>4,751,758</u>	<u>16,043,559</u>	<u>17,388,351</u>
<b>Change in fund balances</b>	<u>(2,639,351)</u>	<u>(329,143)</u>	<u>(4,523,153)</u>	<u>(7,491,647)</u>
<b>Fund balances, beginning of year, as restated</b>	34,180,483	5,166,570	32,493,976	71,841,029
<b>Fund balances, end of year</b>	<u>\$ 31,541,132</u>	<u>\$ 4,837,427</u>	<u>\$ 27,970,823</u>	<u>\$ 64,349,382</u>

## NON-MAJOR SPECIAL REVENUE FUNDS

The following non-major special revenue funds are maintained by the County.

**Corrections** – To account for corrections fees levied by the Magistrate courts (e.g. a \$10 fee associated with a speeding or seat belt violation) are distributed to the County. This revenue is utilized in the local corrections system. These funds are to be used for the operation of the County jail and other costs related to housing County prisoners. See Section 33-3c25, NMSA 1978 Compilation.

**Regional Transit** – To account for a 1/8% gross receipts tax imposed on 7/1/09 in support of the North Central Regional Transit District. Funds are remitted in their entirety to the District and 50% is dedicated to the Rail Runner, 14% of the remaining 50% is used for administrative costs of the District and the balance is used for Santa Fe County mass transit projects.

**Property Valuation** – To establish and account for a one-percent administrative charge assessed against the property tax collections of all taxing entities in the County. This revenue is utilized by the Assessor in property valuations. See NMSA Compilation Section 7, Article 38-38-1.

**Road Maintenance** – To establish and account for revenues consisting of half of the vehicle registration fees in the County (the other half goes to municipalities), and a 21 cent per gallon gasoline tax, both collected and distributed to the County by the State of New Mexico. Also, the federal government collects a logging fee of which 25% is distributed to school districts and the County Road Fund. However, Road Fund expenses are also funded by transfers from the General Fund. State law mandates that the Road Fund expenses are funded by transfers from the General Fund. State law mandates that the Road Fund be utilized for "the construction, reconstruction, improvement and maintenance of county roads ... " See Section 67-4-1, NMSA, 1978 Compilation

**Emergency Medical Services** – To establish and account for the Emergency Medical Services Fund Act (NMSA 1978 Chapter 24, Articles 10A&B) which makes funds available from the State general fund "to incorporated municipalities, counties, or fire districts for use in establishment of emergency medical services, in order to reduce injury and loss of life." See Section 24-10A-1, NMSA 1978 Compilation.

**Farm and Range** – To establish and account for the Farm and Range Improvement Act which directs the county commissioners to expend funds that are derived from the state's share of the 1934 Taylor Grazing Act public lands grazing district fees paid to the Bureau of Land Management. The funds may be used for the purposes of soil and water conservation, control of rodents and predatory animals, extermination of poisonous noxious weeds, and construction and maintenance of secondary roads within the County. See Section 6-11 -6, NMSA, 1978 Compilation.

**Fire Protection** – To establish and account for revenues of the Fire Protection Fund are derived from County-levied Fire Protection fees, and fees on property and motor vehicle insurance businesses, which are collected by the State. Fire Protection Fund distributions to the County must be used for maintenance of fire departments, the purchase, construction, maintenance, repair and operation of fire stations and substations, fire apparatus, and equipment, and the payment of insurance premiums on fire stations, substations, and fire fighters. See Section 59A-53-5, NMSA, 1978 Compilation.

**Law Enforcement Protection** – To account for revenues derived from 10% of fees, licenses, penalties, and taxes from life, general casualty, and title insurance business pursuant to the New Mexico Insurance Code (Chapter 59A NMSA 1978). A distribution of this revenue is made to the County on the basis of population and the number of full-time certified County police officers. Proceeds from this fund may be spent on law enforcement equipment, advanced law enforcement training, and as a match to federal law enforcement grants.

**Lodgers Tax** – To establish and account for a four percent (4%) Hotel/Motel occupancy tax as the source of revenue to the two Lodgers Tax funds. Fifty percent (50%) of the proceeds from the first three percent (3%) and 100% of the next one percent (1%) of the occupancy tax is used for advertising tourist attractions in Santa Fe County. Fifty percent (50%) of the proceeds from the first three percent (3%) of the occupancy tax is designated to equip, furnish, and improve tourist facilities and to administer the tax. Established pursuant to Santa Fe County Lodgers' Occupancy Tax ordinance.

**Fire Impact Fees** – To establish and account for fees charged for new development, review, inspection, and permit required applications pursuant to Santa Fe County Fire Code, ordinance 1998-11. The proceeds are primarily used for capital improvements and facility expansion.

**Recreation** – To account for one cent of a 21 cent per pack state cigarette tax designated for "County and municipal recreation funds." The fund is designated for "operating recreational facilities, including salaries of instructors and other employees." See Section 7-12-15, NMSA, 1978 Compilation.

**Clerk Recording** – To account for the fee for recording deeds, mortgages, contracts, liens, bills of sale, power of attorney, mining location, transcript of judgment, etc. is \$9 for the first page and \$2 for each subsequent page. Of this fee, \$4 of the \$9 for the first page is designated as an equipment recording fee and is received into this fund. New Mexico law stipulates that this fund is designated "for the purchase of equipment associated with recording, filing, maintaining or reproducing documents." See Section 14-8-12.2 NSMA 1978 Compilation.

**Correctional GRT** – To account for a 1/8 cent County-wide gross receipts tax approved by the voters in 2004. This fund handles the receipt of the corrections gross receipts tax. Proceeds from this fund are transferred to the Jail Enterprise fund for the operation of the Adult Detention Facility.

**Indigent Hospital** – To establish and account for a 1/8 cent Gross Receipts Tax levied in the entire County and received into this fund is dedicated to providing payment for the Sole Community Provider Program.

**Indigent Services** – To account for hospital care, ambulance services or other health care services to indigent people living in the County. In addition, the fund provides revenues to match federal funds to the State Medicaid program. See Section 7-20-2, NMSA, 1978 Compilation.

**Economic Development** – To establish and account for services in support of economic diversification, transition, and development programs within Santa Fe County. As per the Department of Energy's Economic Development Community Assistance Program pursuant to Section 3161 of the 1993 Defense Appropriations Act.

## NON-MAJOR SPECIAL REVENUE FUNDS (Concl'd)

**Federal Forfeiture** – To establish and account for money from federal seizures associated with anti-drug law enforcement activities received in this fund and spent by the Sheriff's Office on these activities. Revenue in this fund is not anticipated in the initial budget, but receipts occur during the fiscal year. Established by the County to account for federal forfeiture monies required by federal statute.

**Linkages** – To account for a rental assistance program specific to families with identified disabilities funded by the New Mexico Mortgage Finance Authority.

**Section 8 Vouchers Program** – To account for rent subsidies received from HUD for "vouchers" to low-income persons renting housing in the private sector. This fund was created in accordance with the HUD contract.

**EMS Health Care** – To account for the containment of health service payments received through a Memorandum of Understanding with St. Vincent's Hospital and other receipts to benefit the County's health programs and the Regional Emergency Communications Center.

**Wildlife Mountain Trails** – To account for a Resolution (2000-57) that "in all future property acquisition negotiations for Wildlife, Mountains, Trails and Historic Places Program, the County requires that participating landowners donate at least 5% of the fair market value of properties, as determined by an appraisal, in lieu of a real estate commission ..." to fund capital improvements and maintenance of properties acquired for the Program." This is paid through the title company to the County as part of the closing of the purchase of the property.

**EMS Health Hospital** – To account for a fund created to contain the 1/8 cent Gross Receipts tax dedicated to emergency services.

**VASH Voucher** – To account for the Veterans Affairs Supportive Housing Program (VASH) funded by the U.S. Department of Housing and Urban Development (HUD). The program combines rental assistance (HUD HCV) rental assistance for homeless veterans with case management and clinical services provided by Veteran Affairs at medical centers in the community.

**Alcohol Programs** – To account for state grants for DWI and alcohol education grants and programs.

**Detox Programs** – To account for federal and state grants for the construction and operation of Detox Facilities in the County.

**Emergency Communication Operations** – To account for the operation and management of the Regional Emergency Communication Center District.

**Housing Capital Improvement** – To account for the Capital Fund Program (CFP) funded by the U.S. Department of Housing and Urban Development (HUD). These monies are used to make comprehensive repairs to the existing public housing of Santa Fe County, and are applied for and granted on an annual basis. This fund was created in accordance with the grant agreement.

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STATE OF NEW MEXICO  
SANTA FE COUNTY  
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2010

	Corrections	Regional Transit	Property Valuation	Road Maintenance
<b><u>ASSETS</u></b>				
Cash and investments	\$ 191,798	\$	\$ 1,135,886	\$ 1,798,646
Receivables			298	765
Taxes receivable		683,664		68,301
<b>Total assets</b>	<b>\$ 191,798</b>	<b>\$ 683,664</b>	<b>\$ 1,136,184</b>	<b>\$ 1,867,712</b>
 <b><u>LIABILITIES AND FUND BALANCES</u></b>				
Liabilities:				
Accounts payable	\$	\$	\$ 9,739	\$ 51,999
Accrued payroll			29,037	29,883
Due to other funds				
Deferred revenue				
Deposits held for others				
Other liabilities				
<b>Total liabilities</b>			<b>38,776</b>	<b>81,882</b>
Fund balances (deficits):				
Reserved for encumbrances			13,880	117,854
Unreserved:				
Undesignated	191,798	683,664	1,083,528	1,667,976
<b>Total fund balances</b>	<b>191,798</b>	<b>683,664</b>	<b>1,097,408</b>	<b>1,785,830</b>
<b>Total liabilities and fund balances</b>	<b>\$ 191,798</b>	<b>\$ 683,664</b>	<b>\$ 1,136,184</b>	<b>\$ 1,867,712</b>

<u>Emergency Medical Services</u>	<u>Farm and Range</u>	<u>Fire Protection</u>	<u>Law Enforcement Protection</u>	<u>Lodgers Tax</u>	<u>Fire Impact Fees</u>
\$ 116,285 520	\$ 7,916	\$ 8,066,325 690 12,652	\$ 68,502 368	\$ 1,520,454 52,842	\$ 3,320,769
<u>\$ 116,805</u>	<u>\$ 7,916</u>	<u>\$ 8,079,667</u>	<u>\$ 68,870</u>	<u>\$ 1,573,296</u>	<u>\$ 3,320,769</u>
\$ 13,711	\$	\$ 90,153	\$ 12,380	\$ 40,824	\$
<u>13,711</u>		<u>90,153</u>	<u>12,380</u>	<u>40,824</u>	
31,403		371,688	53,729	46,510	276,197
<u>71,691</u>	<u>7,916</u>	<u>7,617,826</u>	<u>2,761</u>	<u>1,485,962</u>	<u>3,044,572</u>
<u>103,094</u>	<u>7,916</u>	<u>7,989,514</u>	<u>56,490</u>	<u>1,532,472</u>	<u>3,320,769</u>
<u>\$ 116,805</u>	<u>\$ 7,916</u>	<u>\$ 8,079,667</u>	<u>\$ 68,870</u>	<u>\$ 1,573,296</u>	<u>\$ 3,320,769</u>

(Continued)

STATE OF NEW MEXICO  
SANTA FE COUNTY  
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2010  
(Continued)

	Recreation	Clerk Recording	Correctional GRT	Indigent Hospital
<b><u>ASSETS</u></b>				
Cash and investments	\$ 10,915	\$ 401,736	\$ 656,437	\$ 1,962,819
Receivables				493
Taxes receivable			780,813	782,088
<b>Total assets</b>	<b>\$ 10,915</b>	<b>\$ 401,736</b>	<b>\$ 1,437,250</b>	<b>\$ 2,745,400</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
Liabilities:				
Accounts payable	\$	\$ 1,567	\$	\$
Accrued payroll				288
Due to other funds				
Deferred revenue				
Deposits held for others				
Other liabilities				
<b>Total liabilities</b>		<b>1,567</b>		<b>288</b>
Fund balances (deficits):				
Reserved for encumbrances		18,257		186,767
Unreserved:				
Undesignated	10,915	381,912	1,437,250	2,558,345
<b>Total fund balances</b>	<b>10,915</b>	<b>400,169</b>	<b>1,437,250</b>	<b>2,745,112</b>
<b>Total liabilities and fund balances</b>	<b>\$ 10,915</b>	<b>\$ 401,736</b>	<b>\$ 1,437,250</b>	<b>\$ 2,745,400</b>

<u>Indigent Services</u>	<u>Economic Development</u>	<u>Federal Forfeiture</u>	<u>Linkages</u>	<u>Section 8 Vouchers Program</u>	<u>EMS Health Care</u>
\$ 2,127,475	\$ 399,081	\$ 84,875	\$ 126,179	\$ 1,007,295 151,030	\$ 2,703,659 25,178
<u>\$ 2,127,475</u>	<u>\$ 399,081</u>	<u>\$ 84,875</u>	<u>\$ 126,179</u>	<u>\$ 1,158,325</u>	<u>\$ 2,728,837</u>
\$ 654 6,537	\$ 4,260	\$	\$	\$ 424 6,629	\$ 5,137 21,224
				35,440 123,729	25,056
<u>7,191</u>	<u>4,260</u>			<u>166,222</u>	<u>12,733</u> <u>64,150</u>
411,724	145,283			3,768	723,988
<u>1,708,560</u>	<u>249,538</u>	<u>84,875</u>	<u>126,179</u>	<u>988,335</u>	<u>1,940,699</u>
<u>2,120,284</u>	<u>394,821</u>	<u>84,875</u>	<u>126,179</u>	<u>992,103</u>	<u>2,664,687</u>
<u>\$ 2,127,475</u>	<u>\$ 399,081</u>	<u>\$ 84,875</u>	<u>\$ 126,179</u>	<u>\$ 1,158,325</u>	<u>\$ 2,728,837</u>

(Continued)

STATE OF NEW MEXICO  
SANTA FE COUNTY  
COMBINING BALANCE SHEET - NON-MAJOR SPECIAL REVENUE FUNDS  
JUNE 30, 2010  
(Concluded)

	<u>Wildlife Mountain Trails</u>	<u>EMS Health Hospital</u>	<u>VASH Voucher</u>	<u>Alcohol Programs</u>
<b><u>ASSETS</u></b>				
Cash and investments	\$ 378,049	\$ 587,920	\$ 143,939	\$ 256,884
Receivables				27,807
Taxes receivable		782,088		
<b>Total assets</b>	<u>\$ 378,049</u>	<u>\$ 1,370,008</u>	<u>\$ 143,939</u>	<u>\$ 284,691</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
Liabilities:				
Accounts payable	\$	\$	\$	\$ 39,352
Accrued payroll	5,265			22,638
Due to other funds				
Deferred revenue				135,154
Deposits held for others				
Other liabilities				
<b>Total liabilities</b>	<u>5,265</u>			<u>197,144</u>
Fund balances (deficits):				
Reserved for encumbrances		186,767		29,217
Unreserved:				
Undesignated	372,784	1,183,241	143,939	58,330
<b>Total fund balances</b>	<u>372,784</u>	<u>1,370,008</u>	<u>143,939</u>	<u>87,547</u>
<b>Total liabilities and fund balances</b>	<u>\$ 378,049</u>	<u>\$ 1,370,008</u>	<u>\$ 143,939</u>	<u>\$ 284,691</u>

<u>Detox Programs</u>	<u>Emergency Communication Operations</u>	<u>Housing Capital Improvement</u>	<u>Totals</u>
\$ 282,289	\$ 1,626,086	\$	\$ 28,982,219
101,503	187,701	102,709	599,062
			3,162,448
<u>\$ 383,792</u>	<u>\$ 1,813,787</u>	<u>\$ 102,709</u>	<u>\$ 32,743,729</u>
\$ 660	\$ 7,150	\$ 868	\$ 278,878
4,427	77,232	1,372	204,532
		94,722	94,722
101,334	187,722	3,297	488,003
			123,729
			12,733
<u>106,421</u>	<u>272,104</u>	<u>100,259</u>	<u>1,202,597</u>
6,269	39,664	348,096	3,011,061
271,102	1,502,019	(345,646)	28,530,071
<u>277,371</u>	<u>1,541,683</u>	<u>2,450</u>	<u>31,541,132</u>
<u>\$ 383,792</u>	<u>\$ 1,813,787</u>	<u>\$ 102,709</u>	<u>\$ 32,743,729</u>

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

	<u>Corrections</u>	<u>Regional Transit</u>	<u>Property Valuation</u>
<b>Revenues:</b>			
Property tax	\$	\$	\$ 1,179,690
Gross receipts tax		3,888,569	
Other taxes and assessments			
Charges for services and fees	311,953		29
Other			
Interest earnings			
Intergovernmental			
<b>Total revenues</b>	<u>311,953</u>	<u>3,888,569</u>	<u>1,179,719</u>
<b>Expenditures:</b>			
Current -			
General government			1,056,642
Public safety			
Culture and recreation			
Public works			
Highways and streets		3,204,905	
Health and welfare			
Capital outlay			236,366
<b>Total expenditures</b>		<u>3,204,905</u>	<u>1,293,008</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>311,953</u>	<u>683,664</u>	<u>(113,289)</u>
<b>Other financing sources (uses):</b>			
Transfer in			17,174
Transfer out	(250,000)		
<b>Total other financing sources (uses)</b>	<u>(250,000)</u>		<u>17,174</u>
<b>Change in fund balances</b>	<u>61,953</u>	<u>683,664</u>	<u>(96,115)</u>
<b>Fund balances, beginning of year, as restated</b>	129,845		1,193,523
<b>Fund balances, end of year</b>	<u>\$ 191,798</u>	<u>\$ 683,664</u>	<u>\$ 1,097,408</u>

<u>Road Maintenance</u>	<u>Emergency Medical Services</u>	<u>Farm and Range</u>	<u>Fire Protection</u>	<u>Law Enforcement Protection</u>	<u>Lodgers Tax</u>
\$	\$	\$	\$	\$	\$
			62,226		383,718
609,222					
7,699			2,564		8,589
69,549	119,705	737	1,758,272		4,000
<u>686,470</u>	<u>119,705</u>	<u>737</u>	<u>1,823,062</u>		<u>396,307</u>
13,878					
	113,123		1,043,465	47,249	351,789
2,143,542					
433,243	65,325		670,627		
<u>2,590,663</u>	<u>178,448</u>		<u>1,714,092</u>	<u>47,249</u>	<u>351,789</u>
(1,904,193)	(58,743)	737	108,970	(47,249)	44,518
1,811,297					
			(38,079)		
<u>1,811,297</u>			<u>(38,079)</u>		
(92,896)	(58,743)	737	70,891	(47,249)	44,518
1,878,726	161,837	7,179	7,918,623	103,739	1,487,954
<u>\$ 1,785,830</u>	<u>\$ 103,094</u>	<u>\$ 7,916</u>	<u>\$ 7,989,514</u>	<u>\$ 56,490</u>	<u>\$ 1,532,472</u>

(Continued)

STATE OF NEW MEXICO  
SANTA FE COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
NON-MAJOR SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2010  
(Continued)

	<u>Fire Impact Fees</u>	<u>Recreation</u>	<u>Clerk Recording</u>
<b>Revenues:</b>			
Property tax	\$	\$	\$
Gross receipts tax			
Other taxes and assessments			
Charges for services and fees	235,271		125,980
Other			
Interest earnings			
Intergovernmental			
<b>Total revenues</b>	<u>235,271</u>	<u>                    </u>	<u>125,980</u>
<b>Expenditures:</b>			
Current -			
General government			104,565
Public safety			
Culture and recreation			
Public works			
Highways and streets			
Health and welfare			
Capital outlay	444,803		12,177
<b>Total expenditures</b>	<u>444,803</u>	<u>                    </u>	<u>116,742</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(209,532)</u>	<u>                    </u>	<u>9,238</u>
<b>Other financing sources (uses):</b>			
Transfer in			
Transfer out			
<b>Total other financing sources (uses)</b>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Change in fund balances</b>	<u>(209,532)</u>	<u>                    </u>	<u>9,238</u>
<b>Fund balances, beginning of year, as restated</b>	3,530,301	10,915	390,931
<b>Fund balances, end of year</b>	<u>\$ 3,320,769</u>	<u>\$ 10,915</u>	<u>\$ 400,169</u>

<u>Correctional GRT</u>	<u>Indigent Hospital</u>	<u>Indigent Services</u>	<u>Economic Development</u>	<u>Federal Forfeiture</u>	<u>Linkages</u>
\$ 4,479,220	\$ 4,489,656	\$	\$	\$	\$
				25,001	
	6,944	24	502		
			353,999		218,058
<u>4,479,220</u>	<u>4,496,600</u>	<u>24</u>	<u>354,501</u>	<u>25,001</u>	<u>218,058</u>
				2,874	
			42,494		
			42,598		
	2,391,830	1,397,290			99,904
			145,655	895	
	<u>2,391,830</u>	<u>1,397,290</u>	<u>230,747</u>	<u>3,769</u>	<u>99,904</u>
<u>4,479,220</u>	<u>2,104,770</u>	<u>(1,397,266)</u>	<u>123,754</u>	<u>21,232</u>	<u>118,154</u>
		1,578,158	184,796		
<u>(5,000,000)</u>	<u>(2,799,444)</u>				
<u>(5,000,000)</u>	<u>(2,799,444)</u>	<u>1,578,158</u>	<u>184,796</u>		
<u>(520,780)</u>	<u>(694,674)</u>	<u>180,892</u>	<u>308,550</u>	<u>21,232</u>	<u>118,154</u>
1,958,030	3,439,786	1,939,392	86,271	63,643	8,025
<u>\$ 1,437,250</u>	<u>\$ 2,745,112</u>	<u>\$ 2,120,284</u>	<u>\$ 394,821</u>	<u>\$ 84,875</u>	<u>\$ 126,179</u>

(Continued)

STATE OF NEW MEXICO  
SANTA FE COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
NON-MAJOR SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2010  
(Continued)

	Section 8 Vouchers Program	EMS Health Care	Wildlife Mountain Trails
<b>Revenues:</b>			
Property tax	\$	\$	\$
Gross receipts tax			
Other taxes and assessments			
Charges for services and fees	75,442	24,387	
Other	10,292		
Interest earnings	4,129		
Intergovernmental	2,110,656	136,341	
<b>Total revenues</b>	<u>2,200,519</u>	<u>160,728</u>	
<b>Expenditures:</b>			
Current -			
General government			
Public safety			
Culture and recreation			164,218
Public works			
Highways and streets			
Health and welfare	2,030,532	1,758,814	
Capital outlay		212,818	
<b>Total expenditures</b>	<u>2,030,532</u>	<u>1,971,632</u>	<u>164,218</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>169,987</u>	<u>(1,810,904)</u>	<u>(164,218)</u>
<b>Other financing sources (uses):</b>			
Transfer in		1,404,400	
Transfer out		(1,601,363)	
<b>Total other financing sources (uses)</b>		<u>(196,963)</u>	
<b>Change in fund balances</b>	<u>169,987</u>	<u>(2,007,867)</u>	<u>(164,218)</u>
<b>Fund balances, beginning of year</b>	822,116	4,672,554	537,002
<b>Fund balances, end of year</b>	<u>\$ 992,103</u>	<u>\$ 2,664,687</u>	<u>\$ 372,784</u>

<u>EMS Health Hospital</u>	<u>VASH Voucher</u>	<u>Alcohol Programs</u>	<u>Detox Programs</u>	<u>Emergency Communication Operations</u>	<u>Housing Capital Improvement</u>
\$ 4,489,655	\$	\$	\$	\$	\$
		73,382		2,097	
		655	58		
	151,371	826,654	146,106	76,015	415,624
<u>4,489,655</u>	<u>151,371</u>	<u>900,691</u>	<u>146,164</u>	<u>78,112</u>	<u>415,624</u>
2,394,867	7,432	1,133,314	1,110,301	2,791,919	350,618
		4,783		9,705	81,866
<u>2,394,867</u>	<u>7,432</u>	<u>1,138,097</u>	<u>1,110,301</u>	<u>2,801,624</u>	<u>432,484</u>
2,094,788	143,939	(237,406)	(964,137)	(2,723,512)	(16,860)
		73,100	291,550	3,290,942	
<u>(2,185,497)</u>		<u>(184,000)</u>			
<u>(2,185,497)</u>		<u>(110,900)</u>	<u>291,550</u>	<u>3,290,942</u>	
(90,709)	143,939	(348,306)	(672,587)	567,430	(16,860)
1,460,717		435,853	949,958	974,253	19,310
<u>\$ 1,370,008</u>	<u>\$ 143,939</u>	<u>\$ 87,547</u>	<u>\$ 277,371</u>	<u>\$ 1,541,683</u>	<u>\$ 2,450</u>

(Continued)

STATE OF NEW MEXICO  
SANTA FE COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
NON-MAJOR SPECIAL REVENUE FUNDS  
YEAR ENDED JUNE 30, 2010  
(Concluded)

	Totals
<b>Revenues:</b>	
Property tax	\$ 1,179,690
Gross receipts tax	17,409,326
Other taxes and assessments	1,017,941
Charges for services and fees	856,264
Other	21,015
Interest earnings	12,718
Intergovernmental	6,387,087
<b>Total revenues</b>	26,884,041
 <b>Expenditures:</b>	
Current -	
General government	1,175,085
Public safety	1,206,711
Culture and recreation	558,501
Public works	42,598
Highways and streets	5,348,447
Health and welfare	15,466,821
Capital outlay	2,318,263
<b>Total expenditures</b>	26,116,426
 <b>Excess (deficiency) of revenues over expenditures</b>	 767,615
 <b>Other financing sources (uses):</b>	
Transfer in	8,651,417
Transfer out	(12,058,383)
<b>Total other financing sources (uses)</b>	(3,406,966)
 <b>Change in fund balances</b>	 (2,639,351)
 <b>Fund balances, beginning of year, as restated</b>	 34,180,483
 <b>Fund balances, end of year</b>	 \$ 31,541,132

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - CORRECTIONS FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees	250,000	250,000	311,953	61,953
Other				
Interest earnings				
Intergovernmental				
<b>Total revenues</b>	250,000	250,000	311,953	61,953
<b>Cash balance carryforward</b>				
<b>Total</b>	\$ 250,000	\$ 250,000		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety				
Culture and recreation				
Public works				
Highways and streets				
Health and welfare				
Capital outlay				
<b>Total expenditures</b>				
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out	(250,000)	(250,000)	(250,000)	
<b>Total other financing sources (uses)</b>	(250,000)	(250,000)	(250,000)	
<b>Change in fund balance - Budgetary basis</b>			61,953	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures				
<b>Change in fund balance - GAAP basis</b>			\$ 61,953	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - REGIONAL TRANSIT FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax		3,204,905	3,204,905	
Other taxes and assessments				
Charges for services and fees				
Other				
Interest earnings				
Intergovernmental				
<b>Total revenues</b>		3,204,905	3,204,905	
<b>Cash balance carryforward</b>				
<b>Total</b>	\$	\$ 3,204,905		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety				
Culture and recreation				
Public works				
Highways and streets		3,204,905	3,204,905	
Health and welfare				
Capital outlay				
<b>Total expenditures</b>		3,204,905	3,204,905	
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance - Budgetary basis</b>				
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			683,664	
Outstanding encumbrances recorded as budgetary expenditures				
<b>Change in fund balance - GAAP basis</b>			\$ 683,664	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - PROPERTY VALUATION FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$ 1,000,000	\$ 1,000,000	\$ 1,179,690	\$ 179,690
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees			29	29
Other				
Interest earnings				
Intergovernmental				
<b>Total revenues</b>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,179,719</u>	<u>179,719</u>
<b>Cash balance carryforward</b>	<u>152,277</u>	<u>152,277</u>		
<b>Total</b>	<u>\$ 1,152,277</u>	<u>\$ 399,525</u>		
<b>Expenditures:</b>				
Current -				
General government	\$ 1,091,077	\$ 1,169,201	1,080,261	88,940
Public safety				
Culture and recreation				
Public works				
Highways and streets				
Health and welfare				
Capital outlay	61,200	247,498	236,366	11,132
<b>Total expenditures</b>	<u>1,152,277</u>	<u>1,416,699</u>	<u>1,316,627</u>	<u>100,072</u>
<b>Other financing sources (uses):</b>				
Transfer in		17,174	17,174	
Transfer out				
<b>Total other financing sources (uses)</b>		<u>17,174</u>	<u>17,174</u>	
<b>Change in fund balance - Budgetary basis</b>			(119,734)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			23,619	
Outstanding encumbrances recorded as budgetary expenditures			<u>23,619</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ (96,115)</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - ROAD MAINTENANCE FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax	665,000	665,000		(665,000)
Other taxes and assessments			682,782	682,782
Charges for services and fees	9,000	9,000	7,699	(1,301)
Other				
Interest earnings				
Intergovernmental	45,000	45,000	69,549	24,549
<b>Total revenues</b>	<u>719,000</u>	<u>719,000</u>	<u>760,030</u>	<u>41,030</u>
<b>Cash balance carryforward</b>		<u>269,277</u>		
<b>Total</b>	<u>\$ 719,000</u>	<u>\$ 988,277</u>		
<b>Expenditures:</b>				
Current -				
General government	\$ 76,175	\$ 104,343	13,878	90,465
Public safety				
Culture and recreation				
Public works				
Highways and streets	2,462,908	2,485,150	2,312,765	172,385
Health and welfare				
Capital outlay	705,654	786,374	433,243	353,131
<b>Total expenditures</b>	<u>3,244,737</u>	<u>3,375,867</u>	<u>2,759,886</u>	<u>615,981</u>
<b>Other financing sources (uses):</b>				
Transfer in	2,525,737	2,387,590	1,811,297	(576,293)
Transfer out				
<b>Total other financing sources (uses)</b>	<u>2,525,737</u>	<u>2,387,590</u>	<u>1,811,297</u>	<u>576,293</u>
<b>Change in fund balance - Budgetary basis</b>			(188,559)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			(73,560)	
Outstanding encumbrances recorded as budgetary expenditures			<u>169,223</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ (92,896)</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - EMERGENCY MEDICAL SERVICES FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees				
Other				
Interest earnings				
Intergovernmental	134,229	119,703	119,705	2
<b>Total revenues</b>	<u>134,229</u>	<u>119,703</u>	<u>119,705</u>	<u>2</u>
<b>Cash balance carryforward</b>		100,292		
<b>Total</b>	<u>\$ 134,229</u>	<u>\$ 219,995</u>		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety	126,493	153,551	153,540	11
Culture and recreation				
Public works				
Highways and streets				
Health and welfare				
Capital outlay	7,736	66,444	65,325	1,119
<b>Total expenditures</b>	<u>134,229</u>	<u>219,995</u>	<u>218,865</u>	<u>1,130</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance - Budgetary basis</b>			(99,160)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			40,417	
Outstanding encumbrances recorded as budgetary expenditures			<u>40,417</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ (58,743)</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - FARM AND RANGE FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees				
Other				
Interest earnings				
Intergovernmental	700	700	737	37
<b>Total revenues</b>	700	700	737	37
<b>Cash balance carryforward</b>				
<b>Total</b>	\$ 700	\$ 700		
<b>Expenditures:</b>				
Current -				
General government	\$ 700	\$ 700		700
Public safety				
Culture and recreation				
Public works				
Highways and streets				
Health and welfare				
Capital outlay				
<b>Total expenditures</b>	700	700		700
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance - Budgetary basis</b>			737	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures				
<b>Change in fund balance - GAAP basis</b>			\$ 737	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - FIRE PROTECTION FUND  
YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Non-GAAP Actual</u>	<u>Variance - Positive (Negative)</u>
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax			63,354	63,354
Other taxes and assessments				
Charges for services and fees				
Other			2,564	2,564
Interest earnings				
Intergovernmental	1,596,459	1,758,272	1,758,272	
<b>Total revenues</b>	<u>1,596,459</u>	<u>1,758,272</u>	<u>1,824,190</u>	<u>65,918</u>
<b>Cash balance carryforward</b>	<u>3,661,500</u>	<u>5,492,617</u>		
<b>Total</b>	<u>\$ 5,257,959</u>	<u>\$ 7,250,889</u>		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety	1,391,239	2,250,283	1,505,280	745,003
Culture and recreation				
Public works				
Highways and streets				
Health and welfare				
Capital outlay	3,866,720	4,962,526	670,627	4,291,899
<b>Total expenditures</b>	<u>5,257,959</u>	<u>7,212,809</u>	<u>2,175,907</u>	<u>5,036,902</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out		(38,080)	(38,079)	1
<b>Total other financing sources (uses)</b>		<u>(38,080)</u>	<u>(38,079)</u>	<u>1</u>
<b>Change in fund balance - Budgetary basis</b>			(389,796)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			(1,128)	
Outstanding encumbrances recorded as budgetary expenditures			461,815	
<b>Change in fund balance - GAAP basis</b>			<u>\$ 70,891</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - LAW ENFORCEMENT PROTECTION FUND  
YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Non-GAAP Actual</u>	<u>Variance - Positive (Negative)</u>
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees				
Other				
Interest earnings				
Intergovernmental	72,600	72,600	74,400	1,800
<b>Total revenues</b>	<u>72,600</u>	<u>72,600</u>	<u>74,400</u>	<u>1,800</u>
<b>Cash balance carryforward</b>		<u>30,710</u>		
<b>Total</b>	<u>\$ 72,600</u>	<u>\$ 103,310</u>		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety	72,600	103,310	51,245	52,065
Culture and recreation				
Public works				
Highways and streets				
Health and welfare				
Capital outlay				
<b>Total expenditures</b>	<u>72,600</u>	<u>103,310</u>	<u>51,245</u>	<u>52,065</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance - Budgetary basis</b>			23,155	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			(74,400)	
Outstanding encumbrances recorded as budgetary expenditures			<u>3,996</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ (47,249)</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - LODGERS TAX FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments	333,675	333,675	382,784	49,109
Charges for services and fees				
Other				
Interest earnings			8,589	8,589
Intergovernmental		2,850	4,000	1,150
<b>Total revenues</b>	333,675	336,525	395,373	58,848
<b>Cash balance carryforward</b>		100,317		
<b>Total</b>	\$ 333,675	\$ 436,842		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety				
Culture and recreation	333,675	436,842	436,842	
Public works				
Highways and streets				
Health and welfare				
Capital outlay				
<b>Total expenditures</b>	333,675	436,842	436,842	
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance - Budgetary basis</b>			(41,469)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			934	
Outstanding encumbrances recorded as budgetary expenditures			85,053	
<b>Change in fund balance - GAAP basis</b>			\$ 44,518	

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - FIRE IMPACT FEES FUND  
YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees			235,271	235,271
Other				
Interest earnings				
Intergovernmental				
<b>Total revenues</b>			235,271	235,271
<b>Cash balance carryforward</b>	300,000	2,396,971		
<b>Total</b>	\$ 300,000	\$ 2,396,971		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety				
Culture and recreation				
Public works				
Highways and streets				
Health and welfare				
Capital outlay	300,000	2,396,971	721,000	1,675,971
<b>Total expenditures</b>	300,000	2,396,971	721,000	1,675,971
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance - Budgetary basis</b>			(485,729)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			276,197	
Outstanding encumbrances recorded as budgetary expenditures			276,197	
<b>Change in fund balance - GAAP basis</b>			\$ (209,532)	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - CLERK RECORDING FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees	150,000	150,000	125,980	(24,020)
Other				
Interest earnings				
Intergovernmental				
<b>Total revenues</b>	150,000	150,000	125,980	(24,020)
<b>Cash balance carryforward</b>	63,600	86,966		
<b>Total</b>	\$ 213,600	\$ 236,966		
<b>Expenditures:</b>				
Current -				
General government	\$ 187,100	\$ 210,466	124,388	86,078
Public safety				
Culture and recreation				
Public works				
Highways and streets				
Health and welfare				
Capital outlay	26,500	26,500	12,177	14,323
<b>Total expenditures</b>	213,600	236,966	136,565	100,401
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance - Budgetary basis</b>			(10,585)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			19,823	
Outstanding encumbrances recorded as budgetary expenditures				
<b>Change in fund balance - GAAP basis</b>			\$ 9,238	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - CORRECTIONAL GRT FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax	4,500,000	4,500,000	4,500,930	930
Other taxes and assessments				
Charges for services and fees				
Other				
Interest earnings				
Intergovernmental				
<b>Total revenues</b>	<u>4,500,000</u>	<u>4,500,000</u>	<u>4,500,930</u>	<u>930</u>
<b>Cash balance carryforward</b>	<u>500,000</u>	<u>500,000</u>		
<b>Total</b>	<u><u>\$ 5,000,000</u></u>	<u><u>\$ 5,000,000</u></u>		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety				
Culture and recreation				
Public works				
Highways and streets				
Health and welfare				
Capital outlay				
<b>Total expenditures</b>				
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out	<u>(5,000,000)</u>	<u>(5,000,000)</u>	<u>(5,000,000)</u>	
<b>Total other financing sources (uses)</b>	<u>(5,000,000)</u>	<u>(5,000,000)</u>	<u>(5,000,000)</u>	
<b>Change in fund balance - Budgetary basis</b>			(499,070)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			(21,710)	
Outstanding encumbrances recorded as budgetary expenditures				
<b>Change in fund balance - GAAP basis</b>			<u><u>\$ (520,780)</u></u>	

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - INDIGENT HOSPITAL FUND  
YEAR ENDED JUNE 30, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Non-GAAP Actual</u>	<u>Variance - Positive (Negative)</u>
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax	6,750,000	6,605,384	4,512,498	(2,092,886)
Other taxes and assessments				
Charges for services and fees				
Other			6,944	6,944
Interest earnings				
Intergovernmental				
<b>Total revenues</b>	<u>6,750,000</u>	<u>6,605,384</u>	<u>4,519,442</u>	<u>(2,085,942)</u>
<b>Cash balance carryforward</b>	<u>326,950</u>	<u>1,025,694</u>		
<b>Total</b>	<u>\$ 7,076,950</u>	<u>\$ 7,631,078</u>		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety				
Culture and recreation				
Public works				
Highways and streets				
Health and welfare	7,076,950	4,831,634	2,578,597	2,253,037
Capital outlay				
<b>Total expenditures</b>	<u>7,076,950</u>	<u>4,831,634</u>	<u>2,578,597</u>	<u>2,253,037</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out		(2,799,444)	(2,799,444)	
<b>Total other financing sources (uses)</b>		<u>(2,799,444)</u>	<u>(2,799,444)</u>	
<b>Change in fund balance - Budgetary basis</b>			(858,599)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			(22,842)	
Outstanding encumbrances recorded as budgetary expenditures			<u>186,767</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ (694,674)</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - INDIGENT SERVICES FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees	1,871,550		24	24
Other				
Interest earnings				
Intergovernmental				
<b>Total revenues</b>	<u>1,871,550</u>	<u>        </u>	<u>24</u>	<u>24</u>
<b>Cash balance carryforward</b>	<u>259,550</u>	<u>652,606</u>		
<b>Total</b>	<u>\$ 2,131,100</u>	<u>\$ 652,606</u>		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety				
Culture and recreation				
Public works				
Highways and streets				
Health and welfare	2,131,100	2,230,764	1,809,668	421,096
Capital outlay				
<b>Total expenditures</b>	<u>2,131,100</u>	<u>2,230,764</u>	<u>1,809,668</u>	<u>421,096</u>
<b>Other financing sources (uses):</b>				
Transfer in		1,578,158	1,578,158	
Transfer out				
<b>Total other financing sources (uses)</b>		<u>1,578,158</u>	<u>1,578,158</u>	
<b>Change in fund balance - Budgetary basis</b>			(231,486)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			412,378	
Outstanding encumbrances recorded as budgetary expenditures			<u>        </u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ 180,892</u>	

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - ECONOMIC DEVELOPMENT FUND  
YEAR ENDED JUNE 30, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Non-GAAP Actual</u>	<u>Variance - Positive (Negative)</u>
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees			502	502
Other				
Interest earnings				
Intergovernmental		368,000	353,999	(14,001)
<b>Total revenues</b>		<u>368,000</u>	<u>354,501</u>	<u>(13,499)</u>
<b>Cash balance carryforward</b>		<u>3,320</u>		
<b>Total</b>	<u>\$</u>	<u>\$ 371,320</u>		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety				
Culture and recreation		42,525	42,494	31
Public works		264,000	42,598	221,402
Highways and streets				
Health and welfare				
Capital outlay		249,591	295,198	(45,607)
<b>Total expenditures</b>		<u>556,116</u>	<u>380,290</u>	<u>175,826</u>
<b>Other financing sources (uses):</b>				
Transfer in		184,796	184,796	
Transfer out				
<b>Total other financing sources (uses)</b>		<u>184,796</u>	<u>184,796</u>	
<b>Change in fund balance - Budgetary basis</b>			159,007	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures			149,543	
<b>Change in fund balance - GAAP basis</b>			<u>\$ 308,550</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - FEDERAL FORFEITURE FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments		9,765	25,001	15,236
Charges for services and fees				
Other				
Interest earnings				
Intergovernmental				
<b>Total revenues</b>		<u>9,765</u>	<u>25,001</u>	<u>15,236</u>
<b>Cash balance carryforward</b>	<u>43,032</u>	<u>45,031</u>		
<b>Total</b>	<u>\$ 43,032</u>	<u>\$ 54,796</u>		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety	3,500	15,264	2,874	12,390
Culture and recreation				
Public works				
Highways and streets				
Health and welfare				
Capital outlay	39,532	39,532	895	38,637
<b>Total expenditures</b>	<u>43,032</u>	<u>54,796</u>	<u>3,769</u>	<u>51,027</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance - Budgetary basis</b>			21,232	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures				
<b>Change in fund balance - GAAP basis</b>			<u>\$ 21,232</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - LINKAGES FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees				
Other				
Interest earnings				
Intergovernmental	77,000	258,100	218,058	(40,042)
<b>Total revenues</b>	77,000	258,100	218,058	(40,042)
<b>Cash balance carryforward</b>				
<b>Total</b>	\$ 77,000	\$ 258,100		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety				
Culture and recreation				
Public works				
Highways and streets				
Health and welfare	77,000	258,100	99,904	158,196
Capital outlay				
<b>Total expenditures</b>	77,000	258,100	99,904	158,196
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance - Budgetary basis</b>			118,154	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures				
<b>Change in fund balance - GAAP basis</b>			\$ 118,154	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - SECTION 8 VOUCHERS PROGRAM FUND  
YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Non-GAAP Actual</u>	<u>Variance - Positive (Negative)</u>
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees			109,121	109,121
Other			10,292	10,292
Interest earnings			4,129	4,129
Intergovernmental	2,009,307	2,168,672	2,110,656	(58,016)
<b>Total revenues</b>	<u>2,009,307</u>	<u>2,168,672</u>	<u>2,234,198</u>	<u>65,526</u>
<b>Cash balance carryforward</b>		<u>25,675</u>		
<b>Total</b>	<u>\$ 2,009,307</u>	<u>\$ 2,194,347</u>		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety				
Culture and recreation				
Public works				
Highways and streets				
Health and welfare	2,009,307	2,194,347	2,034,724	159,623
Capital outlay				
<b>Total expenditures</b>	<u>2,009,307</u>	<u>2,194,347</u>	<u>2,034,724</u>	<u>159,623</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance - Budgetary basis</b>			199,474	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			(33,679)	
Outstanding encumbrances recorded as budgetary expenditures			4,192	
<b>Change in fund balance - GAAP basis</b>			<u>\$ 169,987</u>	

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - EMS HEALTH CARE FUND  
YEAR ENDED JUNE 30, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Non-GAAP Actual</u>	<u>Variance - Positive (Negative)</u>
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees	1,559,000	24,000	53,257	29,257
Other				
Interest earnings				
Intergovernmental	137,523	137,523	136,341	(1,182)
<b>Total revenues</b>	<u>1,696,523</u>	<u>161,523</u>	<u>189,598</u>	<u>28,075</u>
<b>Cash balance carryforward</b>	<u>1,454,447</u>	<u>2,869,159</u>		
<b>Total</b>	<u>\$ 3,150,970</u>	<u>\$ 3,030,682</u>		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety				
Culture and recreation				
Public works				
Highways and streets				
Health and welfare	1,941,095	2,565,799	2,487,537	78,262
Capital outlay		212,983	212,818	165
<b>Total expenditures</b>	<u>1,941,095</u>	<u>2,778,782</u>	<u>2,700,355</u>	<u>78,427</u>
<b>Other financing sources (uses):</b>				
Transfer in		1,404,400	1,404,400	
Transfer out	(1,209,875)	(1,656,300)	(1,601,363)	(54,937)
<b>Total other financing sources (uses)</b>	<u>(1,209,875)</u>	<u>(251,900)</u>	<u>(196,963)</u>	<u>(54,937)</u>
<b>Change in fund balance - Budgetary basis</b>			(2,707,720)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			(28,870)	
Outstanding encumbrances recorded as budgetary expenditures			<u>728,723</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ (2,007,867)</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - WILDLIFE MOUNTAIN TRAILS FUND  
YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Non-GAAP Actual</u>	<u>Variance - Positive (Negative)</u>
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees				
Other				
Interest earnings				
Intergovernmental				
<b>Total revenues</b>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Cash balance carryforward</b>	<u>173,442</u>	<u>273,442</u>		
<b>Total</b>	<u>\$ 173,442</u>	<u>\$ 273,442</u>		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety				
Culture and recreation	173,442	173,442	164,218	9,224
Public works				
Highways and streets				
Health and welfare				
Capital outlay		100,000		100,000
<b>Total expenditures</b>	<u>173,442</u>	<u>273,442</u>	<u>164,218</u>	<u>109,224</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out				
<b>Total other financing sources (uses)</b>	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Change in fund balance - Budgetary basis</b>			(164,218)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures			<u>                    </u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ (164,218)</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - EMS HEALTH HOSPITAL FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax	4,500,000	4,440,181	4,512,497	72,316
Other taxes and assessments				
Charges for services and fees				
Other				
Interest earnings				
Intergovernmental				
<b>Total revenues</b>	<u>4,500,000</u>	<u>4,440,181</u>	<u>4,512,497</u>	<u>72,316</u>
<b>Cash balance carryforward</b>	<u>326,950</u>	<u>326,950</u>		
<b>Total</b>	<u>\$ 4,826,950</u>	<u>\$ 4,767,131</u>		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety				
Culture and recreation				
Public works				
Highways and streets				
Health and welfare	4,826,950	2,581,634	2,581,634	
Capital outlay				
<b>Total expenditures</b>	<u>4,826,950</u>	<u>2,581,634</u>	<u>2,581,634</u>	
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out		(2,185,497)	(2,185,497)	
<b>Total other financing sources (uses)</b>		<u>(2,185,497)</u>	<u>(2,185,497)</u>	
<b>Change in fund balance - Budgetary basis</b>			(254,634)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			(22,842)	
Outstanding encumbrances recorded as budgetary expenditures			<u>186,767</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ (90,709)</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - VASH VOUCHER FUND  
YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Non-GAAP Actual</u>	<u>Variance - Positive (Negative)</u>
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees				
Other				
Interest earnings				
Intergovernmental		132,450	151,371	18,921
<b>Total revenues</b>		<u>132,450</u>	<u>151,371</u>	<u>18,921</u>
<b>Cash balance carryforward</b>				
<b>Total</b>	<u>\$</u>	<u>\$ 132,450</u>		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety				
Culture and recreation				
Public works				
Highways and streets				
Health and welfare		132,450	7,432	125,018
Capital outlay				
<b>Total expenditures</b>		<u>132,450</u>	<u>7,432</u>	<u>125,018</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance - Budgetary basis</b>			143,939	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures				
<b>Change in fund balance - GAAP basis</b>			<u>\$ 143,939</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - ALCOHOL PROGRAMS FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees	83,000	83,000	73,382	(9,618)
Other			655	655
Interest earnings				
Intergovernmental	1,262,093	1,262,093	1,246,193	(15,900)
<b>Total revenues</b>	<u>1,345,093</u>	<u>1,345,093</u>	<u>1,320,230</u>	<u>(24,863)</u>
<b>Cash balance carryforward</b>		<u>55,466</u>		
<b>Total</b>	<u>\$ 1,345,093</u>	<u>\$ 1,400,559</u>		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety				
Culture and recreation				
Public works				
Highways and streets				
Health and welfare	1,229,693	1,283,417	1,162,531	120,886
Capital outlay	4,500	6,242	4,783	1,459
<b>Total expenditures</b>	<u>1,234,193</u>	<u>1,289,659</u>	<u>1,167,314</u>	<u>122,345</u>
<b>Other financing sources (uses):</b>				
Transfer in	73,100	73,100	73,100	
Transfer out	(184,000)	(184,000)	(184,000)	
<b>Total other financing sources (uses)</b>	<u>(110,900)</u>	<u>(110,900)</u>	<u>(110,900)</u>	
<b>Change in fund balance - Budgetary basis</b>			42,016	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			(419,539)	
Outstanding encumbrances recorded as budgetary expenditures			<u>29,217</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ (348,306)</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - DETOX PROGRAMS FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees	1,082,540	782,540	241,194	(541,346)
Other			58	58
Interest earnings				
Intergovernmental	340,000	340,000	457,265	117,265
<b>Total revenues</b>	1,422,540	1,122,540	698,517	(424,023)
<b>Cash balance carryforward</b>		20,548		
<b>Total</b>	\$ 1,422,540	\$ 1,143,088		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety				
Culture and recreation				
Public works				
Highways and streets				
Health and welfare	1,422,540	1,434,638	1,117,230	317,408
Capital outlay				
<b>Total expenditures</b>	1,422,540	1,434,638	1,117,230	317,408
<b>Other financing sources (uses):</b>				
Transfer in		291,550	291,550	
Transfer out				
<b>Total other financing sources (uses)</b>		291,550	291,550	
<b>Change in fund balance - Budgetary basis</b>			(127,163)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			(552,353)	
Outstanding encumbrances recorded as budgetary expenditures			6,929	
<b>Change in fund balance - GAAP basis</b>			\$ (672,587)	

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - EMERGENCY COMMUNICATION OPERATIONS FUND  
YEAR ENDED JUNE 30, 2010**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Non-GAAP Actual</u>	<u>Variance - Positive (Negative)</u>
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees	2,450,650		2,097	2,097
Other				
Interest earnings				
Intergovernmental			76,015	76,015
<b>Total revenues</b>	<u>2,450,650</u>	<u></u>	<u>78,112</u>	<u>78,112</u>
<b>Cash balance carryforward</b>		<u>16,360</u>		
<b>Total</b>	<u>\$ 2,450,650</u>	<u>\$ 16,360</u>		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety				
Culture and recreation				
Public works				
Highways and streets				
Health and welfare	3,570,025	3,311,090	2,838,733	472,357
Capital outlay	90,500	51,150	9,705	41,445
<b>Total expenditures</b>	<u>3,660,525</u>	<u>3,362,240</u>	<u>2,848,438</u>	<u>513,802</u>
<b>Other financing sources (uses):</b>				
Transfer in	1,209,875	3,345,880	3,290,942	(54,938)
Transfer out				
<b>Total other financing sources (uses)</b>	<u>1,209,875</u>	<u>3,345,880</u>	<u>3,290,942</u>	<u>54,938</u>
<b>Change in fund balance - Budgetary basis</b>			520,616	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			46,814	
Outstanding encumbrances recorded as budgetary expenditures			<u>46,814</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ 567,430</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - HOUSING CAPITAL IMPROVEMENT FUND  
YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Non-GAAP Actual</u>	<u>Variance - Positive (Negative)</u>
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Other taxes and assessments				
Charges for services and fees				
Other				
Interest earnings				
Intergovernmental	738,126	1,033,634	464,325	(569,309)
<b>Total revenues</b>	<u>738,126</u>	<u>1,033,634</u>	<u>464,325</u>	<u>(569,309)</u>
<b>Cash balance carryforward</b>				
<b>Total</b>	<u>\$ 738,126</u>	<u>\$ 1,033,634</u>		
<b>Expenditures:</b>				
Current -				
General government	\$	\$		
Public safety				
Culture and recreation				
Public works				
Highways and streets				
Health and welfare	608,126	490,063	699,582	(209,519)
Capital outlay	130,000	543,571	81,866	461,705
<b>Total expenditures</b>	<u>738,126</u>	<u>1,033,634</u>	<u>781,448</u>	<u>252,186</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance - Budgetary basis</b>			(317,123)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			(48,701)	
Outstanding encumbrances recorded as budgetary expenditures			<u>348,964</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ (16,860)</u>	

## NON-MAJOR DEBT SERVICE FUNDS

The following non-major debt service funds are maintained by the County.

**Environmental Revenue Bond** – To establish and account for the pledged gross receipts tax and payments of principal and interest related to the County's Environmental Revenue Bonds.

**New Mexico Finance Authority (NMFA) Debt Service** – To establish a budget and account for the pledged revenues and payments of principal, interest and other costs related to the borrowings through the NMFA.

**Jail Revenue Bond** – To account for pledged property taxes and the payment of principal and interest related to the County's Jail Facility Bonds.

**GRT Revenue Bond** – To account for funds and the interest earned on those funds that have been set aside from the County's Sheriff Facility Bond and the GRT Bond Series 2008 proceeds as a reserve fund. These funds will be used to repay principal and interest relating to the bonds if inadequate pledged gross receipts taxes are collected.

**Rancho Viejo Improvement District** – To establish and account for pledged revenues and payments of principal, interest and, other debt service costs for the Rancho Viejo Bonds.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
COMBINING BALANCE SHEET - NON-MAJOR DEBT SERVICE FUNDS  
JUNE 30, 2010**

	Environmental GRT Bond	NMFA Debt Service	Jail Revenue Bond	GRT Revenue Bond
<b><u>ASSETS</u></b>				
Cash and investments	\$ 544,687	\$ 127,213	\$ 2,835	\$ 42,642
Cash and investments - restricted			2,249,600	425,905
Taxes receivable	139,857			
<b>Total assets</b>	<b>\$ 684,544</b>	<b>\$ 127,213</b>	<b>\$ 2,252,435</b>	<b>\$ 468,547</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
Liabilities:				
Deferred revenue	\$	\$	\$	\$
<b>Total liabilities</b>				
Fund balances:				
Unreserved:				
Undesignated	684,544	127,213	2,252,435	468,547
<b>Total fund balances</b>	<b>684,544</b>	<b>127,213</b>	<b>2,252,435</b>	<b>468,547</b>
<b>Total liabilities and fund balances</b>	<b>\$ 684,544</b>	<b>\$ 127,213</b>	<b>\$ 2,252,435</b>	<b>\$ 468,547</b>

Rancho Viejo Improvement District	Totals
\$ 1,135,517	\$ 1,852,894
166,913	2,842,418
8,911	148,768
<u>\$ 1,311,341</u>	<u>\$ 4,844,080</u>

<u>\$ 6,653</u>	<u>\$ 6,653</u>
6,653	6,653

<u>1,304,688</u>	<u>4,837,427</u>
1,304,688	4,837,427

<u>\$ 1,311,341</u>	<u>\$ 4,844,080</u>
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STATE OF NEW MEXICO  
SANTA FE COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
NON-MAJOR DEBT SERVICE FUNDS  
YEAR ENDED JUNE 30, 2010

	Environmental GRT Bond	NMFA Debt Service	Jail Revenue Bond
<b>Revenues:</b>			
Property tax	\$	\$	\$
Gross receipts tax	812,415		
Interest earnings			
<b>Total revenues</b>	<u>812,415</u>		
<b>Expenditures:</b>			
Debt service -			
Principal retirement			850,000
Interest and fiscal charges			1,397,745
<b>Total expenditures</b>			<u>2,247,745</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>812,415</u>		<u>(2,247,745)</u>
<b>Other financing sources (uses):</b>			
Transfer in			2,247,745
Transfer out	(920,000)		
<b>Total other financing sources (uses)</b>	<u>(920,000)</u>		<u>2,247,745</u>
<b>Change in fund balances</b>	<u>(107,585)</u>		
<b>Fund balances, beginning of year, as restated</b>	792,129	127,213	2,252,435
<b>Fund balances, end of year</b>	<u>\$ 684,544</u>	<u>\$ 127,213</u>	<u>\$ 2,252,435</u>

<u>GRT Revenue Bond</u>	<u>Rancho Viejo Improvement District</u>	<u>Totals</u>
\$	\$ 337,165	\$ 337,165
		812,415
29,207		29,207
<u>29,207</u>	<u>337,165</u>	<u>1,178,787</u>
1,700,000	40,000	2,590,000
2,146,284	125,659	3,669,688
<u>3,846,284</u>	<u>165,659</u>	<u>6,259,688</u>
<u>(3,817,077)</u>	<u>171,506</u>	<u>(5,080,901)</u>
3,424,013		5,671,758
		(920,000)
<u>3,424,013</u>		<u>4,751,758</u>
<u>(393,064)</u>	<u>171,506</u>	<u>(329,143)</u>
861,611	1,133,182	5,166,570
<u>\$ 468,547</u>	<u>\$ 1,304,688</u>	<u>\$ 4,837,427</u>

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - ENVIRONMENTAL GRT BOND FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax	828,000	828,000	822,479	(5,521)
Interest earnings				
<b>Total revenues</b>	828,000	828,000	822,479	(5,521)
<b>Cash balance carryforward</b>	92,000	92,000		
<b>Total</b>	\$ 920,000	\$ 920,000		
<b>Expenditures:</b>				
Debt service -				
Principal retirement	\$	\$		
Interest and fiscal charges				
Bond issuance costs				
<b>Total expenditures</b>				
<b>Other financing sources (uses):</b>				
Transfer in				
Issuance of general obligation bonds				
Premium on sale of bonds				
Payment to bond escrow agent				
Transfer out	(920,000)	(920,000)	(920,000)	
<b>Total other financing sources (uses)</b>	(920,000)	(920,000)	(920,000)	
<b>Change in fund balance - Budgetary basis</b>			(97,521)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			(10,064)	
Outstanding encumbrances recorded as budgetary expenditures				
<b>Change in fund balance - GAAP basis</b>			\$ (107,585)	

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - JAIL REVENUE FUND  
YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Interest earnings				
<b>Total revenues</b>				
<b>Cash balance carryforward</b>				
<b>Total</b>	<b>\$</b>	<b>\$</b>		
<b>Expenditures:</b>				
Debt service -				
Principal retirement	\$ 850,000	\$ 850,000	850,000	
Interest and fiscal charges	1,400,580	1,400,580	1,397,745	2,835
Bond issuance costs				
<b>Total expenditures</b>	<b>2,250,580</b>	<b>2,250,580</b>	<b>2,247,745</b>	<b>2,835</b>
<b>Other financing sources (uses):</b>				
Transfer in	2,250,580	2,250,580	2,247,745	(2,835)
Issuance of general obligation bonds				
Premium on sale of bonds				
Payment to bond escrow agent				
Transfer out				
<b>Total other financing sources (uses)</b>	<b>2,250,580</b>	<b>2,250,580</b>	<b>2,247,745</b>	<b>(2,835)</b>
<b>Change in fund balance - Budgetary basis</b>				
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures				
<b>Change in fund balance - GAAP basis</b>			<b>\$</b>	

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - GRT REVENUE BOND FUND  
YEAR ENDED JUNE 30, 2010**

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Property tax	\$	\$	\$	\$
Gross receipts tax				
Interest earnings	15,000	15,000	29,207	14,207
<b>Total revenues</b>	15,000	15,000	29,207	14,207
<b>Cash balance carryforward</b>	391,406	407,270		
<b>Total</b>	\$ 406,406	\$ 422,270		
<b>Expenditures:</b>				
Debt service -				
Principal retirement	\$ 1,435,000	\$ 1,700,000	1,700,000	
Interest and fiscal charges	1,628,676	2,146,284	2,146,284	
Bond issuance costs				
<b>Total expenditures</b>	3,063,676	3,846,284	3,846,284	
<b>Other financing sources (uses):</b>				
Transfer in	2,657,270	3,424,014	3,424,013	(1)
Issuance of general obligation bonds				
Premium on sale of bonds				
Payment to bond escrow agent				
Transfer out				
<b>Total other financing sources (uses)</b>	2,657,270	3,424,014	3,424,013	(1)
<b>Change in fund balance - Budgetary basis</b>			(393,064)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures				
<b>Change in fund balance - GAAP basis</b>			\$ (393,064)	

## NON-MAJOR CAPITAL PROJECTS FUNDS

The following non-major capital projects funds are maintained by the County.

**Community Development Block Grant (CDBG)** – To establish and account for CDBG Grants funded by the U.S. Department of Housing and Urban Development (HUD), passed through and administered by the State of New Mexico Department of Finance and Administration and other projects funded by outside donations.

**Road Projects** – To account for the revenue and expense for road projects conducted by the County. Only those road projects with present agreements for funding are included in the fiscal year budget. Established by the County to account for funding from the New Mexico Department of Transportation and other sources for road improvements. The fund was created by the Board of County Commissioners.

**Special Appropriations and Other Projects** – To account for revenue and expense for state-granted facility construction projects. The fund contains only those projects which have signed grant agreements. As other project agreements are made during the fiscal year they will be added to the budget.

**General Obligation (GO) Bond Series 2005 – Roads** – To account for the issuance of a Public Works bond in the amount of \$20.0 million to be used for various public works projects including certain road projects within the scope of the bond. This capital project fund contains the proceeds of this bond, and the debt on this bond is paid with property taxes through the General Obligation Bond Debt Service Fund.

**General Obligation (GO) Bond Series 2007B** – To establish and account for the issuance of a bond in the amount of \$20.0 million to be used for water and road infrastructure. This capital project fund contains the proceeds of this bond. The debt on this bond is paid with property taxes through the General Obligation Bond Debt Service Fund.

**General Obligation (GO) Bond Series 2008** – To account for a \$17 million bond issue for the purpose of improving open spaces; trails and parks; county roads; fire safety facilities; water projects and waste transfer. The debt on this bond is paid with property taxes through the General Obligation Bond Debt Service Fund.

**Capital GRT Bond Series 2009** – To account for the issuance of a bond in the amount of \$12,090,000 for the purpose of purchasing water rights for use in connection with County water projects and paying all costs pertaining to the issuance of the bonds.

**Capital GRT Bond Series 2010B** – To account for the issuance of a bond in the amount of \$10,195,000 for the purpose defraying a portion of the cost of constructing the Buckman Direct Diversion Project and paying all costs pertaining to the issuance of the bonds.

**Equipment Loan Proceeds** – To account for low-interest loans from the NMFA to purchase capital equipment. Payments on equipment loans are made through the Equipment Loan Debt Service Fund (403).

**General Obligation (GO) Bond Series 2001** – To account for an \$8.5 million bond issue of which \$4.5 million is for the purpose of buying land, construction, remodeling, and making additions to County buildings used for public safety purposes and for fire equipment and facilities. \$4.0 million of the bond is for buying land and constructing buildings for public works (road maintenance, solid waste). The debt on this bond is paid through property taxes through the General Obligation Bond Debt Service Fund.

**Facility Bond 1997** – To establish and account for revenue from the \$6.0 million Gross Receipts Tax subordinate 1997-A bond, designated for the construction of the new Sheriff and Fire Facility. This facility is essentially complete and the current fiscal year budget expends the remainder of bond proceeds from construction and building fixtures. Debt is retired on this bond in the GR T Building Revenue Debt Service Fund

**Bond Proceeds Fire Tax** – To establish and account for revenue from the \$2.2 million Fire Protection Bond, designated for construction of fire facilities and the purchase of firefighting equipment. Debt retirement of this bond is through payments from the 14 cent Fire Excise Tax on Gross Receipts in the Fire Tax Debt Service Fund.

**Open Space Bond Proceeds** – To account for the proceeds from the 1999 Open Space Bonds and 2001 Open Space Bonds. Retirement of the debt is financed through property taxes.

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STATE OF NEW MEXICO  
SANTA FE COUNTY  
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2010

	CDBG	Road Projects	Special Appropriations and Other Projects	GO Bond Series 2005 - Roads
<b><u>ASSETS</u></b>				
Cash and investments	\$ 295	\$ 728,035	\$	\$ 1,078,431
Receivables	9,016	433,403	1,196,685	
<b>Total assets</b>	<b>\$ 9,311</b>	<b>\$ 1,161,438</b>	<b>\$ 1,196,685</b>	<b>\$ 1,078,431</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
Liabilities:				
Accounts payable	\$	\$	\$ 58,335	\$
Due to other funds			926,174	
Deferred revenue	4,471	391,279	765,257	
Other liabilities		46,381		
<b>Total liabilities</b>	<b>4,471</b>	<b>437,660</b>	<b>1,749,766</b>	
Fund balances (deficits):				
Reserved for encumbrances		2,579	664,635	22,354
Unreserved:				
Undesignated	4,840	721,199	(1,217,716)	1,056,077
<b>Total fund balances</b>	<b>4,840</b>	<b>723,778</b>	<b>(553,081)</b>	<b>1,078,431</b>
<b>Total liabilities and fund balances</b>	<b>\$ 9,311</b>	<b>\$ 1,161,438</b>	<b>\$ 1,196,685</b>	<b>\$ 1,078,431</b>

GO Bond Series 2007B	GO Bond Series 2008	GO Bond Series 2009	Capital GRT Bond Series 2009	Capital GRT Bond Series 2010B	Equipment Loan Proceeds
\$ 317,359	\$ 1,634	\$ 11,493,633	\$ 1,652,239	\$ 10,414,085	\$ 62,435
<u>\$ 317,359</u>	<u>\$ 1,634</u>	<u>\$ 11,493,633</u>	<u>\$ 1,652,239</u>	<u>\$ 10,414,085</u>	<u>\$ 62,435</u>
\$	\$	\$ 12,810	\$	\$	\$
		12,810			
5,242		5,411,467	22,911		
312,117	1,634	6,069,356	1,629,328	10,414,085	62,435
<u>317,359</u>	<u>1,634</u>	<u>11,480,823</u>	<u>1,652,239</u>	<u>10,414,085</u>	<u>62,435</u>
<u>\$ 317,359</u>	<u>\$ 1,634</u>	<u>\$ 11,493,633</u>	<u>\$ 1,652,239</u>	<u>\$ 10,414,085</u>	<u>\$ 62,435</u>

(Continued)

STATE OF NEW MEXICO  
SANTA FE COUNTY  
COMBINING BALANCE SHEET - NON-MAJOR CAPITAL PROJECTS FUNDS  
JUNE 30, 2010  
(Concluded)

	GO Bond Series 2001	Facility Bond 1997	Bond Proceeds Fire Tax	Open Spaces Bond Proceeds
<b><u>ASSETS</u></b>				
Cash and investments	\$ 146,357	\$ 556,441	\$ 86,822	\$ 1,998,660
Receivables				
<b>Total assets</b>	<b>\$ 146,357</b>	<b>\$ 556,441</b>	<b>\$ 86,822</b>	<b>\$ 1,998,660</b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
Liabilities:				
Accounts payable	\$	\$	\$	\$
Due to other funds				
Deferred revenue				
Other liabilities				
<b>Total liabilities</b>				
Fund balances (deficits):				
Reserved for encumbrances	28,312			
Unreserved:				
Undesignated	118,045	556,441	86,822	1,998,660
<b>Total fund balances</b>	<b>146,357</b>	<b>556,441</b>	<b>86,822</b>	<b>1,998,660</b>
<b>Total liabilities and fund balances</b>	<b>\$ 146,357</b>	<b>\$ 556,441</b>	<b>\$ 86,822</b>	<b>\$ 1,998,660</b>

Totals

\$ 28,536,426  
1,639,104  
\$ 30,175,530

\$ 71,145  
926,174  
1,161,007  
46,381  
2,204,707

6,157,500

21,813,323  
27,970,823

\$ 30,175,530

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

	<u>CDBG</u>	<u>Road Projects</u>	<u>Special Appropriations and Other Projects</u>
<b>Revenues:</b>			
Other taxes and assessments	\$	\$ 936	\$
Other			20,535
Interest earnings		3,902	
Intergovernmental	2,405	2,816,074	1,191,458
<b>Total revenues</b>	<u>2,405</u>	<u>2,820,912</u>	<u>1,211,993</u>
<b>Expenditures:</b>			
Capital outlay	2,405	1,044,860	2,192,179
Debt service - Bond issuance costs			
<b>Total expenditures</b>	<u>2,405</u>	<u>1,044,860</u>	<u>2,192,179</u>
<b>Excess (deficiency) of revenues over expenditures</b>		<u>1,776,052</u>	<u>(980,186)</u>
<b>Other financing sources (uses):</b>			
Issuance of revenue bonds			
Premium on sale of bonds			
Transfer out		(400,000)	
<b>Total other financing sources (uses)</b>		<u>(400,000)</u>	
<b>Change in fund balances</b>		<u>1,376,052</u>	<u>(980,186)</u>
<b>Fund balances (deficits), beginning of year</b>	4,840	(652,274)	427,105
<b>Fund balances (deficits), end of year</b>	<u>\$ 4,840</u>	<u>\$ 723,778</u>	<u>\$ (553,081)</u>

GO Bond Series 2005 - Roads	GO Bond Series 2007B	GO Bond Series 2008	GO Bond Series 2009	Capital GRT Bond Series 2009	Capital GRT Bond Series 2010B
\$	\$	\$	\$	\$	\$
336					
7,636	3,141	46,215	175,449	33,137	9,780
<u>7,972</u>	<u>3,141</u>	<u>46,215</u>	<u>175,449</u>	<u>33,137</u>	<u>9,780</u>
589,901	261,178	10,750,323	5,134,859	4,164,824	
				168,433	92,453
<u>589,901</u>	<u>261,178</u>	<u>10,750,323</u>	<u>5,134,859</u>	<u>4,333,257</u>	<u>92,453</u>
(581,929)	(258,037)	(10,704,108)	(4,959,410)	(4,300,120)	(82,673)
				12,090,000	10,195,000
				655,126	301,758
				(6,792,767)	
				<u>5,952,359</u>	<u>10,496,758</u>
(581,929)	(258,037)	(10,704,108)	(4,959,410)	1,652,239	10,414,085
1,660,360	575,396	10,705,742	16,440,233		
<u>\$ 1,078,431</u>	<u>\$ 317,359</u>	<u>\$ 1,634</u>	<u>\$ 11,480,823</u>	<u>\$ 1,652,239</u>	<u>\$ 10,414,085</u>

(Continued)

STATE OF NEW MEXICO  
SANTA FE COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
NON-MAJOR CAPITAL PROJECTS FUNDS  
YEAR ENDED JUNE 30, 2010  
(Concluded)

	Equipment Loan Proceeds	GO Bond Series 2001	Facility Bond 1997
<b>Revenues:</b>			
Other taxes and assessments	\$	\$	\$
Other			
Interest earnings		5,730	5,168
Intergovernmental			
<b>Total revenues</b>	_____	5,730	5,168
<b>Expenditures:</b>			
Capital outlay		511,572	
Debt service -			
Bond issuance costs			
<b>Total expenditures</b>	_____	511,572	_____
<b>Excess (deficiency) of revenues over expenditures</b>	_____	(505,842)	5,168
<b>Other financing sources (uses):</b>			
Issuance of revenue bonds			
Premium on sale of bonds			
Transfer out		(5,558)	
<b>Total other financing sources (uses)</b>	_____	(5,558)	_____
<b>Change in fund balances</b>	_____	(511,400)	5,168
<b>Fund balances (deficits), beginning of year</b>	62,435	657,757	551,273
<b>Fund balances (deficits), end of year</b>	\$ 62,435	\$ 146,357	\$ 556,441

Bond Proceeds Fire Tax	Open Spaces Bond Proceeds	Totals
\$	\$	\$ 936
		20,871
626	23,747	314,531
		4,009,937
<u>626</u>	<u>23,747</u>	<u>4,346,275</u>
		24,652,101
		260,886
		<u>24,912,987</u>
<u>626</u>	<u>23,747</u>	<u>(20,566,712)</u>
		22,285,000
		956,884
		<u>(7,198,325)</u>
		<u>16,043,559</u>
<u>626</u>	<u>23,747</u>	<u>(4,523,153)</u>
86,196	1,974,913	32,493,976
<u>\$ 86,822</u>	<u>\$ 1,998,660</u>	<u>\$ 27,970,823</u>

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - CDBG FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Gross receipts tax	\$	\$	\$	\$
Other taxes and assessments				
Other				
Interest earnings				
Intergovernmental	35,643	500,000	4,821	(495,179)
<b>Total revenues</b>	35,643	500,000	4,821	(495,179)
<b>Cash balance carryforward</b>		2,477		
<b>Total</b>	\$ 35,643	\$ 502,477		
<b>Expenditures:</b>				
Capital outlay	\$ 35,643	\$ 502,477	2,405	500,072
Debt service -				
Bond issuance costs				
<b>Total expenditures</b>	35,643	502,477	2,405	500,072
<b>Other financing sources (uses):</b>				
Transfer in				
Issuance of revenue bonds				
Premium on sale of bonds				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance- Budgetary basis</b>			2,416	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			(2,416)	
Outstanding encumbrances recorded as budgetary expenditures				
<b>Change in fund balance - GAAP basis</b>			\$	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - ROAD PROJECTS FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Gross receipts tax	\$	\$	\$	\$
Other taxes and assessments			936	936
Other				
Interest earnings			3,902	3,902
Intergovernmental	1,228,710	1,167,612	3,020,329	1,852,717
<b>Total revenues</b>	<u>1,228,710</u>	<u>1,167,612</u>	<u>3,025,167</u>	<u>1,857,555</u>
<b>Cash balance carryforward</b>		<u>808,875</u>		
<b>Total</b>	<u>\$ 1,228,710</u>	<u>\$ 1,976,487</u>		
<b>Expenditures:</b>				
Capital outlay	\$ 1,228,710	\$ 1,576,488	1,047,439	529,049
Debt service -				
Bond issuance costs				
<b>Total expenditures</b>	<u>1,228,710</u>	<u>1,576,488</u>	<u>1,047,439</u>	<u>529,049</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Issuance of revenue bonds				
Premium on sale of bonds				
Transfer out		(400,000)	(400,000)	
<b>Total other financing sources (uses)</b>		<u>(400,000)</u>	<u>(400,000)</u>	
<b>Change in fund balance- Budgetary basis</b>			1,577,728	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			(204,255)	
Outstanding encumbrances recorded as budgetary expenditures			<u>2,579</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ 1,376,052</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - SPECIAL APPROPRIATIONS AND OTHER PROJECTS FUND  
YEAR ENDED JUNE 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Non-GAAP Actual</u>	<u>Variance - Positive (Negative)</u>
<b>Revenues:</b>				
Gross receipts tax	\$	\$	\$	\$
Other taxes and assessments				
Other			20,535	20,535
Interest earnings				
Intergovernmental	9,893,402	7,200,980	1,876,018	(5,324,962)
<b>Total revenues</b>	<u>9,893,402</u>	<u>7,200,980</u>	<u>1,896,553</u>	<u>(5,304,427)</u>
<b>Cash balance carryforward</b>		415,489		
<b>Total</b>	<u>\$ 9,893,402</u>	<u>\$ 7,616,469</u>		
<b>Expenditures:</b>				
Capital outlay	\$ 9,893,402	\$ 7,616,469	2,915,149	4,701,320
Debt service -				
Bond issuance costs				
<b>Total expenditures</b>	<u>9,893,402</u>	<u>7,616,469</u>	<u>2,915,149</u>	<u>4,701,320</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Issuance of revenue bonds				
Premium on sale of bonds				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance- Budgetary basis</b>			(1,018,596)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			(684,560)	
Outstanding encumbrances recorded as budgetary expenditures			<u>722,970</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ (980,186)</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - GO BOND SERIES 2005 - ROADS FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Gross receipts tax	\$	\$	\$	\$
Other taxes and assessments				
Other			336	336
Interest earnings			7,636	7,636
Intergovernmental				
<b>Total revenues</b>			<u>7,972</u>	<u>7,972</u>
<b>Cash balance carryforward</b>	<u>487,331</u>	<u>1,153,629</u>		
<b>Total</b>	<u>\$ 487,331</u>	<u>\$ 1,153,629</u>		
<b>Expenditures:</b>				
Capital outlay	\$ 487,331	\$ 1,153,629	612,255	541,374
Debt service -				
Bond issuance costs				
<b>Total expenditures</b>	<u>487,331</u>	<u>1,153,629</u>	<u>612,255</u>	<u>541,374</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Issuance of revenue bonds				
Premium on sale of bonds				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance- Budgetary basis</b>			(604,283)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures			<u>22,354</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ (581,929)</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - GO BOND SERIES 2007B FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Gross receipts tax	\$	\$	\$	\$
Other taxes and assessments				
Other				
Interest earnings			3,141	3,141
Intergovernmental				
<b>Total revenues</b>			<u>3,141</u>	<u>3,141</u>
<b>Cash balance carryforward</b>	<u>34,669</u>	<u>299,685</u>		
<b>Total</b>	<u>\$ 34,669</u>	<u>\$ 299,685</u>		
<b>Expenditures:</b>				
Capital outlay	\$ 34,669	\$ 299,685	266,420	33,265
Debt service -				
Bond issuance costs				
<b>Total expenditures</b>	<u>34,669</u>	<u>299,685</u>	<u>266,420</u>	<u>33,265</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Issuance of revenue bonds				
Premium on sale of bonds				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance- Budgetary basis</b>			(263,279)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			5,242	
Outstanding encumbrances recorded as budgetary expenditures			<u>5,242</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ (258,037)</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - GO BOND SERIES 2008 FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Gross receipts tax	\$	\$	\$	\$
Other taxes and assessments				
Other				
Interest earnings		43,831	46,215	2,384
Intergovernmental				
<b>Total revenues</b>		<u>43,831</u>	<u>46,215</u>	<u>2,384</u>
<b>Cash balance carryforward</b>	<u>1,149,127</u>	<u>10,706,492</u>		
<b>Total</b>	<u>\$ 1,149,127</u>	<u>\$ 10,750,323</u>		
<b>Expenditures:</b>				
Capital outlay	\$ 1,149,127	\$ 10,750,323	10,750,323	
Debt service -				
Bond issuance costs				
<b>Total expenditures</b>	<u>1,149,127</u>	<u>10,750,323</u>	<u>10,750,323</u>	
<b>Other financing sources (uses):</b>				
Transfer in				
Issuance of revenue bonds				
Premium on sale of bonds				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance- Budgetary basis</b>			(10,704,108)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures				
<b>Change in fund balance - GAAP basis</b>			<u>\$(10,704,108)</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - GO BOND SERIES 2009 FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Gross receipts tax	\$	\$	\$	\$
Other taxes and assessments				
Other				
Interest earnings			175,449	175,449
Intergovernmental				
<b>Total revenues</b>			<u>175,449</u>	<u>175,449</u>
<b>Cash balance carryforward</b>	<u>14,725,076</u>	<u>16,356,725</u>		
<b>Total</b>	<u>\$ 14,725,076</u>	<u>\$ 16,356,725</u>		
<b>Expenditures:</b>				
Capital outlay	\$ 14,725,076	\$ 16,356,725	10,546,326	5,810,399
Debt service -				
Bond issuance costs				
<b>Total expenditures</b>	<u>14,725,076</u>	<u>16,356,725</u>	<u>10,546,326</u>	<u>5,810,399</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Issuance of revenue bonds				
Premium on sale of bonds				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance- Budgetary basis</b>			(10,370,877)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			5,411,467	
Outstanding encumbrances recorded as budgetary expenditures			<u>5,411,467</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ (4,959,410)</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - CAPITAL GRT BOND SERIES 2009 FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Gross receipts tax	\$	\$	\$	\$
Other taxes and assessments				
Other				
Interest earnings			33,137	33,137
Intergovernmental				
<b>Total revenues</b>			<u>33,137</u>	<u>33,137</u>
<b>Cash balance carryforward</b>				
<b>Total</b>	<u>\$</u>	<u>\$</u>		
<b>Expenditures:</b>				
Capital outlay	\$	\$ 5,877,676	4,187,735	1,689,941
Debt service -				
Bond issuance costs			168,433	(168,433)
<b>Total expenditures</b>		<u>5,877,676</u>	<u>4,356,168</u>	<u>1,521,508</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Issuance of revenue bonds		12,670,443	12,090,000	(580,443)
Premium on sale of bonds			655,126	655,126
Transfer out		(6,792,767)	(6,792,767)	
<b>Total other financing sources (uses)</b>		<u>5,877,676</u>	<u>5,952,359</u>	<u>74,683</u>
<b>Change in fund balance- Budgetary basis</b>			1,629,328	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures			<u>22,911</u>	
<b>Change in fund balance - GAAP basis</b>			<u>\$ 1,652,239</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - CAPITAL GRT BOND SERIES 2010B FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Gross receipts tax	\$	\$	\$	\$
Other taxes and assessments				
Other				
Interest earnings			9,780	9,780
Intergovernmental				
<b>Total revenues</b>			<u>9,780</u>	<u>9,780</u>
<b>Cash balance carryforward</b>				
<b>Total</b>	<u>\$</u>	<u>\$</u>		
<b>Expenditures:</b>				
Capital outlay	\$	\$ 10,404,305		10,404,305
Debt service -				
Bond issuance costs			92,453	(92,453)
<b>Total expenditures</b>		<u>10,404,305</u>	<u>92,453</u>	<u>10,311,852</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Issuance of revenue bonds		10,404,305	10,195,000	(209,305)
Premium on sale of bonds			301,758	301,758
Transfer out				
<b>Total other financing sources (uses)</b>		<u>10,404,305</u>	<u>10,496,758</u>	<u>92,453</u>
<b>Change in fund balance- Budgetary basis</b>			10,414,085	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures				
<b>Change in fund balance - GAAP basis</b>			<u>\$ 10,414,085</u>	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - GO BOND SERIES 2001 FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Gross receipts tax	\$	\$	\$	\$
Other taxes and assessments				
Other				
Interest earnings		5,558	5,730	172
Intergovernmental				
<b>Total revenues</b>		5,558	5,730	172
<b>Cash balance carryforward</b>	1,223,411	553,082		
<b>Total</b>	\$ 1,223,411	\$ 558,640		
<b>Expenditures:</b>				
Capital outlay	\$ 1,223,411	\$ 553,082	539,884	13,198
Debt service -				
Bond issuance costs				
<b>Total expenditures</b>	1,223,411	553,082	539,884	13,198
<b>Other financing sources (uses):</b>				
Transfer in				
Issuance of revenue bonds				
Premium on sale of bonds				
Transfer out		(5,558)	(5,558)	
<b>Total other financing sources (uses)</b>		(5,558)	(5,558)	
<b>Change in fund balance- Budgetary basis</b>			(539,712)	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts			28,312	
Outstanding encumbrances recorded as budgetary expenditures			28,312	
<b>Change in fund balance - GAAP basis</b>			\$ (511,400)	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - FACILITY BOND 1997 FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Gross receipts tax	\$	\$	\$	\$
Other taxes and assessments				
Other				
Interest earnings			5,168	5,168
Intergovernmental				
<b>Total revenues</b>			5,168	5,168
<b>Cash balance carryforward</b>	320,059	320,680		
<b>Total</b>	\$ 320,059	\$ 320,680		
<b>Expenditures:</b>				
Capital outlay	\$ 320,059	\$ 320,680		320,680
Debt service -				
Bond issuance costs				
<b>Total expenditures</b>	320,059	320,680		320,680
<b>Other financing sources (uses):</b>				
Transfer in				
Issuance of revenue bonds				
Premium on sale of bonds				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance- Budgetary basis</b>			5,168	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures				
<b>Change in fund balance - GAAP basis</b>			\$ 5,168	

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - BUDGET AND ACTUAL - OPEN SPACES BOND PROCEEDS FUND  
YEAR ENDED JUNE 30, 2010

	Original Budget	Final Budget	Non-GAAP Actual	Variance - Positive (Negative)
<b>Revenues:</b>				
Gross receipts tax	\$	\$	\$	\$
Other taxes and assessments				
Other				
Interest earnings			23,747	23,747
Intergovernmental				
<b>Total revenues</b>			<u>23,747</u>	<u>23,747</u>
<b>Cash balance carryforward</b>	<u>3,086,013</u>	<u>1,477,415</u>		
<b>Total</b>	<u>\$ 3,086,013</u>	<u>\$ 1,477,415</u>		
<b>Expenditures:</b>				
Capital outlay	\$ 3,086,013	\$ 1,477,415		1,477,415
Debt service -				
Bond issuance costs				
<b>Total expenditures</b>	<u>3,086,013</u>	<u>1,477,415</u>		<u>1,477,415</u>
<b>Other financing sources (uses):</b>				
Transfer in				
Issuance of revenue bonds				
Premium on sale of bonds				
Transfer out				
<b>Total other financing sources (uses)</b>				
<b>Change in fund balance- Budgetary basis</b>			23,747	
<b>Reconciliation to change in fund balance-GAAP basis:</b>				
Revenue accruals, net of prior year amounts				
Outstanding encumbrances recorded as budgetary expenditures				
<b>Change in fund balance - GAAP basis</b>			<u>\$ 23,747</u>	

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## AGENCY FUNDS

The following agency funds are maintained by the County.

**County Treasurer** – To account for collections and payment to the County and other recipient entities of property taxes, interest and penalties billed and collected by the County on their behalf.

**Sherriff Forfeiture** – To account for assets confiscated during arrests pursuant to Section 30-31-1-1, NMSA, 1978 Compilation. Property is held until disposed of pursuant to court order.

**Sherriff Bond** – To account for bond monies held by the County until legal disposition of the appropriate case.

**Sherriff Writ** – To account for court judgments issued to the Sheriff's department to collect monies or remove property in satisfaction of said judgments.

**Adult Inmate Trust** – To account for adult inmate monies held by the County until legal disposition of the appropriate case.

**Juvenile Inmate Trust** – To account for juvenile inmate monies held by the County until legal disposition of the appropriate case.

STATE OF NEW MEXICO  
SANTA FE COUNTY  
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
JUNE 30, 2010

	<u>County Treasurer</u>	<u>Sheriff Forfeiture</u>	<u>Sheriff Bond</u>	<u>Sheriff Writ</u>
<b><u>ASSETS</u></b>				
Cash and investments	\$ 3,328,903	\$ 30,595	\$ 266,147	\$ 5,174
Taxes receivable	10,682,496			
<b>Total assets</b>	<b>\$ 14,011,399</b>	<b>\$ 30,595</b>	<b>\$ 266,147</b>	<b>\$ 5,174</b>
<b><u>LIABILITIES</u></b>				
Due to other governments	10,682,496			
Deposits held for others		30,595	266,147	5,174
Taxes paid in advance	969,267			
Undistributed taxes to other governments	2,359,636			
<b>Total liabilities</b>	<b>\$ 14,011,399</b>	<b>\$ 30,595</b>	<b>\$ 266,147</b>	<b>\$ 5,174</b>

Adult Inmate Trust	Juvenile Inmate Trust	Totals
\$ 299,872	\$ 5,860	\$ 3,936,551
		10,682,496
<u>\$ 299,872</u>	<u>\$ 5,860</u>	<u>\$ 14,619,047</u>
		10,682,496
299,872	5,860	607,648
		969,267
		2,359,636
<u>\$ 299,872</u>	<u>\$ 5,860</u>	<u>\$ 14,619,047</u>

STATE OF NEW MEXICO  
SANTA FE COUNTY  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS  
YEAR ENDED JUNE 30, 2010

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b><u>COUNTY TREASURER</u></b>				
<u>Assets</u>				
Cash and investments	\$ 1,472,612	\$ 137,966,260	\$ 136,109,969	\$ 3,328,903
Property taxes receivable	8,743,850	141,927,142	139,988,496	10,682,496
Total assets	<u>\$ 10,216,462</u>	<u>\$ 279,893,402</u>	<u>\$ 276,098,465</u>	<u>\$ 14,011,399</u>
<u>Liabilities</u>				
Due to other governments	\$ 8,743,850	\$ 141,927,142	\$ 139,988,496	\$ 10,682,496
Deposits held for others				
Taxes paid in advance	990,426	969,267	990,426	969,267
Undistributed taxes to other governments	482,186	137,966,260	136,088,810	2,359,636
Total liabilities	<u>\$ 10,216,462</u>	<u>\$ 280,862,669</u>	<u>\$ 277,067,732</u>	<u>\$ 14,011,399</u>
<b><u>SHERRIFF FORFEITURE</u></b>				
<u>Assets</u>				
Cash and investments	\$ 30,365	\$ 230	\$	\$ 30,595
Total assets	<u>\$ 30,365</u>	<u>\$ 230</u>	<u>\$</u>	<u>\$ 30,595</u>
<u>Liabilities</u>				
Deposits held for others	\$ 30,365	\$ 230	\$	\$ 30,595
Total liabilities	<u>\$ 30,365</u>	<u>\$ 230</u>	<u>\$</u>	<u>\$ 30,595</u>
<b><u>SHERRIFF BOND</u></b>				
<u>Assets</u>				
Cash and investments	\$ 278,072	\$ 731,118	\$ 743,043	\$ 266,147
Total assets	<u>\$ 278,072</u>	<u>\$ 731,118</u>	<u>\$ 743,043</u>	<u>\$ 266,147</u>
<u>Liabilities</u>				
Deposits held for others	\$ 278,072	\$ 749,907	\$ 761,832	\$ 266,147
Total liabilities	<u>\$ 278,072</u>	<u>\$ 749,907</u>	<u>\$ 761,832</u>	<u>\$ 266,147</u>
<b><u>SHERRIFF WRIT</u></b>				
<u>Assets</u>				
Cash and investments	\$ 5,555	\$ 100,033	\$ 100,414	\$ 5,174
Total assets	<u>\$ 5,555</u>	<u>\$ 100,033</u>	<u>\$ 100,414</u>	<u>\$ 5,174</u>
<u>Liabilities</u>				
Deposits held for others	\$ 5,555	\$ 100,033	\$ 100,414	\$ 5,174
Total liabilities	<u>\$ 5,555</u>	<u>\$ 100,033</u>	<u>\$ 100,414</u>	<u>\$ 5,174</u>

(Continued)

STATE OF NEW MEXICO  
SANTA FE COUNTY  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS  
YEAR ENDED JUNE 30, 2010  
(Concluded)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<b><u>ADULT INMATE TRUST</u></b>				
<u>Assets</u>				
Cash and investments	\$ 284,344	\$ 665,736	\$ 650,208	\$ 299,872
Total assets	<u>\$ 284,344</u>	<u>\$ 665,736</u>	<u>\$ 650,208</u>	<u>\$ 299,872</u>
<u>Liabilities</u>				
Deposits held for others	\$ 284,344	\$ 665,736	\$ 650,208	\$ 299,872
Total liabilities	<u>\$ 284,344</u>	<u>\$ 665,736</u>	<u>\$ 650,208</u>	<u>\$ 299,872</u>
<b><u>JUVENILE INMATE TRUST</u></b>				
<u>Assets</u>				
Cash and investments	\$ 5,457	\$ 4,335	\$ 3,932	\$ 5,860
Total assets	<u>\$ 5,457</u>	<u>\$ 4,335</u>	<u>\$ 3,932</u>	<u>\$ 5,860</u>
<u>Liabilities</u>				
Deposits held for others	\$ 5,457	\$ 4,335	\$ 3,932	\$ 5,860
Total liabilities	<u>\$ 5,457</u>	<u>\$ 4,335</u>	<u>\$ 3,932</u>	<u>\$ 5,860</u>
<b><u>TOTAL AGENCY FUNDS</u></b>				
<u>Assets</u>				
Cash and investments	\$ 2,076,405	\$ 139,467,712	\$ 137,607,566	\$ 3,936,551
Property taxes receivable	8,743,850	141,927,142	139,988,496	10,682,496
Total assets	<u>\$ 10,820,255</u>	<u>\$ 281,394,854</u>	<u>\$ 277,596,062</u>	<u>\$ 14,619,047</u>
<u>Liabilities</u>				
Due to other governments	\$ 8,743,850	\$ 141,927,142	\$ 139,988,496	\$ 10,682,496
Deposits held for others	603,793	1,520,241	1,516,386	607,648
Taxes paid in advance	990,426	969,267	990,426	969,267
Undistributed taxes to other governments	482,186	137,966,260	136,088,810	2,359,636
Total liabilities	<u>\$ 10,820,255</u>	<u>\$ 282,382,910</u>	<u>\$ 278,584,118</u>	<u>\$ 14,619,047</u>

**OTHER SUPPLEMENTARY INFORMATION**

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF RECONCILIATION OF TAX RECEIPTS, DISBURSEMENTS,  
AND PROPERTY TAX RECEIVABLE  
YEAR ENDED JUNE 30, 2010

Property taxes receivable, beginning of year	\$ 15,030,382
Changes to Tax Roll:	
Net taxes charged to Treasurer for fiscal year	143,154,214
Adjustments:	
Increases in taxes receivable	2,336,741
Charge off of taxes receivable	<u>(2,857,817)</u>
Total receivables prior to collections	157,663,520
Collections for fiscal year ended June 30, 2010	<u>(139,988,496)</u>
Property taxes receivable, end of year	<u>\$ 17,675,024</u>

Property taxes receivable as of year end,	
Property taxes receivable by year:	
2000	105,630
2001	109,739
2002	135,341
2003	237,675
2004	293,604
2005	444,631
2006	781,886
2007	1,875,054
2008	3,662,017
2009	<u>10,029,447</u>
Total taxes receivable, net	<u>\$ 17,675,024</u>

Distribution of collected property taxes:	
Santa Fe County	54,683,125
State of New Mexico	7,630,788
Edgewood Soil and Water Conservation	132,055
City of Santa Fe	6,725,568
City of Espanola	143,819
Santa Fe Community College	20,964,474
School Districts	48,416,049
El Dorado Water and Sanitation	938,861
Livestock	12,782
Rancho Viejo Improvement District	<u>340,975</u>
Total tax distribution	<u>\$ 139,988,496</u>

Property taxes receivable distribution:	
Santa Fe County	7,608,600
State of New Mexico	938,292
Edgewood Soil and Water Conservation	23,637
City of Santa Fe	661,106
City of Espanola	30,394
Santa Fe Community College	2,484,862
School Districts	5,872,547
El Dorado Water and Sanitation	35,403
Livestock	11,272
Rancho Viejo Improvement District	<u>8,911</u>
Total taxes receivable, net	<u>\$ 17,675,024</u>

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
PROPERTY TAX SCHEDULE  
YEAR ENDED JUNE 30, 2010**

Agency	Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Undistributed at Year End	County Receivable at Year End
<b>Santa Fe County:</b>							
County Operational							
2000-2008	\$ 247,841,655	\$ 2,447,449	\$ 245,234,603	\$ 2,362,713	\$ 245,149,867	\$ 84,736	\$ 2,607,052
2009	43,036,240	39,497,468	39,497,468	38,940,712	38,940,712	556,756	3,538,772
Total	<u>290,877,895</u>	<u>41,944,917</u>	<u>284,732,071</u>	<u>41,303,425</u>	<u>284,090,579</u>	<u>641,492</u>	<u>6,145,824</u>
County Debt Service							
2000-2008	58,718,034	686,698	58,095,901	663,121	58,072,324	23,577	622,133
2009	12,892,153	12,051,510	12,051,510	11,895,648	11,895,648	155,862	840,643
Total	<u>71,610,187</u>	<u>12,738,208</u>	<u>70,147,411</u>	<u>12,558,769</u>	<u>69,967,972</u>	<u>179,439</u>	<u>1,462,776</u>
<b>Total Santa Fe County</b>	<b><u>\$ 362,488,082</u></b>	<b><u>\$ 54,683,125</u></b>	<b><u>\$ 354,879,482</u></b>	<b><u>\$ 53,862,194</u></b>	<b><u>\$ 354,058,551</u></b>	<b><u>\$ 820,931</u></b>	<b><u>\$ 7,608,600</u></b>
<b>State of New Mexico:</b>							
State Debt							
2000-2008	\$ 54,863,430	\$ 449,786	\$ 54,426,044	\$ 433,972	\$ 54,410,230	\$ 15,814	\$ 437,386
2009	7,681,908	7,181,002	7,181,002	7,088,130	7,088,130	92,872	500,906
Total	<u>62,545,338</u>	<u>7,630,788</u>	<u>61,607,046</u>	<u>7,522,102</u>	<u>61,498,360</u>	<u>108,686</u>	<u>938,292</u>
Livestock Board							
2000-2008	121,126	1,271	113,003	1,267	113,000	4	8,123
2009	14,660	11,511	11,511	11,436	11,436	75	3,149
Total	<u>135,786</u>	<u>12,782</u>	<u>124,514</u>	<u>12,703</u>	<u>124,436</u>	<u>79</u>	<u>11,272</u>
<b>Total State of New Mexico</b>	<b><u>\$ 62,681,124</u></b>	<b><u>\$ 7,643,570</u></b>	<b><u>\$ 61,731,560</u></b>	<b><u>\$ 7,534,805</u></b>	<b><u>\$ 61,622,796</u></b>	<b><u>\$ 108,765</u></b>	<b><u>\$ 949,564</u></b>
<b>Municipalities:</b>							
City of Santa Fe							
2000-2008	\$ 23,043,532	\$ 297,503	\$ 22,809,527	\$ 290,353	\$ 22,802,378	\$ 7,150	\$ 234,005
2009	6,855,166	6,428,065	6,428,065	6,350,151	6,350,151	77,914	427,101
Total	<u>29,898,698</u>	<u>6,725,568</u>	<u>29,237,592</u>	<u>6,640,504</u>	<u>29,152,529</u>	<u>85,064</u>	<u>661,106</u>
City of Espanola							
2000-2008	973,215	11,912	960,009	11,490	959,587	422	13,206
2009	149,095	131,907	131,907	130,259	130,259	1,648	17,188
Total	<u>1,122,310</u>	<u>143,819</u>	<u>1,091,916</u>	<u>141,749</u>	<u>1,089,846</u>	<u>2,070</u>	<u>30,394</u>
<b>Total Municipalities</b>	<b><u>\$ 31,021,008</u></b>	<b><u>\$ 6,869,387</u></b>	<b><u>\$ 30,329,508</u></b>	<b><u>\$ 6,782,253</u></b>	<b><u>\$ 30,242,375</u></b>	<b><u>\$ 87,134</u></b>	<b><u>\$ 691,500</u></b>
<b>School Districts:</b>							
Santa Fe Public Schools							
2000-2008	\$ 280,404,341	\$ 2,343,978	\$ 278,273,527	\$ 2,262,233	\$ 278,191,782	\$ 81,745	\$ 2,130,814
2009	43,914,472	41,128,297	41,128,297	40,591,410	40,591,410	536,887	2,786,175
Total	<u>324,318,813</u>	<u>43,472,275</u>	<u>319,401,824</u>	<u>42,853,643</u>	<u>318,783,192</u>	<u>618,632</u>	<u>4,916,989</u>
Espanola Schools							
2000-2008	5,834,819	61,366	5,718,808	59,236	5,716,677	2,130	116,011
2009	621,014	538,680	538,680	529,535	529,535	9,145	82,334
Total	<u>6,455,833</u>	<u>600,046</u>	<u>6,257,488</u>	<u>588,771</u>	<u>6,246,212</u>	<u>11,275</u>	<u>198,345</u>
Pojoaque Schools							
2000-2008	13,964,698	109,544	13,772,006	104,495	13,766,956	5,049	192,692
2009	1,994,462	1,787,368	1,787,368	1,761,475	1,761,475	25,893	207,094
Total	<u>15,959,160</u>	<u>1,896,912</u>	<u>15,559,374</u>	<u>1,865,970</u>	<u>15,528,431</u>	<u>30,942</u>	<u>399,786</u>
Moriarty Schools							
2000-2008	14,641,333	113,212	14,455,499	108,834	14,451,122	4,378	185,834
2009	2,505,197	2,333,604	2,333,604	2,315,712	2,315,712	17,892	171,593
Total	<u>17,146,530</u>	<u>2,446,816</u>	<u>16,789,103</u>	<u>2,424,546</u>	<u>16,766,834</u>	<u>22,270</u>	<u>357,427</u>
Santa Fe Community College							
2000-2008	130,074,621	1,149,711	129,001,595	1,109,827	128,961,712	39,884	1,073,026
2009	21,226,599	19,814,763	19,814,763	19,551,977	19,551,977	262,786	1,411,836
Total	<u>151,301,220</u>	<u>20,964,474</u>	<u>148,816,358</u>	<u>20,661,804</u>	<u>148,513,689</u>	<u>302,670</u>	<u>2,484,862</u>
<b>Total School Districts</b>	<b><u>\$ 515,181,556</u></b>	<b><u>\$ 69,380,523</u></b>	<b><u>\$ 506,824,147</u></b>	<b><u>\$ 68,394,734</u></b>	<b><u>\$ 505,838,358</u></b>	<b><u>\$ 985,789</u></b>	<b><u>\$ 8,357,409</u></b>

(Continued)

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
PROPERTY TAX SCHEDULE  
YEAR ENDED JUNE 30, 2010  
(Concluded)**

Agency	Property Taxes Levied	Collected in Current Year	Collected To-Date	Distributed in Current Year	Distributed To-Date	Undistributed at Year End	County Receivable at Year End
<b>Special Districts:</b>							
Edgewood Soil & Water Conservation							
2000-2008	\$ 1,090,466	\$ 6,786	\$ 1,077,095	\$ 6,508	\$ 1,076,818	\$ 278	\$ 13,371
2009	135,535	125,269	125,269	124,317	124,317	952	10,266
Total	<u>1,226,001</u>	<u>132,055</u>	<u>1,202,364</u>	<u>130,825</u>	<u>1,201,135</u>	<u>1,230</u>	<u>23,637</u>
Eldorado Water & Sanitation							
2000-2008	5,161,868	34,086	5,149,944	31,331	5,147,189	2,755	11,924
2009	928,254	904,775	904,775	891,391	891,391	13,384	23,479
Total	<u>6,090,122</u>	<u>938,861</u>	<u>6,054,719</u>	<u>922,722</u>	<u>6,038,580</u>	<u>16,139</u>	<u>35,403</u>
Rancho Viejo Improvement District							
2000-2008	2,143,354	5,937	2,143,354	6,274	2,143,690	(337)	-
2009	343,949	335,038	335,038	332,453	332,453	2,585	8,911
Total	<u>2,487,303</u>	<u>340,975</u>	<u>2,478,392</u>	<u>338,727</u>	<u>2,476,143</u>	<u>2,248</u>	<u>8,911</u>
<b>Total Special Districts</b>	<u>\$ 9,803,426</u>	<u>\$ 1,411,891</u>	<u>\$ 9,735,475</u>	<u>\$ 1,392,274</u>	<u>\$ 9,715,858</u>	<u>\$ 19,617</u>	<u>\$ 67,951</u>
<b>Grand Total</b>	<u>\$ 981,175,196</u>	<u>\$ 139,988,496</u>	<u>\$ 963,500,172</u>	<u>\$ 137,966,260</u>	<u>\$ 961,477,938</u>	<u>\$ 2,022,236</u>	<u>\$ 17,675,024</u>

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF DEPOSIT AND INVESTMENT ACCOUNTS  
JUNE 30, 2010**

	<u>Account Type</u>	<u>Total Deposits with bank</u>	<u>Reconciling Items</u>	<u>Reconciled Balance</u>
BNY Western Trust	Money Market	\$ 3,950,332	\$	\$ 3,950,332
BNY Western Trust	Repurchase agreement	2,249,600		2,249,600
Community Bank	Certificate of Deposit	250,000		250,000
First Community Bank	Certificate of Deposit	20,000,000		20,000,000
First Community Bank	Checking	704,114	(33,698)	670,416
First Community Bank	Money Market	17,608,744		17,608,744
First Community Bank	Premium NOW	5,030,109	(3,436,308)	1,593,801
First National Bank of Santa Fe	Certificate of Deposit	5,000,000		5,000,000
Guadalupe Credit Union	Certificate of Deposit	250,000		250,000
Iron Stone Bank	Certificate of Deposit	250,000		250,000
LF Financial	FHLB	4,494,513		4,494,513
LF Financial	FHLMC	2,000,000		2,000,000
LF Financial	FNMA	1,415,934		1,415,934
Los Alamos National Bank	Certificate of Deposit	72,940,722		72,940,722
Los Alamos National Bank	Savings	66,516,349		66,516,349
Marq Bank	Certificate of Deposit	99,000		99,000
Morgan Keegan	FHLB	1,000,000		1,000,000
Morgan Keegan	FNMA	1,000,000		1,000,000
Mutual Securities	FHLB	4,489,884		4,489,884
Mutual Securities	FHLMC	3,000,000		3,000,000
Mutual Securities	FNMA	9,014,017		9,014,017
NM State Investment Pool	State Treasurer LGIP	1,565,205		1,565,205
US Bank	Money Market	1,302,430		1,302,430
West LB	Repurchase Agreement	425,905		425,905
Wells Fargo	Certificates of Deposit	2,766,000		2,766,000
		<u>\$ 227,322,858</u>	<u>\$ (3,470,006)</u>	<u>\$ 223,852,852</u>

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF PLEDGED COLLATERAL  
JUNE 30, 2010

	Community Bank	First Community Bank	First National Bank of Santa Fe	Guadalupe Credit Union	Iron Stone Bank	Los Alamos National Bank	US Bank	Marq Bank
<b>Bank Accounts:</b>								
Checking accounts		\$ 5,734,224						
Savings accounts		17,608,743				66,516,349	1,302,430	
Certificates of deposit	250,000	20,000,000	5,000,000	250,000	250,000	72,940,722		99,000
Total amount of deposits	250,000	43,342,967	5,000,000	250,000	250,000	139,457,071	1,302,430	99,000
<b>Less: FDIC coverage</b>	250,000	250,000	250,000	250,000	250,000	250,000	250,000	99,000
Total uninsured public funds		43,092,967	4,750,000			139,207,071	1,052,430	
<b>Collateral requirements (Per 6-10-10 &amp; 6-10-17, NMSA 1978):</b>								
50% of uninsured time and demand accounts		21,546,484	2,375,000			69,603,536	526,215	
Total collateral required		21,546,484	2,375,000			69,603,536	526,215	
<b>Pledged collateral:</b>								
FHLB of Dallas, letter of credit number 7654000003			5,000,000					
FHLB of Dallas, letter of credit number 9313001542						5,100,000		
FHLB of Dallas, letter of credit number 730001095						10,000,000		
FHLB of Dallas, letter of credit number 730001297						10,000,000		
FHLB of Dallas, letter of credit number 9313001537						56,000,000		
FHLB of Dallas, letter of credit number 213001375						5,100,000		
FHLB of Dallas, letter of credit number 730001028						40,000,000		
FHLB of Dallas, letter of credit number 730001044						13,000,000		
FHLMC Callable StepUp, matures August 16, 2012, CUSIP 3128X9XB1						6,528,102		
FHLMC Callable StepUp, matures October 15, 2012, CUSIP 3128X9V72						5,006,001		
DONA ANA BRH CMNTY COLLEGE NM, matures August 1, 2017, CUSIP 257578DH4		170,000						
MBS GNMA I Platinum, matures January 15, 2022, CUSIP 36241KLN6		1,892,790						
GNR 2009-61 TE, matures February 16, 2032, CUSIP 38376FGC0		578,653						
GNR 2007-7 PB, matures June 16, 2032, CUSIP 38375JJB2		154,251						
GNR 2009-67 GA, matures January 16, 2037, CUSIP 38373AQS8		270,710						
MBS GNMA II 1-Yr Tsy ARM 5/1, matures August 20, 2038, CUSIP 36225ELT3		1,044,074						
GNR 2009-61 NP, matures August 20, 2039, CUSIP 38376FBN1		433,232						
GNR 2009-67 LA, matures December 16, 2036, CUSIP 38373AYM2		4,158,787						
GNR 2004-11 VG, matures March 16, 2015, CUSIP 38374FPV0		3,516,274						
GNR 2009-53 AB, matures October 16, 2038, CUSIP 38374VVM8		2,452,926						
GNR 2009-87 PA, matures October 20, 2039, CUSIP 38376KQR5		3,031,031						
GNR 2009-87 PA, matures October 20, 2039, CUSIP 38376KQR5		1,818,619						
MBS GNMA I Platinum, matures July 15, 2018, CUSIP 36241LAZ9		4,169,213						
GNR 2004-28 PB, matures November 20, 2033, CUSIP 38374GCT7		597,008						
GNR 2009-35 KV, matures Junet 20, 2020, CUSIP 38374TM35		6,975,440						
GNR 2008-58 PA, matures June 16, 2036, CUSIP 38375DLM8		5,721,862						
GNR 2008-74 CA, matures April 16, 2027, CUSIP 38375XNY6		397,548						
GNR 2009-53 AB, matures October 16, 2038, CUSIP 38374VVM8		598,567						
GNR 2009-42 MA, matures January 20, 2036, CUSIP 38374UWL1		157,500						
GNR 2009-87 CA, matures January 20, 2033, CUSIP 38376KNR8		300,039						
Total collateral		38,438,524	5,000,000			150,734,103		
Over / (under) secured	\$	\$ 16,892,040	\$ 2,625,000	\$	\$	\$ 81,130,567	\$ (526,215)	\$
<b>Custodial Credit Risk:</b>								
Insured	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 99,000
Collateralized with securities held by pledging financial institution's trust department		43,092,967	4,750,000			139,207,071		
Uninsured and uncollateralized							1,052,430	
Total deposits	\$ 250,000	\$ 43,342,967	\$ 5,000,000	\$ 250,000	\$ 250,000	\$ 139,457,071	\$ 1,302,430	\$ 99,000

Location of collateral:  
First Community Bank, Dallas, TX  
Federal Home Loan Bank, Dallas, TX  
Los Alamos National Bank, Los Alamos, NM

STATE OF NEW MEXICO  
SANTA FE COUNTY  
FINANCIAL DATA SCHEDULE  
JUNE 30, 2010

FDS Line Item No.	Low Rent Public Housing	Section 8 Vouchers	CFP Program	Stimulus Capital Program	Homes Sales	Veteran's Affairs Supportive Housing	Total
ASSETS							
Current assets:							
111.0	\$ 1,072,638	\$ 253,705	\$	\$	\$ 4,861,697	\$ 143,939	\$ 6,331,979
113.0		753,590					753,590
114.0	57,758						57,758
115.0		123,729					123,729
122.0	49,667		102,709				152,376
125.0		27,301					27,301
126.0	220,184						220,184
126.1	(98,147)						(98,147)
150.0	<u>1,302,100</u>	<u>1,158,325</u>	<u>102,709</u>		<u>4,861,697</u>	<u>143,939</u>	<u>7,568,770</u>
Non-current assets:							
161.0	699,515						699,515
162.0	6,634,479						6,634,479
164.0	471,791						471,791
166.0	(4,113,559)						(4,113,559)
160.0	<u>3,692,226</u>						<u>3,692,226</u>
171.0					96,275		96,275
180.0	<u>3,692,226</u>				<u>96,275</u>		<u>3,788,501</u>
190.0	<u>4,994,326</u>	<u>1,158,325</u>	<u>102,709</u>		<u>4,957,972</u>	<u>143,939</u>	<u>11,357,271</u>
LIABILITIES							
Current liabilities:							
312.0	91,058	424	868				92,350
321.0	15,112	6,629					21,741
341.0	47,096						47,096
342.0		35,440	3,297		96,275		135,012
345.0	4,820	123,729	94,722				223,271
346.0	22,761		1,372				24,133
310.0	<u>180,847</u>	<u>166,222</u>	<u>100,259</u>		<u>96,275</u>		<u>543,603</u>
Non-current liabilities:							
351.0							
350.0							
300.0	<u>180,847</u>	<u>166,222</u>	<u>100,259</u>		<u>96,275</u>		<u>543,603</u>
EQUITY							
508.1	3,692,226						3,692,226
511.1		753,590	2,450		4,861,697	143,939	5,761,676
512.1	1,121,253	238,513					1,359,766
513.0	<u>4,813,479</u>	<u>992,103</u>	<u>2,450</u>		<u>4,861,697</u>	<u>143,939</u>	<u>10,813,668</u>
600.0	<u>\$ 4,994,326</u>	<u>\$ 1,158,325</u>	<u>\$ 102,709</u>	<u>\$</u>	<u>\$ 4,957,972</u>	<u>\$ 143,939</u>	<u>\$ 11,357,271</u>

STATE OF NEW MEXICO  
SANTA FE COUNTY  
FINANCIAL DATA SCHEDULE  
JUNE 30, 2010

FDS Line Item No.		Low Rent Public Housing	Section 8 Vouchers	CFP Program	Stimulus Capital Program	Homes Sales	Veteran's Affairs Supportive Housing	Total
OPERATING REVENUES								
70300	Net tenant rental revenue	\$ 383,027						\$ 383,027
70600	HUD PHA operating grants	469,327	2,110,656	38,254			151,371	2,769,608
70610	Capital grants			189,559	187,811			377,370
71100	Investment income - unrestricted	6,282	4,129					10,411
71500	Other revenue	102,486	85,734					188,220
70000	Total operating revenue	<u>961,122</u>	<u>2,200,519</u>	<u>227,813</u>	<u>187,811</u>		<u>151,371</u>	<u>3,728,636</u>
EXPENSES								
Administrative:								
91100	Administrative salaries	422,035	185,728	25,981				633,744
91200	Auditing fees	14,000	5,550					19,550
91500	Employee benefit contributions - administrative	152,526	67,070	12,274				231,870
91600	Office expenses	24,241						24,241
Tenant services:								
92100	Tenant salaries							
Utilities:								
93100	Water	57,370	3,000					60,370
93200	Electricity	17,727	2,397					20,124
93300	Gas	6,437	2,396					8,833
93800	Other utilities	96,965	2,500					99,465
Ordinary maintenance and operations:								
94200	Materials and other	66,010						66,010
94300	Contracts	3,324						3,324
General expenses:								
96200	Other general expenses	25,470	19,797	206,418				251,685
	Total operating expenses	<u>886,105</u>	<u>288,438</u>	<u>244,673</u>				<u>1,419,216</u>
97000	Excess operating revenues over operating expenses	<u>75,017</u>	<u>1,912,081</u>	<u>(16,860)</u>	<u>187,811</u>		<u>151,371</u>	<u>2,309,420</u>
Non-operating expenses:								
97100	Extraordinary maintenance				187,811			187,811
97300	Housing assistance payments		1,742,094			7,432		1,749,526
97400	Depreciation expense	186,873						186,873
	Total non-operating expenses	<u>186,873</u>	<u>1,742,094</u>		<u>187,811</u>		<u>7,432</u>	<u>2,124,210</u>
90000	Total expenses	<u>1,072,978</u>	<u>2,030,532</u>	<u>244,673</u>	<u>187,811</u>		<u>7,432</u>	<u>3,543,426</u>
10000	Excess (deficiency) of total revenues over (under) total expenses	<u>\$ (111,856)</u>	<u>\$ 169,987</u>	<u>\$ (16,860)</u>	<u>\$</u>	<u>\$</u>	<u>\$ 143,939</u>	<u>\$ 185,210</u>
MEMO ACCOUNT INFORMATION								
11030	Beginning Equity	4,925,335	822,116	19,310		4,861,697		
11170	Administrative fee equity		267,056					
11180	Housing assistance payments equity		757,782					
11190	Unit months available	2,388	2,892				105	
11210	Number of unit months leased	2,325	2,805				10	

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**SINGLE AUDIT SECTION**

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**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  
New Mexico State Auditor

County Commissioners of the  
State of New Mexico, Santa Fe County

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons of the General Fund and major special revenue funds and combining and individual funds and related budgetary comparisons presented as supplementary information of Santa Fe County, New Mexico (County), as of and for the year ended June 30, 2010 and have issued our report thereon dated November 11, 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 Santa Fe County, New Mexico'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 Santa Fe County, New Mexico's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Santa Fe County, New Mexico's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above. However, we identified certain deficiencies in internal over financial reporting, described in the accompanying schedule of findings and questioned costs items FS 06-01, FS 07-01, and FS 10-01 that we consider to be significant deficiencies in internal control over financial reporting. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

#### Compliance and Other Matters

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

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 FS 07-02, FS 10-02, FS 10-03, FS 10-04, and FS 10-05.

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

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

Heinfeld, Meech & Co., P.C.

HEINFELD, MEECH & CO., P.C.  
Certified Public Accountants

November 11, 2010



**REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND  
ON INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Independent Auditors' Report

Mr. Hector H. Balderas  
New Mexico State Auditor

County Commissioners of the  
State of New Mexico, Santa Fe County

Compliance

We have audited Santa Fe County, New Mexico's compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Santa Fe County, New Mexico's major federal programs for the year ended June 30, 2010. Santa Fe County, New Mexico's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Santa Fe County, New Mexico's management. Our responsibility is to express an opinion on Santa Fe County, New Mexico'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 Santa Fe County, New Mexico's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Santa Fe County, New Mexico's compliance with those requirements.

In our opinion, Santa Fe County, New Mexico complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2010.

### Internal Control Over Compliance

Management of Santa Fe County, New Mexico is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Santa Fe County, New Mexico's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Santa Fe County, New Mexico'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 management, the County Commissioners, others within the entity, the State Auditor, the New Mexico Legislature, applicable federal grantors, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Heinfeld, Meech & Co., P.C.*

HEINFELD, MEECH & CO., P.C.  
Certified Public Accountants

November 11, 2010

STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2010

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Pass-Through Grantor's Number</u>	<u>Expenditures and Transfers</u>	<u>Total Expenditures and Transfers</u>	<u>Subrecipients</u>
<b><u>U.S. Department of Housing and Urban Development</u></b>					
Direct Programs:					
Public and Indian Housing	14.850	N/A	\$	\$ 469,328	\$
Section 8 Housing Choice Vouchers	14.871	N/A		2,030,531	
Veterans Affairs Supportive Housing	14.871	N/A		7,432	
CFP Cluster:					
Public Housing Capital Fund (CFP) - 2008	14.872	N/A	81,872		
Public Housing Capital Fund (CFP) - 2009	14.872	N/A	162,800		
Public Housing Capital Fund Competitive, Recovery Act	14.884	N/A	187,811		
CFP Cluster Total				<u>432,483</u>	
<b>Total U.S. Department of Housing and Urban Development</b>				<u>2,939,774</u>	
<b><u>U.S. Department of Justice</u></b>					
Direct Programs:					
Law Enforcement Assistance - Narcotics Drug Training	16.004	N/A		9,237	
State Criminal Alien Assistance Program	16.606	N/A		51,805	
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A		75,565	48,153
Edward Byrne Memorial Justice Assistance Grant - Grants to Units of Local Government, Recovery Act	16.804	N/A		309,675	202,674
Passed through New Mexico Department of Public Safety:					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	DPSJAG09-07rev-REGIII		73,205	
Edward Byrne Memorial Justice Assistance Grant - Grants to States and Territories, Recovery Act	16.803	RA-JAG-Region III-SFY10		222,937	
Passed through from City of Santa Fe Police Department:					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2007-DD-BX-696		148,307	
<b>Total U.S. Department of Justice</b>				<u>890,731</u>	<u>250,827</u>
<b><u>U.S. Department of Interior</u></b>					
Direct Program:					
Water Conservation Field Services Program	15.530	N/A		18,834	
Payment in Lieu of Taxes	15.226	N/A		701,166	
<b>Total U.S. Department of Interior</b>				<u>720,000</u>	
<b><u>Executive Office of the President</u></b>					
Direct Program:					
High Intensity Drug Trafficking Areas Program	95.001	N/A		274,947	
<b><u>U.S. Department of Agriculture</u></b>					
Direct Program:					
Collaborative Forest Restoration	10.679	N/A		69,766	
<b><u>U.S. Department of Energy</u></b>					
Direct Program:					
Energy Efficiency & Conservation Block Grant, Recovery Act	81.128	N/A		42,598	
<b><u>U.S. Department of Transportation</u></b>					
Passed through New Mexico Department of Transportation:					
Highway Planning and Construction, Recovery Act	20.205	ECO-9995 (84)		67,160	
Highway Planning and Construction, Recovery Act	20.205	SB-NM05-001-(02)		3,650	
State and Community Highway Safety	20.600	10-AL-K8-91		9,504	
State and Community Highway Safety	20.600	09-PT-D5-91		4,521	
Alcohol Traffic Safety and Drunk Driving Prevention	20.601	09-AL-K8-091		27,000	
Safety Incentives to Prevent Operation of Motor Vehicles by Intoxicated Persons	20.605	09-PT-06-091		15,840	
<b>Total U.S. Department of Transportation</b>				<u>127,675</u>	
<b><u>U.S. Department of Agriculture</u></b>					
Passed through Department of Finance:					
Schools and Roads - Grants to Counties	10.666	SRS Title I		69,549	
Schools and Roads - Grants to Counties	10.666	SRS Title III		24,547	
Passed through New Mexico Energy, Minerals and Natural Resources Department:					
National Forest Foundation	10.682	10-521-2303-0046		10,134	
<b>Total U.S. Department of Agriculture</b>				<u>104,230</u>	
<b><u>U.S. Department of Homeland Security</u></b>					
Passed through New Mexico Department of Public Safety:					
State Domestic Preparedness Equipment Support	97.004	N/A		550,860	
Passed through State Fire Marshall - Hazardous Materials					
Fire Service Hazardous Materials Preparedness and Response	97.093	70-0564-0-1-800		7,490	
<b>Total U.S. Department of Homeland Security</b>				<u>558,350</u>	
<b><u>U.S. Department of Education</u></b>					
Passed through New Mexico Department of Education Student Nutrition:					
National School Lunch Program	10.555	N/A		35,985	
<b>Total Expenditures of Federal Awards</b>				<u>\$ 5,764,056</u>	<u>\$ 250,827</u>

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2010**

**NOTE 1 - BASIS OF PRESENTATION**

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Santa Fe County, New Mexico and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

**NOTE 2 - CATALOG OF FEDERAL DOMESTIC ASSISTANCE (CFDA) NUMBERS**

The program titles and CFDA numbers were obtained from the federal or pass-through grantor or the 2010 *Catalog of Federal Domestic Assistance*.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2010**

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

**Financial Statements**

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified?            yes   X   no
- Significant deficiency(ies) identified that are not considered to be a material weakness(es)?   X   yes            none reported

Noncompliance material to financial statements noted?            yes   X   no

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified?            yes   X   no
- Significant deficiency(ies) identified that are not considered to be a material weakness(es)?            yes   X   none reported

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?            yes   X   no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
14.872, 14.884	CFP Cluster
16.738	Edward Byrne Memorial Justice Assistance Grant Program
16.804	Edward Byrne Memorial Justice Assistance Grant – Grants to Units of Local Government, Recovery Act
16.803	Edward Byrne Memorial Justice Assistance Grant – Grants to States and Territories, Recovery Act
95.001	High Intensity Drug Trafficking Areas Program

Dollar threshold used to distinguish between Type A and Type B programs:           \$300,000          

Auditee qualified as low-risk auditee?   X   yes            no

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**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2010**

**SECTION II - FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

FS 06-01 CONDITION

The County's accounting records included receivable and deferred revenue account balances that required audit adjustments.

CRITERIA

Management of the County is responsible for maintaining complete and accurate accounting records that collectively comprise the County's financial statements and present fairly, in all material respects, the financial position, respective changes in financial position and the respective budgetary comparisons of the County.

EFFECT

Audit adjustments were necessary to properly state the financial statements.

CAUSE

Decentralized accounting without adequate oversight and monitoring by central finance has resulted in transactions not being recorded timely or correctly. In addition, accounting records have not been updated to reflect audit adjustments made in prior years.

RECOMMENDATION

The County should review the accounts recorded in the accounting records and evaluate the balances to determine the portion of the accounts that are a result of errors in prior accounting periods, the portion attributable to uncollectible amounts that require adjustment for the appropriate allowance amount and the portion that should be reported as a receivable and/or deferred revenue account and make the necessary adjustments to the centralized accounting records. The County should continue to train and collaborate with the applicable departments ensure the centralized accounting records are accurate and complete and implement appropriate oversight processes and procedures to monitor the billing, collection and recording of transactions that originate outside central finance.

AGENCY RESPONSE

Much progress has been made on this particular finding. The County has moved forward with regard to centralizing certain staff of County departments within the finance division as well as providing a stronger means of administrative oversight by both the finance and purchasing divisions. It is important to note that the centralization of staff is a Board of County Commissioners (BCC) initiative. Prior to the transition of County Managers, the finance division was able to transition the Accountant Senior from the CSD/housing Division to the finance division. This transition, although resisted initially, has proven to be very successful. Additional pending transition includes staff from the fire division as well as the Corrections Department. The transition of the filled Accountant Senior from Fire and the vacant Finance Manager from Corrections were put on hold for review and approval by the current County Manager (CM).

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2010**

**SECTION II - FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (Cont'd)**

FS 06-01 AGENCY RESPONSE (Concl'd)

Included for your reference is the Accounting Oversight Flowchart that will be used to strengthen the current oversight of all field staff completing financial/budget/purchasing responsibilities. An Accounting Oversight Committee will be created and approved by the County Manager's Office (CMO) or BCC. The committee will be made up of the Accounting Oversight Manager, Budget Administrator, Procurement Manager, A/P Supervisor and a Senior Accountant. Initial training will be provided to all staff for process and job expectation. The committee will maintain internal tracking of compliance per respective employee, noting any non-compliance and findings in each function as well as successes. These findings will be communicated with both the employee and the employee's supervisor and used as a tool for the employee's annual evaluation. This information will also be shared with the CM for discussion with directors. The finance division continues to do annual refresher trainings on all topics to ensure that all procedures are properly followed to eliminate such discrepancies as improper processing/recognition of loan agreements, accounts receivable, etc.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2010**

**SECTION II - FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (Cont'd)**

FS 07-01 CONDITION

The Santa Fe County Assessor's Office was not in compliance with the New Mexico Property Tax Code as noted in the 2010 Assessor Evaluation completed by the Property Tax Division (PTD).

Several instances of noncompliance were cited including:

1. Lack of overall quality control function; and
2. Appraisal cycle that has not been approved by the PTD.

In addition, during our review of specific properties, the following were noted.

1. For 7 of 12, the file was not updated within 30 days of the transfer of property.
2. For 1 of 25, the property was identified as a Warranty Deed in system, however the affidavit states quitclaim.

CRITERIA

The Assessor's Office must comply with requirements set forth by NMSA and the Property Tax Code.

EFFECT

Taxing jurisdictions, including the County could be losing property tax revenues.

CAUSE

The Assessor's Office has not fully updated the Computer Assisted Mass Appraisals (CAMA) system for incomplete and missing historical data.

RECOMMENDATION

The Santa Fe County Commissioners should assess the financial needs of the Assessor's Office and ensure that adequate resources are provided to enable the Office to meet its statutory responsibilities.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2010**

**SECTION II - FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (Cont'd)**

FS 07-01 AGENCY RESPONSE

The Office of the Santa Fe County Assessor agrees with the overall finding of non-compliance with the Property Tax Code. The Office continues to conduct limited quality control functions given the amount of available staff. With the help of our IT Department we have begun to use the new CAMA program to generate audit lists to facilitate quality control but the manual research is still being conducted by appraisers and management staff. As we develop and generate timely internal audit reports, and obtain the needed internal audit staff, many of the errors and corrections being generated will be greatly reduced.

The Office of the Santa Fe County Assessor has submitted letters concerning the appraisal cycle to the Property Tax Division for review and approval is pending.

We concur that the seven of twelve deeds sampled were not updated within 30 days of the transfer of property. Ultimately, the property owner is statutorily responsible to report the change in ownership to the County Assessor per (7-36-8) and at a later date came in and delivered a copy of their deed. The County Assessor strives to update files within 24 hours from date of receipt. A date stamping process was recently implemented to ensure timely turnover.

We concur that the one deed in twenty five does in the notes section of the Ascend program clearly state warranty deed rather than quit claim deed. This finding will be addressed based on improving quality control functions as outlined above.

For the past four years the Office of the Santa Fe County Assessor has aggressively pursued the complete compliance of the Property Tax Code. The Santa Fe County Commission in the recent past appropriated additional funding for additional staff, CAMA system with implementation, and capital items as requested to assist with the advancement of the Assessor's office towards compliance with the statutes. In an effort to ensure that the current resources are utilized to maximum benefit, Santa Fe County will be contracting with a consultant to examine processes and work flow in the Office of the Assessor to determine precisely what resources will be needed to fulfill statutory obligations.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2010**

**SECTION II - FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (Cont'd)**

FS 07-02 CONDITION

For 1 of 25 small purchases reviewed for compliance with procurement regulations, only 2 quotes were obtained. In addition, the County maintained debit cards for use in emergency circumstances (e.g. emergency fire supplies).

CRITERIA

The NMAC State Procurement Code Regulation 1.4.1.51 requires that no less than three businesses shall be solicited to submit written quotes. In addition, Laws of 2009, Regular Session, Chapter 28, Section 3, Subsection L states, credit cards should not be used "Except for gasoline credit cards used solely for operation of official vehicles, telephone credit cards used solely for official business".

EFFECT

The County was not in compliance with NMAC State Procurement Code Regulations and the Laws of 2009.

CAUSE

The County did not obtain the third price quote. A mechanism was necessary to allow for emergency supply purchases until such time as the County implements procurement cards.

RECOMMENDATION

The County should take care to ensure procurement regulations and guidelines over credit cards are followed.

AGENCY RESPONSE

The Purchasing Division staff will be instructed to carefully evaluate and audit each service, construction or items of tangible personal property exceeding \$5,000 but not exceeding \$20,000. Assignment will be given to the three Procurement Specialist Seniors, that on a monthly basis an audit on all small purchases will be evaluated for compliance.

The following requirement shall be required. No fewer than three (3) businesses shall be solicited to submit written quotations that are recorded and placed in the procurement file. If three written quotes cannot be obtained, the Department or office shall document the reasons and include that documentation in the procurement file.

Additionally, the County is considering contracting for an internal audit function that could assist to ensure that these deficiencies are eliminated.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2010**

**SECTION II - FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (Cont'd)**

**FS 10-01 CONDITION**

We noted the following during our review of capital assets.

1. Roadway infrastructure assets are maintained and depreciated outside of the capital asset module and there is no detailed supporting documentation for prior year balances.
2. The County has traditionally depreciated projects before they have been completed.
3. The County does not have a process in place to properly value assets at the time of donation.
4. Assets are not depreciated in accordance with the useful life policy adopted (recalculation differences were immaterial).
5. There was not sufficient supporting documentation for prior year accumulated depreciation balances.
6. Proprietary capital asset balances on the trial balance did not agree to the balances in the capital asset module.

**CRITERIA**

2.20.1.1 to 2.20.1.18 NMAC, Accounting and Control of Fixed Assets of State Government. In addition, the County should ensure complete internal controls in accordance with generally accepted accounting principles are in place for capital assets.

**EFFECT**

The County was not in compliance with guidelines over capital assets.

**CAUSE**

Sufficient procedures over the County's capital assets were not in place to ensure reporting and compliance requirements were met.

**RECOMMENDATION**

The County should develop procedures that would ensure accurate tracking and reporting of capital asset accounts.

**AGENCY RESPONSE**

Santa Fe County Roadway Infrastructure Assets have been maintained outside of the capital asset database on detailed Excel spreadsheets by the fixed assets accountant and included in the Financial Statements in prior years by the contracted auditors. In addition, the Roadway Infrastructure Assets have been depreciated in prior years by the contracted auditors. The plan is to enter the Roadway Infrastructure Assets into the capital asset database as of FY2011.

Santa Fe County has traditionally depreciated projects before they were completed. As of the current year – FY2010, projects were depreciated if they were completed or the expected remaining cost to complete was less than \$300,000 (an agreed upon threshold \$ amount with current auditors).

Projects that were considered as Construction-in-Progress as of June 30, 2010, were not depreciated. Henceforth, we will continue to only depreciate those projects that have been fully completed.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2010**

**SECTION II - FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (Cont'd)**

FS 10-01 AGENCY RESPONSE (Concl'd)

Santa Fe County donation guidelines are stated under Resolution No. 2007-82, A Resolution for Implementation of a GASB 34/35 Policy & Procedure effective 7/1/2007, IV. A. 2. "Donations will be reported at fair market value at the time of donation." The guideline was used for the current year – FY2010, and will be adhered to and strengthened to add any donated assets to the capital asset database at the fair market value. In addition a planned Fixed Assets Training will be conducted in January 2011; the importance of the process of informing the Finance Division of any received donations will be stressed.

In prior years contracted Auditors documented the depreciation. Staff has always balanced the capital asset module and the trial balance recon to the module was previously completed by audit staff. Santa Fe County is striving to prepare its own financial statements and will complete the fixed asset recon and will ensure that the capital asset balances reflected on the trial balance tie to the capital asset module.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2010**

**SECTION II - FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (Cont'd)**

FS 10-02 CONDITION

There is currently an investigation for allegations of theft and fraud involving the Santa Fe County Public Works Department including ethics and conflict of interest violations.

CRITERIA

The County must comply with its ethics policy and establish internal controls over safeguarding public monies when entering into contracts with vendors.

EFFECT

The County is potential out of compliance with its own policies and state regulations.

CAUSE

Sufficient conflict of interest policies and sufficient controls over procurement appear to have been inadequate.

RECOMMENDATION

The County should establish a conflict of interest policy and establish internal controls over compliance with ethics and conflict of interest policies.

AGENCY RESPONSE

Santa Fe County notified the State Auditor's Office of the current investigation for allegations of theft and fraud involving the County's Public Works department. The County has implemented immediate procedures within both the Procurement and Accounts Payable functions. Both functions are now requiring that all departments designate signature authorities and are mandating two signature authorities for requisition and payment processing. If the proper signature authorities have not approved a transaction, that transaction will be rejected. Additionally, the County purchased a standard payment stamp request to be used by all staff when processing payment packages for accounts payable processing. This stamp requires two signatures and designates between the requester and the buyer.

Additional training has been conducted by County fiscal staff to ensure that all staff county-wide understand their role and responsibility specific to the use of public funds. The County also requested and received training from the Office of the State Auditor. The training was mandatory and was delivered to staff as well as the Board of County Commissioners. Additionally, the BCC is considering the creation of an audit committee to assist with additional oversight.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2010**

**SECTION II - FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (Cont'd)**

FS 10-02 AGENCY RESPONSE (Concl'd)

The County also approved an Ordinance specific to the Procurement Policy specifying dollar thresholds, requiring BCC approval for procurements greater than \$100K, and requiring construction management services for any procurement greater than \$250,000. The County also requires that the use of another entities price agreement to procure goods/services be approved by the BCC; such use must also be justified. The County is currently moving in the direction of establishing County price agreements as needed and attempting to eliminate the need to piggyback on another entities price agreement where feasible.

Lastly, the County is considering the creation of an ethics board along with the passing of a proposed ethics ordinance in an effort to eliminate future fraudulent activities.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2010**

**SECTION II - FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (Cont'd)**

FS 10-03 CONDITION

During our review of cash and investments, we noted the following.

1. The County maintains a depository account that is outside the geographical boundary of Santa Fe County.
2. For one bank account the County did not pledge collateral equal to one half the amount of public money in the account.

CRITERIA

1. Section 6-10-10 (B) NMSA requires that the County utilize banking institutions within the geographical boundaries of their respective counties.
2. Section 6-10-17 NMSA 1978 requires that for deposits in banks, savings and loan associations, or credit unions, in an aggregate amount is not equal to one half of the amount of public money in each account.

EFFECT

The County was not in compliance with guidelines over bank accounts.

CAUSE

Sufficient monitoring procedures over the County's bank accounts were not in place for the compliance requirements noted.

RECOMMENDATION

The County should close the account and transfer the funds to a bank within the geographical boundary of Santa Fe County. In addition, collateral should be obtained for the underinsured account.

AGENCY RESPONSE

The County will maintain the investment in the depository account that is outside of the geographical boundary of the County until it matures. This investment will mature prior to the end of FY 2011. The County will ensure that future investments are restricted to the mandated geographical boundary requirement. The finance division will work immediately with the depository institution to ensure that the funds are collateralized at the required amount per both statute and the County's investment policy.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2010**

**SECTION II - FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (Cont'd)**

FS 10-04 CONDITION

New employees hired into positions that did not pay into Social Security did not sign an acknowledgement.

CRITERIA

The Social Security Administration now requires all state and local government employers to disclose to all new employees the fact that their job is not covered by social security if they were hired for a position not covered by social security.

EFFECT

The County was not in compliance with Social Security Administration guidelines and the New Mexico Audit Rule.

CAUSE

The County was not aware of the requirement to obtain a signed acknowledgment from the employee.

RECOMMENDATION

The County should implement a process to obtain a signed acknowledgment from new employees during the hiring process.

AGENCY RESPONSE

The County was not aware of the new legislation [Section 419(c) of Public Law 108-203, the Social Security Protection Act of 2004] requiring State and local government employers to provide a statement to employees hired January 1, 2005 or later in a job not covered under Social Security. The statement explains how a pension from that job could affect future Social Security benefits to which they may become entitled. Upon learning of the deficiency, both the payroll and human resource functions attained and distributed the prescribed form (SSA-1945) to all respective staff for completion and signature. The County has also formulated a process whereby signed acknowledgments from new employees will be attained during the hiring process and kept on file.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2010**

**SECTION II - FINDINGS RELATED TO FINANCIAL STATEMENTS REPORTED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* (Cont'd)**

FS 10-05 CONDITION

The Utilities Fund, an enterprise fund, reported a operating loss of \$855,022 for the year ended June 30, 2010.

CRITERIA

The County should have adequate procedures and controls in place to ensure the business-type activities operate at a break-even level.

EFFECT

The fund is operating at a loss and relies on the general government to subsidize its operations.

CAUSE

Utility rates do not appear to be sufficient to cover operating expenses of the fund.

RECOMMENDATION

The County should review the current billing process and operations of the Utility fund to identify the cause of the operating deficit and determine the processes and procedures needed to operate effectively.

AGENCY RESPONSE

The County is considering transitioning, in FY 2011, the Utilities Fund from that of an Enterprise Fund to a Special Revenue Fund. This transition would be short-term (3-5 years) while the utility develops and grows. The Utilities customer base is currently too small to support the full cost of installing new infrastructure or supporting the full cost of maintaining the existing infrastructure. This infrastructure includes large transmission lines, booster pumps and storage reservoirs. A plan exists at this time to gradually increase the size of the county utilities customer base over the next five years, without adding to the current debt obligations or significantly impacting the cost of operations. The county is also working on adjusting the rate structure on both water and waste water.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED JUNE 30, 2010**

**SECTION III – FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS**

None reported.

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**STATE OF NEW MEXICO  
SANTA FE COUNTY  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2010**

**Status of Prior Year Findings**

Finding No. FS 06-01  
Status: Not corrected.  
See current year FS 06-1.

Finding No. FS 06-02  
Status: Corrected

Finding No. FS 07-01  
Status: Not corrected.  
See current year FS 07-1.

Finding No. FS 07-02  
Status: Partially corrected.  
See current year FS 07-02.

Finding No. 09-01  
Status: Corrected

FINANCIAL STATEMENT PREPARATION

These financial statements were prepared by Heinfeld, Meech & Co., P.C. from the original books and records of the Santa Fe, New Mexico.

**STATE OF NEW MEXICO  
SANTA FE COUNTY  
EXIT CONFERENCE  
YEAR ENDED JUNE 30, 2010**

An exit conference was conducted on November 4, 2010, in a closed meeting, in which the contents of this report were discussed with the following.

**Santa Fe County**

Kathy Holian, County Commissioner  
Harry Montoya, County Commissioner  
Katherine Miller, County Manager  
Teresa Martinez, Finance Director  
Patricio Guerrero-Ortiz, Utilities Director  
Joseph Gutierrez, Community Services Director  
Dodi Salazar, Housing Director  
Domingo P. Martinez, County Assessor  
Victor P. Baca, Deputy Assessor  
Victor A. Montoya, County Treasurer  
Penny Ellis-Green, Assistant County Manager  
Brian Baca, Chief Deputy Treasurer  
Samuel L. Montoya, Account Senior

**Heinfeld, Meech & Co., P.C.**

Corey Arvizu, Partner  
Melissa Spangler, Partner